PARLIAMENTARY DEBATES

(HANSARD)

SIXTH SERIES—VOLUME 461 (Part 1)

HOUSE OF COMMONS

OFFICIAL REPORT

SECOND SESSION OF THE FIFTY-FOURTH PARLIAMENT
OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
FIFTY-SIXTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SESSION 2006–2007

COMPRISING PERIOD
4 June—21 June 2007

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THE PARLIAMENTARY DEBATES

OFFICIAL REPORT

IN THE SECOND SESSION OF THE FIFTY-FOURTH PARLIAMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 11 MAY 2005]

FIFTY-SIXTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES **VOLUME 461**

NINTH VOLUME OF SESSION 2006-2007

House of Commons

Monday 4 June 2007

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

WORK AND PENSIONS

The Secretary of State was asked—

New Deal

1. **Mr. David Amess** (Southend, West) (Con): What recent assessment he has made of the effectiveness of the new deal for young people. [140289]

The Secretary of State for Work and Pensions (Mr. John Hutton): Since 1997, long-term youth claimant unemployment has fallen by over 70 per cent. Independent research published by the National Institute of Economic and Social Research confirms that the new deal has contributed significantly to that improvement. It found that long-term youth unemployment would have been twice as high without the new deal for young people. As a result, the Department is spending £5 billion per year less on unemployment benefits than in 1997.

Mr. Amess: The figures that have been presented to me tell me that, unfortunately, nearly half of all young jobseekers who leave the new deal for young people return to benefit after a year. What are the Government trying to do to direct those young people into sustainable jobs and to change the present situation?

Mr. Hutton: We are looking to improve the delivery of services under the new deal and we will make announcements about that shortly, but there is no doubt that the new deal for young people has been a success, as I described. It has helped over 700 young people in the hon. Gentleman's constituency. Without this Labour Government putting that investment in, they would have been looking at years of unemployment, as they did under the previous Conservative Government.

Jeff Ennis (Barnsley, East and Mexborough) (Lab): In my constituency, 1,700 young people have been helped back into work under the new deal. However, over 4,000 16 to 18-year-olds are categorised as NEETs—not in education, employment or training. Does my right hon. Friend agree that we need to be positively targeting those young people via successful schemes such as train to gain and entry to employment, which we are operating successfully in Barnsley, East and Mexborough?

Mr. Hutton: I am grateful to my hon. Friend. There is no doubt that we need to target additional help and support for that category of young people. Train to gain will help us to do that. The activity agreements that my right hon. Friend the Chancellor announced in the Budget will help us, too. It is important, however, to keep the matter in context. In 1993, one in four 16 to 25-year-olds was not in education, employment or training. Now the figure is closer to one in six.

Mr. Frank Field (Birkenhead) (Lab): Does the Secretary of State agree that, despite the successes of the new deal, unemployment among young people is now rising, the number of NEETs is rising and so is the inactivity rate? Although many of us hope that he will have a long stewardship of the Department to implement many of his longer-term decentralising reforms, might not one move be to bring in the new deal from day one of unemployment?

Mr. Hutton: We will respond shortly to the Freud report on the next stage of welfare reform. David Freud recommended that we provide more targeted

help and support at an earlier point in the process for those who perhaps have the greatest overall barriers in coming back to work. We will make an announcement about that shortly, but we continue to look carefully at the new deal, at how it is working, and at the need to increase flexibility and better control front-line aspects of the new deal programme.

Personal Accounts

2. **Rosie Cooper** (West Lancashire) (Lab): What progress is being made towards the introduction of personal accounts. [140290]

The Secretary of State for Work and Pensions (Mr. John Hutton): We will publish our response to the consultation on the personal accounts White Paper shortly, together with our response to the recent Select Committee on Work and Pensions inquiry. Our intention remains to introduce a Bill in the next Session of Parliament.

Rosie Cooper: Personal accounts give many thousands of working families in my constituency who do not have an occupational pension an investment option, but only if they have confidence in that option to invest in those accounts. Can the Secretary of State indicate what he will do to ensure that those people have confidence and invest in those accounts?

Mr. Hutton: The first and perhaps most important thing that we can all do is to make sure that there is a strong and enduring consensus around the policy itself. I believe that that is the case after the excellent work that Lord Turner did. The key responsibility, of course, will be in this House. We have legislation to enact in the next Session, as I said. It will be important that the personal accounts delivery authority, the new independent board that will be set up to oversee the introduction of the new policy, has the right remit and produces the right guidance, information and help for millions of workers who are not familiar with occupational pension schemes, but who, like many people in my hon. Friend's constituency, are keen to start saving. It is the responsibility of Ministers, the delivery authority and all of us in the House to continue to make the case for additional workplace savings. We must do all we can here to solidify that consensus and to ensure that the reform can serve her constituents in the way in which she and I would both like.

Mr. David Laws (Yeovil) (LD): Does the Secretary of State agree that, alongside encouraging personal accounts, the Government must do all they can to keep good-quality defined benefit schemes in operation? If so, why have the Government chosen explicitly to ignore the recommendation of the Government Actuary in relation to the level of the contracted-out rebate that applies from April this year? Is not that decision essentially another back-door tax on pensions? Will the Secretary of State review that decision in April 2008, which the right hon. Member for East Ham (Mr. Timms) indicated would happen when he was Minister for Pensions?

Mr. Hutton: We always keep such decisions under careful review. The hon. Gentleman is a one-track record when he refers to all these reforms; he has nothing positive or constructive to offer. We both agree that consensus is an important part—*[Interruption.]* The hon. Gentleman is having a second bite at asking his question, but he should have got his first attempt right. If he had done so, I might have answered in the way that he would like, but I prefer to answer in the way that I wish given the question that he actually asked. I hope that the Liberal Democrats will at some point come to support—however grudgingly—the policy on personal accounts.

Ms Sally Keeble (Northampton, North) (Lab): Does my right hon. Friend agree that it is particularly women in work who have missed out on occupational pensions who miss out on pensions? How will he ensure that the new personal accounts are targeted on such people so that they get the necessary advice to ensure that they can fill that important gap in their pension provision?

Mr. Hutton: If we are to succeed in doing that—as my hon. Friend and I both wish us to do—we must continue the discussions that we are having with the pensions industry, employers and trade unions. It is important that personal accounts are targeted specifically on the group of people that Lord Turner and the Government have in mind: low and moderate income earners who work for companies that do not have an occupational pension scheme. We can continue to ensure that the policy works in the way that my hon. Friend and I want by making sure that there is a cap on contributions, that there are restrictions on transfers in and that there is a simple scheme exemption process. Personal accounts must be complementary—they must not compete with good-quality existing pensions. I am sure that we can design the system in that way.

Mr. John Redwood (Wokingham) (Con): Is not the Secretary of State ashamed of the low savings rate that there has been in this country under this Government, and is not the main reason for that the removal of tax reliefs, particularly on pension funds, along with the downgrading of tax relief on other saving schemes? Does he accept that we need better tax breaks to get people to save more, which they clearly need to do to have a prosperous retirement?

Mr. Hutton: Fiscal incentives will be attached to the introduction of personal accounts; I am sure that the right hon. Gentleman is aware of that. If he and his party colleagues truly believe what he has just said they would be proposing to reverse the dividend tax credit changes that we made. I understand that they are not planning to do so, although he personally might favour that.

Mr. Philip Hammond (Runnymede and Weybridge) (Con): The Secretary of State has already agreed with the hon. Member for West Lancashire (Rosie Cooper) that public confidence in the pension system must be restored if personal accounts are to be successfully introduced. Does he understand that a vital part of that process is the delivery, without further delay or prevarication, of a fair and equitable solution to the situation of the 125,000 victims of pension scheme failure whom the ombudsman's report identified?

Mr. Hutton: Yes, I do accept that, which is why we have brought forward further proposals to make the financial assistance scheme more comprehensive in its scope and more generous in its application. It is also why we have set up a review to discover whether there are other unclaimed assets that we can use to improve the minimum 80 per cent. guaranteed level of compensation that will be available under the FAS. As well as accepting that that is important, I am confident that the Government have introduced a full and comprehensive set of measures to deal with the problem. Looking forward, in respect of the Pension Protection Fund, we have the right guarantees in place.

Mr. Hammond: I am glad that the Secretary of State accepts the need to restore confidence, but how does the emotive and aggressive language of his High Court submission against the ombudsman help to restore that confidence? Will calling the ombudsman's decision "flawed, irrational and peripheral" rebuild that confidence? Or perhaps he thinks that that objective will be best achieved by asserting that the parliamentary ombudsman—an Officer of this House—is

"no better placed to form a view than the Secretary of State"?

I will tell the Secretary of State what he needs to do if he wants to rebuild confidence—

Mr. Speaker: Order. The hon. Gentleman has rightly asked a question, but he should not give advice—not at this stage.

Mr. Hutton: The Secretary of State always acts on the basis of the legal advice that he receives. The Government's lawyers produced those arguments and I am happy to stand by them.

Inactive Benefits

3. **Philip Davies** (Shipley) (Con): How many people are receiving inactive benefits; and if he will make a statement. [140291]

The Minister for Employment and Welfare Reform (Mr. Jim Murphy): As at November 2006, 3,701,710 people were in receipt of inactive benefits in Great Britain of whom the majority—almost 2.7 million—are customers on incapacity benefits.

Philip Davies: The number of people on incapacity benefit for five years or more has gone up from 67,000 in 1997 to 1.5 million today. What are the Government doing to address this problem, and how did they get themselves into this mess in the first place?

Mr. Murphy: The hon. Gentleman's tone seems to be entirely out of synch with that of his Front-Bench colleagues on this important issue, on which they have sought to build consensus. The fact is that, after two decades of remarkable rises in the number of people on incapacity benefit, we have had two years of sustained falls; nevertheless, we still have to go further. The national roll-out of pathways is important, and the Welfare Reform Act 2007, which passed through this and the other place, is also an integral part of the process. Ultimately, we want to move away from a system under which too many people were written off during many years of Tory neglect and avoidance of supporting people who needed support through the welfare system.

Keith Vaz (Leicester, East) (Lab): It must be right that those who cannot work because they are simply not able to perform their duties as an employee are able to get benefits. However, is my hon. Friend satisfied that the appeals system is working quickly enough, so that, when people are not given the benefits that they deserve, they can go to the tribunal speedily to enable such decisions to be made and be satisfied with the result, and so that we can have proper deliberations on these matters?

Mr. Murphy: My right hon. Friend is right to say that we must ensure that the appeals mechanism is speedy, but it must also be accurate. An important part of that is getting the initial assessment correct, because if we can do that, far fewer appeals will be needed and the type of frustrations that he identified will no longer be in play. That is why, when we reform the personal capability assessment, we will transform it so that it takes into account modern trends in disability, mental health illness and learning disabilities. That is a real change from the past.

Mr. Owen Paterson (North Shropshire) (Con): The Minister did not really answer my hon. Friend the Member for Shipley (Philip Davies) at all. Why were 2 per cent. more people of working age on incapacity benefit in August 2006, compared with May 1997?

Mr. Murphy: The fact is that there have been two years of reductions in the number of people on incapacity benefit. The investment that has been put in place through pathways, which the hon. Gentleman and his colleagues opposed every penny piece of, has had an important impact. Some 32,000 people have got into work through the roll-out of pathways thus far, and 900,000 fewer people are on inactive benefits today, compared with a decade ago; that is more than 300 people each and every working day supported off benefit and into work. When we voted on these issues in the Commons, the hon. Gentleman opposed every single penny piece of investment to make all this work and to make the transformation of people's lives possible.

David Taylor (North-West Leicestershire) (Lab/Co-op): About 8 million people of working age are economically inactive. The number on benefits is perhaps slightly under half that, but the largest single group on incapacity benefit remains those with chronic mental ill health conditions. Is the Minister convinced that we are doing enough to tackle some of the problems that those people experience in getting into work, particularly with medium-sized employers, among whom there seems to be a continuing reluctance to accept the employability of such individuals?

Mr. Murphy: My hon. Friend is right, and one of the successes of pathways thus far is that we are trying to support people, often with complicated needs, who have been excluded from the labour market for prolonged periods. Importantly, that includes those with learning disabilities—the labour market's attitudes

toward those people are gradually changing, although not enough—and those with a fluctuating mental health illness, who constitute the largest number of people coming on to the benefit. Again, the change in the assessment should help in that regard, but my hon. Friend is absolutely right to say that we have to go further in working with employers—both private and public sector—to give job opportunities to those on incapacity benefit with a mental health illness who wish to work.

Mr. David Ruffley (Bury St. Edmunds) (Con): There is an emerging consensus that there must be large-scale recycling of benefit savings to fund many more voluntary and private sector welfare-to-work programmes. However, that can happen only if the Chancellor of the Exchequer allows benefit savings from the Department for Work and Pensions' annually managed expenditure budget to be moved across to its departmental expenditure limits budget. Can the Minister confirm today that the Chancellor has personally signed up to that, because there is a genuine fear in the sector that he has not, and that he is once again being the road block to reform?

Mr. Murphy: The Chancellor publicly declared that he would champion that and many other reforms in the public sector, and along with my right hon. Friend the Secretary of State, he attended the launch of the Freud report. The fact is that, if we had continued with the increases in the number of people on incapacity benefit that we inherited from the party of the hon. Member for Bury St. Edmunds (Mr. Ruffley), we would not be talking about reductions in the number of people on incapacity benefit; the number today would be 4 million. In terms of the attitude of the Chancellor, the sound economy, macro-economic stability, the investment in the new deal and the active labour market policies—all of which he championed, in contrast to the Opposition—have helped to make a reality of much of our success in the world of welfare.

Child Maintenance

5. **Miss Anne McIntosh** (Vale of York) (Con): Whether he plans to review issues relating to child contact and access as part of his reforms of child maintenance. [140294]

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. James Plaskitt): No, we will continue to treat contact and child maintenance as separate issues.

Miss McIntosh: Does the Minister not realise that, in many instances, fathers are being excluded from the upbringing of their children? Although it was recognised that there were good reasons for separating the issues when the current legislation was introduced, does he agree that every child benefits from access to, and contact with, both parents, and from both parents being involved in their upbringing? Would this not be a good moment to review the legislation and consider shared parenting?

Mr. Plaskitt: On the hon. Lady's first point, I agree that it is of course desirable that both parents continue to be involved in the upbringing of the child. We would all subscribe to that idea. However, the point is that relationships break down, and it is then up to the separating couple to decide how they will maintain their relationship with the child or children. Some couples will do that voluntarily and others as a result of being forced to do so by an agreement that is arrived at in court. However, what should not happen is that a dispute between parents results in the child or children becoming a pawn in the settlement of maintenance. The two issues are linked, but in establishing a system of determining maintenance, it is important that they are not linked in the way in which the hon. Lady suggests.

Jane Kennedy (Liverpool, Wavertree) (Lab): I say to my hon. Friend respectfully that it is not a bad idea to consider that issue as part of the review and reform of the child support process. In doing so, will he consider the case of one of my constituents, Frances Lyttle, who has had a nightmare 10 years since her husband left her with two children? She was in court today, trying to resolve divorce issues. The Child Support Agency is absolutely incapable, and it is so inflexible that its actions are creating an injustice while the courts try to bring about a just settlement.

Mr. Plaskitt: My right hon. Friend is, I think, talking about contact orders, which are not the responsibility of the Child Support Agency, nor will they be the responsibility of its successor body. She may be aware that the Government have already taken action in the Children and Adoption Act 2006 to try to reinforce contact orders. I repeat that we would not want a tussle between parents over contact to drag in the children and make them a pawn in the argument. That would not be right, which is why the issues are quite properly kept separate. The matter was reconsidered in the context of David Henshaw's review, and there was no consensus among the groups that were consulted for any change in the arrangements, which is why we have decided to persist with them.

Mr. Mike Weir (Angus) (SNP): It is not often that I entirely agree with the Minister but, on this subject, I do. As someone who has dealt with the matter as a solicitor and as a Member of Parliament, I urge him to resist calls to link the two issues, because there is a real danger of children being used as pawns by both sides in such an argument. It is important that the issues are kept separate.

Mr. Plaskitt: I am grateful for the hon. Gentleman's support.

Unemployment

6. **Mr. Ian Austin** (Dudley, North) (Lab): What assessment he has made of trends in unemployment levels in the UK; and if he will make a statement. [140295]

The Secretary of State for Work and Pensions (Mr. John Hutton): In the early 1990s, unemployment rose by more than 500,000 in one year alone, and it was consistently above 10 per cent.

Since 1997, unemployment has fallen substantially, the number of people in employment is up by more

than 2.5 million, including by 93,000 in the last year alone, and the inactivity rate is now close to its lowest level for 15 years.

Mr. Austin: My constituents recognise that the long-term trend this past decade has been one of falling employment and record numbers of people in work, but those who work hard, play by the rules and pay their way believe that there are still too many people claiming benefits who could be working. What more can the Government do to tighten eligibility so that those people get off benefits and get a job?

Mr. Hutton: I am grateful to my hon. Friend. What he has said will be echoed in constituencies all over the country. The benefit system has to be fair and reasonable—fair to those on benefits, but also fair to those who pay for benefits through their own hard work. There is a case for looking again at some of the rules, particularly those on jobseeker's allowance, and we are doing that. We hope to bring forward proposals shortly.

Mr. Ian Davidson (Glasgow, South-West) (Lab/Co-op): Does the Secretary of State agree that we are at our best when at our boldest? I urge him to be bold and say that we will aim for nil unemployment in some areas of the country, such as my constituency, where the number of jobs about to be created in the Southern general hospital and its associated development is far greater than the number of unemployed people in that area. A drive towards nil employment would be bold but it would clearly discriminate in favour of those who are in greatest need. Will he order his civil servants to work accordingly?

Mr. Hutton: It will not surprise my hon. Friend that I agree that we are at our best when at our boldest. I have visited his constituency with him and seen some of the developments that he mentioned. The really gratifying thing about the changes that have taken place in unemployment is that the biggest falls in the past 10 years have been in constituencies such as those of my hon. Friends the Members for Glasgow, South-West (Mr. Davidson) and for Dudley, North (Mr. Austin). That is right and proper. The Labour Government are here to help those in the greatest need; that has been and will continue to be our priority.

Miss Julie Kirkbride (Bromsgrove) (Con): On the question posed by the hon. Member for Dudley, North (Mr. Austin), has the Secretary of State considered the welfare arrangements in Wisconsin that created a life-term period for access to welfare, which had an extraordinary impact on the number of people claiming benefits?

Mr. Hutton: Jobseeker's allowance is already a time-limited benefit, and we have no plans to change any other arrangements.

Angela Eagle (Wallasey) (Lab): Mr. Speaker, you will know about the recent announcement in Wallasey about job losses at my local Burton's Foods' biscuit factory. Initially, I thought that 660 jobs were to be lost, but that number has gone up to 821. Will my right hon. Friend meet a delegation and tell us what to expect if the closures go ahead, so that we can try to recover the low rates of unemployment to which my constituents have become accustomed in the past 10 years?

Mr. Hutton: I am happy to meet my hon. Friend's constituents. I understand that she already has a meeting arranged with the Minister for Employment and Welfare Reform. Jobcentre Plus will be there to help her constituents in any way possible. We have an effective and efficient system of providing such help that has, sadly, been tested on several occasions. I am also happy to discuss with her what arrangements we can put in place to help her constituents.

Meg Hillier (Hackney, South and Shoreditch) (Lab/Co-op): We recently had the honour, in my constituency, of welcoming my hon. Friend the Minister for Employment and Welfare Reform to meet 31 constituents—mainly single parents. In my right hon. Friend's review of support for getting single parents into work, is he giving particular consideration to the difficulties of parents of larger families with more than two children, and to the support given to parents through Jobcentre Plus?

Mr. Hutton: Yes, we are considering all aspects of the problem. There is no doubt that many single parents in London face serious problems with getting back into work, such as problems with transport and child care. We are working closely with the Mayor of London to address those challenges. My hon. Friend will know that we are also working with five boroughs in the east end of London to develop a more integrated, efficient and, I hope, more effective and individually tailored service to help people such as the ladies whom she mentioned get back into work. We have a responsibility always to continue to consider what more we can do to help, and we are certainly prepared to do that.

Occupational Pensions (Temporary Insolvencies)

7. **Dr. Vincent Cable** (Twickenham) (LD): If he will take steps to assist workers whose occupational pensions were wound-up by companies which were fully solvent but which created temporary insolvencies and closed pension schemes. [140296]

The Minister for Pensions Reform (James Purnell): Ongoing solvent employers have a clear moral duty to support their pension schemes and to provide the benefits that members were expecting. The taxpayer should not be expected to step in and make up such shortfalls in scheme funding levels where there is a sponsoring solvent employer. However, we recognise the complexity of this issue, and one element of the financial assistance scheme review of scheme assets is to examine whether—in addition to those with compromise agreements—there are other pension schemes where it would not be reasonable to expect the employer to have a continuing responsibility for supporting an underfunded scheme.

Dr. Cable: Has the Minister read the forensic accounting study sent to him that showed that some leading American companies—highly profitable companies, such as EMC, EDS and Parsons—systematically

manipulated their UK subsidiary accounts to create temporary insolvencies, wiping out their pension obligations? In those circumstances, will British pensioners be entitled to financial assistance scheme compensation, and will the Minister then pursue the companies to compensate the British taxpayer?

James Purnell: I obviously cannot comment on individual cases, but if the hon. Gentleman is concerned about those schemes, they should apply to the financial assistance scheme operating unit to find out whether they are eligible. We have drawn the definition of insolvency as widely as possible to allow people to do so, and it is also open to him to make representations to the Young review to find out whether they should be included in that category.

Dr. Brian Iddon (Bolton, South-East) (Lab): More than 50 per cent. of occupational pension schemes have assets that far exceed their liabilities, and other schemes are rapidly catching up with them. Can my hon. Friend give the House any assurance that we can stop employers raiding those pensions schemes in the future or creating contribution holidays for them, as happened in the past, which is exactly what got them into trouble?

James Purnell: I can give my hon. Friend the assurance that we now have a much more effective regulatory framework, and partly because of that framework and the pensions regulator's work, deficits are falling, exactly as my hon. Friend says. The regulator works very closely with trustees to ensure that the promises that have been made to people will be delivered, because people are making contributions on that basis and they should expect that to happen.

Saving

8. **Mr. Jim Devine** (Livingston) (Lab): If he will make a statement on progress in increasing opportunities for working people to save for their retirement. [140297]

The Minister for Pensions Reform (James Purnell): The personal accounts White Paper, published last December, set out our proposals for increasing opportunities and incentives to save for retirement. We reached the end of the consultation period in March and shall publish our response shortly. Our proposals will place simplicity and independence at the heart of a system that, from 2012, will introduce a scheme of low-cost personal accounts for millions of people currently without access to good occupational schemes.

Mr. Devine: I am grateful to my hon. Friend for that answer, and like him, I am very proud of what Labour has done for pensioners over the past 10 years, but what is he doing to ensure that employers meet their obligations?

James Purnell: That is a very good point. Unfortunately, the truth is that only a minority of people currently have access to employer contributions to their pension, and through these reforms, we will now extend that to every employee, so that whenever an employee wants to save in their pension, it will be mandatory for their employer to match that, with tax relief from the state. That is a significant step forward.

Danny Alexander (Inverness, Nairn, Badenoch and Strathspey) (LD): Does the Minister agree that people would have greater confidence in saving for their own retirement if the Government had acted to reform public sector pensions, perhaps guided by an independent review? Will he join the consensus initiated by Lord Turner in another place on 14 May that the Government have so far failed to act on the issue? What steps will he take to answer that call?

James Purnell: I am sure that nurses and teachers will notice that the Liberal Democrats are now committing themselves to cutting their pensions, and I am sure that we will be very happy to debate that with them at the next election.

Child Poverty

9. **Bob Russell** (Colchester) (LD): Whether he expects to meet the Government's 2010 child poverty target. [140298]

The Minister for Employment and Welfare Reform (Mr. Jim Murphy): Over the past decade, child poverty in the United Kingdom has fallen faster than in any other major economy, but we have to go further to achieve our target, which is why we published our refreshed child poverty strategy on 27 March.

Bob Russell: Hundreds of thousands of children are still living in poverty, by the Government's definition. If the Minister accepts that housing is a crucial part of removing children from poverty, will he prevail on the new Prime Minister to reverse 25 years of housing policy failure and restore council house building?

Mr. Murphy: Of course, we have invested more than ever before in housing, as a Labour Government, certainly overcoming the record and our inheritance from the previous Government. But the fact is that, in terms of the responsibility of the Department for Work and Pensions, the biggest significant input that we can have is to encourage ever more people to get the chance to get into work—work that pays, and work that is sustained. Of course, we have further to go, but it is important to reflect that, each working day that we have had a Labour Government over the past decade, 190 children have been lifted out of poverty, which is in stark contrast to the fact that, in the previous 18 years, 240 kids went into poverty every day.

Carer's Credit

10. **Mr. Iain Wright** (Hartlepool) (Lab): How many carers he expects to receive the carer's credit in 2010. [140299]

The Parliamentary Under-Secretary of State for Work and Pensions (Mrs. Anne McGuire): In 2010, we estimate there will be around 240,000 more people who could qualify for the state second pension through carer's credit. Of those, around 160,000 could also qualify for carer's credit for their basic state pension, and we will work with carers' representatives to encourage all those who are eligible to apply to do so.

Mr. Wright: I am grateful to my hon. Friend for that reply, but given the invaluable contribution that carers make to our society and the billions of pounds that they save the taxpayer, could we not do more? Will my hon. Friend consider taking specific steps to ease the financial burden on carers, specifically to ensure that carer's credit and carer's allowance are equivalent to the national minimum wage and that carer's allowance can be claimed in conjunction with the state retirement pension?

Mrs. McGuire: Obviously, I can agree with my hon. Friend about the valuable work that carers do and the energy and commitment that they give to their task. He raises two issues that are complex, especially the payment of carer's allowance and the state pension. As he is aware, there is an overlapping benefit rule that makes it impossible to pay two income maintenance benefits to one individual at the same time. However, I hope he also recognises that we lifted the age barrier on entitlement to carer's allowance so that people could carry forward their entitlement to the allowance past the state pension age. Even if such people could not claim carer's allowance itself, they were thus entitled to claim the carer's premium within pension credit.

We are examining ways in which we can enhance the income of carers, not just in retirement but throughout their lives, which is why, for example, carers can earn up to £87 a week as well as receiving carer's allowance. I agree with my hon. Friend that we need to examine constantly how we can improve the situation for carers, which is why we are undertaking a review of the national carers strategy.

Mr. Jeremy Hunt (South-West Surrey) (Con): Given that, according to Carers UK, we will need an additional 3.5 million carers in the next 30 years but that more than half of current carers say that financial worries are affecting their health, does the Minister agree that the complexity of the benefits system does carers no favours? Does she have any plans to review the complexity of the system to ensure that we encourage and support people in their caring roles, rather than frustrating them to the extent that they pass on their responsibilities to the state?

Mrs. McGuire: As I am sure the hon. Gentleman is aware, we have taken steps to simplify elements of the application for carer's allowance. We are constantly looking at how we can improve the application process. We work closely with Carers UK and other carers organisations to examine the wider issues for carers—not just the benefit issue, important though that is. I have pulled together several carers stakeholder groups to examine some of the wider strategic issues. I hope to update the House as appropriate when we have further discussions with that group.

Mr. Jim Cunningham (Coventry, South) (Lab): May I push my hon. Friend a little bit further on people with old-age pensions being able to claim carer's benefit?

Mrs. McGuire: Well, I appreciate that my hon. Friend, in the nicest possible way, wants to push me a little further on this particular issue. There is a complication with two benefits that are essentially for income maintenance being paid to the same person for the same purpose at the same time. We have lifted the state pension age barrier, which, to be frank, was in place for all the years of the previous Government. We lifted that to allow carers to claim the extra entitlement through pension credit that gives them an extra £27.15 a week, to recognise the caring element of their work. The problem is difficult to explain and to understand, but it arises from the overlapping benefits rule. The rules, which have been agreed by this House, across the House, on more than one occasion, state that two benefits cannot be paid to the same individual for the same purpose at the same time.

Mr. Lindsay Hoyle (Chorley) (Lab): Does my hon. Friend agree, however, that financial pressure is one of the biggest worries that carers suffer? As my hon. Friend the Member for Hartlepool (Mr. Wright) rightly asked, should we not ensure a minimum standard by introducing a minimum wage for carers?

Mrs. McGuire: The carer's allowance was introduced by a Labour Government in the 1970s as a recognition of carers' commitment to their caring responsibilities. It was never intended to be a carer's wage, and that has rarely been challenged in this House. We want to look at the wider issues relating to support for carers and, as the hon. Member for South-West Surrey (Mr. Hunt) allowed me to point out, we are working with carers organisations to look across the issues, not just at the benefits system. I reiterate that even carers who receive the full carer's allowance may earn up to £87 a week, after deductions, to ensure that they enhance their income. We are working closely with carers organisations to examine the wider strategic issues relating to carers.

Financial Assistance Scheme

11. **Mr. Andrew Robathan** (Blaby) (Con): How much has been distributed by the financial assistance scheme; and if he will make a statement. [140300]

The Minister for Pensions Reform (James Purnell): As at 25 May 2007, the financial assistance scheme had paid out more than £4.6 million gross—more than £3.6 million net—to more than 1,200 qualifying members. We are paying everyone we can, and members who believe that they are eligible for assistance but are not being paid should ask their pension scheme trustees to apply on their behalf.

Mr. Robathan: I do not think that that will be of much comfort to the members of the pension scheme of British United Shoe Machinery in Leicestershire, who are still waiting for money after the collapse of their scheme. Will the Minister confirm that more than 9,000 people are eligible and that only a very small fraction of that number have been paid from the FAS; and that, even going by the figures that he gave, it has cost more than twice as much to administer the scheme as has been disbursed?

James Purnell: My understanding from meeting people from the scheme is that people in the BUSM scheme are being paid. I believe that 18 members' survivors have been assessed for initial payments and six are in receipt of initial payments.

The more general point is that we cannot pay people if the schemes do not give us the information on what people are owed. We are working with some trustees, such as those at BUSM, where we get good co-operation, but there are others who are not co-operating with us to give us the information we need. My right hon. Friend the Secretary of State has made it clear today that he is prepared to use criminal sanctions against those trustees who persistently refused to give us the information we need.

Mike Penning (Hemel Hempstead) (Con): The Minister said a few moments ago that more than 100,000 beneficiaries of the FAS scheme are now getting the money, but how many of the 125,000 are getting their full entitlement under the scheme and how many of the 700 Dexion workers whose pensions were stolen from them have received the full amount that they were promised?

James Purnell: The hon. Gentleman's question demonstrates a misunderstanding that is quite prevalent. There is no system to pay all 125,000 people now, because the vast majority have not reached pension age. No one is saying that all 125,000 should be paid now. The key point to make is that trustees should be giving us information on people who have reached pension age, so that we can pay them—

Mike Penning: You have not answered the question.

James Purnell: I have. The hon. Gentleman asked that all 125,000 be paid, but no one is proposing that because the majority are below the age of retirement.

Mike Penning: On a point of order, Mr. Speaker.

Mr. Speaker: Order. We do not have points of order at this stage in the proceedings.

Mr. Nigel Waterson (Eastbourne) (Con): Will the Minister disown the claim made on GMTV recently by the Chancellor that every single one of the 125,000 will get at least 80 percent. of their pension? Does he accept that that claim is inaccurate and cynical, and that most FAS claimants, when they get paid at all, will get only half of their original entitlement, with many receiving much less? Why is this Government treating them like second-class citizens?

James Purnell: The hon. Gentleman will not be surprised to hear that I do not disagree with the Chancellor, for the good reason that there is no difference between the hon. Gentleman's party and mine on the issue. The only difference is on whether more taxpayers' money should be put into the scheme. A few weeks ago, the hon. Gentleman said that there should not be more money for it, but when we found money to put into it and doubled the scheme to nearly £2 billion in net present value, the Conservatives agreed with us. The difference is that we were prepared to put more taxpayers' money into it, and they were not.

Post Office

14. **Mr. Alistair Carmichael** (Orkney and Shetland) (LD): What the criteria are for awarding the contract to operate the successor to the Post Office card account; and if he will make a statement. [140304]

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. James Plaskitt): As I made clear in my written statement of 17 May, the new account will be available nationally, and eligibility for the new account will be on the same basis as for the Post Office card account.

Mr. Carmichael: May I suggest to the Minister that when the franchise for the new card account is let, he looks closely at the BBC's experience of letting the franchise for the sale of television licences to PayPoint? That has left literally hundreds of constituents from the smaller islands in my community with no access to an over-the-counter service. Will he give me an undertaking that whatever form the new account takes, it will be accessible to all communities in the country?

Mr. Plaskitt: Yes. As the hon. Gentleman will see from the written statement that I issued on 17 May, we have set out the criteria under which we have asked interested parties to submit an expression of interest. We made it clear that there must be national coverage, and that the account will have to be available in rural areas. That should reassure the hon. Gentleman that the facilities currently enjoyed by his constituents with card accounts will continue to be provided; in fact, there will be additional activity under the account provided by the successor account.

Mr. Eric Illsley (Barnsley, Central) (Lab): Will my hon. Friend ensure that there are sufficient security measures in place for the successor card account, so that we can prevent a type of fraud that I dealt with recently in a constituency case? A couple in my constituency in South Yorkshire were threatened with the loss of jobseeker's allowance, housing benefit and other benefits because a couple in Canary Wharf were claiming funds using a Post Office card account that was opened with my constituents' details. Will he ensure that extra security measures are brought in with the successor card account?

Mr. Plaskitt: I am grateful to my hon. Friend for raising that point. Thankfully, generally speaking we have very few problems relating to fraud with the Post Office card account. From the sound of it, the case that he raised with me is more an issue of identity theft and of course, as he will be aware, the Government are taking many measures to try to bear down on that. The existing card account has been largely devoid of opportunities for fraud, and I am certain that we will carefully consider such issues when we award the contract for the successor product.

Child Support Agency

15. **Ann Winterton** (Congleton) (Con): When he expects the Child Support Agency's successor organisation to be operational. [140305]

The Parliamentary Under-Secretary of State for Work and Pensions (Mr. James Plaskitt): Subject to parliamentary approval, from 2008-09.

Ann Winterton: What assurances can the Minister give the House that when the new body—the child maintenance and enforcement commission—is operational,

it will not repeat the mistakes of the past, in which hundreds of thousands of families were failed, and in which the parent with financial responsibility was often excluded and marginalised? Does he agree that families need fairness, but they also need fathers?

Mr. Plaskitt: If the hon. Lady studies the report that Sir David Henshaw undertook for us and the subsequent White Paper that we issued on replacing the Child Support Agency with a new operation, she will see that we have addressed the very issues that she raises. I think that there is consensus across the House that the CSA's performance was not up to standard, and I think there is acceptance that reforms that were introduced along the way, and which were designed to improve its performance, have not delivered the results that all of us in the House wanted. That is why we came to the view that there had to be a fresh start, and a different way of doing things and of offering a system of child maintenance. The scheme set out for the new commission is fundamentally different from that of the old CSA in many respects. The hon. Lady will see just how different the scheme is if she carefully studies the White Paper, the proposals and the Bill that is to be introduced shortly. The scheme holds out the prospect of the new body delivering the standard and quality of service to its clients that we hoped for, but never managed to achieve, under the CSA.

Pensions Reform

16. **Dr. Julian Lewis** (New Forest, East) (Con): If he will make a statement on the progress of pensions reform. [140306]

The Minister for Pensions Reform (James Purnell): We have made significant progress on long-term reform of the pensions system, which began back in November 2002 with the establishment of the Pensions Commission. The Pensions Bill is now entering the Committee stage in the Lords, and last December we published our proposals to transform the culture of under-saving in the UK for millions of people by introducing personal accounts.

Dr. Lewis: But does the Minister agree that, if pension reform is to be worth the name, there must be a strong restoration of confidence in the procedures to prevent people who have lost pensions from sustaining those losses? He referred to the Bill going through the Lords. Will he guarantee that if the Lords pass amendments on Wednesday that will ensure that those losses are made up, he and his fellow Ministers will not ensure that his hon. Friends are whipped into voting against those amendments and against their conscience?

James Purnell: Here comes the cavalry to rescue the Opposition Front-Bench team from not having managed to get a question out earlier. The Opposition's protestations about a cross-party agreement behind their amendment are starting to fall apart. Did they see that my right hon. Friend the Member for Birkenhead (Mr. Field) wrote recently that the amendment is a dodgy amendment—

Mr. Philip Hammond (Runnymede and Weybridge) (Con): He signed it.

James Purnell: The hon. Gentleman obviously did not explain to him the implication of what he was saying, because my right hon. Friend the Member for Birkenhead is not in favour of using unclaimed pension funds to—

Mr. Speaker: Order. We want to hear what the Minister has to say. The right hon. Member for Birkenhead (Mr. Field) can speak for himself.

HOUSE OF COMMONS COMMISSION

The hon. Member for North Devon, representing the House of Commons Commission, was asked—

Energy Efficiency

18. **Mrs. Sharon Hodgson** (Gateshead, East and Washington, West) (Lab): If he will make a statement on energy efficiency on the parliamentary estate. [140281]

Nick Harvey (North Devon): The parliamentary estate has an energy and waste saving policy which is due for review later this year and can take on board any comments that the hon. Lady and anybody else might wish to make. The current energy efficiency target is to make a 15 per cent. reduction in energy consumption per square metre of building floor area by 2010-11, relative to the base year 1999-2000.

Mrs. Hodgson: Would the Commission consider the use of wind, solar and water power as ways to source its energy needs through microgeneration, on the basis that the House should lead by example in the fight against climate change?

Nick Harvey: I can assure the hon. Lady that the Commission is well seized of the need for the House to lead by example, and I can further assure her that some of those options are being explored even at this moment. We have had meetings with representatives of the microgeneration industries and we are exploring the practicalities of pursuing any of those options.

Mr. Andrew Robathan (Blaby) (Con): I am delighted that the hon. Member for Gateshead, East and Washington, West (Mrs. Hodgson) has raised this issue. The waste of energy in this building is appalling. Anybody who has walked its corridors at night knows that it is like the Mary Celeste—all the lights on and nobody here. In May, when it was hot, the heating was on. Can the hon. Gentleman please assure us that there will be a proper investigation of the matter, and that we will develop modern techniques of switching off lights when there is nobody in the building? They operate on infra-red, I understand, and I think we could do it pretty easily for not very much money.

Nick Harvey: The hon. Gentleman will be aware that such devices have existed in parts of the estate, notably in Portcullis House, where there were many complaints from hon. Members working late in the evening that they were plunged into darkness sitting at their desks

because they had not moved sufficiently to trigger the infra-red light sensors. However, the hon. Gentleman makes a good point. There is a significant problem of energy waste. A variety of high-tech methods of dealing with that have been explored and, where appropriate, they will be fitted, but as I have said on previous occasions, nothing beats the responsibility of hon. Members and other users of the estate for turning off lights when they leave the room.

Helen Goodman (Bishop Auckland) (Lab): Although I appreciate the points that the hon. Gentleman has made, does he agree that it is ridiculous that the annunciator screens are left on when the House is not sitting? Not just overnight during a parliamentary Session but during the long summer recess of 10 weeks, one can come into the Palace and see all along the corridors screens saying, "House adjourned".

Nick Harvey: I am happy to investigate the hon. Lady's point. However, as I have said, the annunciator service into Members' offices can be turned off by individual Members, and indeed should be.

Visitor Facilities

19. **Ben Chapman** (Wirral, South) (Lab): What representations he has received on visitor facilities for the Houses of Parliament. [140282]

Nick Harvey (North Devon): The Commission has taken a close interest in facilities for those visiting the House. Recent improvements include the employment of visitor assistants, and we look forward to the eventual opening of the visitor reception building. The Commission will consider the latest recommendations from the Administration Committee shortly.

Ben Chapman: Although I welcome the new facilities and the new building, have we not for a long time missed a trick in terms of getting more school parties to visit the House of Commons? Does the hon. Gentleman agree that as two thirds of those visiting the education unit come from London and the south-east, we might well think of providing support for travel for schools from other regions of the UK to get a more equitable distribution of visits so that our children can be more involved in the political process in the Palace of Westminster?

Nick Harvey: I have every sympathy with what the hon. Gentleman says. I will not compare constituency distances, but obviously those coming from Wirral, like those coming from North Devon, are confronted with the problem to which he alludes. Hon. Members have made requests to the Administration Committee for some sort of public subsidy to be offered to help school parties from further distances to come here, and a proposal will come forward later this year which the Commission will then consider.

John Bercow (Buckingham) (Con): Pursuant to the question by the hon. Member for Wirral, South (Ben Chapman), one way to improve visitor facilities at the House would be to give young people the chance not merely to observe but to participate in our proceedings. Does the hon. Gentleman agree with that proposition and, if so, does he accept that there is a powerful case for acting to ensure that organised school parties can have, at periodic intervals during recesses, staged debates on the Floor of the House to enhance their interest in this House and to prepare them for their future contributions? *[Interruption.]* The fact that my hon. Friend the Member for Macclesfield (Sir Nicholas Winterton) disagrees gives me great hope for the future.

Nick Harvey: That is not an idea that the Commission has had put before it, and we have not had the chance to consider it. I can see that there would be opposition from certain quarters to such a thing, but if the hon. Gentleman wishes to advance such a proposal, I am sure that it will be considered with proper reverence.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Is it correct that the new entrance for visitors, which is nearly completed and appears to start just outside St. Stephen's entrance, is going to guide them down and round the building in order to come back on themselves to begin the Line of Route? Is that not a masterpiece of planning, and could we not congratulate those who are responsible?

Nick Harvey: I believe that what the hon. Lady says is basically true. People will be guided in and then brought through the north entrance, which will be both the way in and the way out for visitors, enabling them to have a good look at Westminster Hall in the process.

Emerging Democracies

23. **Hugh Bayley** (City of York) (Lab): How much money and staff time were spent by the House on developing the capacity of Parliaments in emerging democracies in 2006-07. [140286]

Nick Harvey (North Devon) (LD): There are many ways in which Members and their staff contribute to developing the capacity of Parliaments in emerging democracies, but they are not funded from within a single budget. For example, during 2006-07 the Overseas Office dealt with 95 visits from 66 countries and ran eight professional development programmes for parliamentary staff from 16 mostly Commonwealth countries. Three staff are engaged directly on this work, with a total identifiable cost of about £200,000, of which about one tenth was spent on visits to other countries.

Hugh Bayley: It is good to hear that the staff of this place do so much to help parliamentarians from other countries to learn from our centuries of experience. However, does the hon. Gentleman think that it would be wise if we established a dedicated unit within Parliament to provide such support and advice to other Parliaments in emerging democracies? Canada has had such a unit for decades; should we not examine the feasibility of setting one up ourselves?

Nick Harvey: It is entirely open to the hon. Gentleman to make such a proposal. He wears a variety of hats that would put him in a good position to do so. It is important to realise that what I described represents only part of what the UK is doing and that

other schemes—of which he is well aware—funded by the Treasury and the Foreign Office support such work in many other ways. The House's actions in that regard should not therefore be taken to represent the total of what the UK is doing.

Sir Nicholas Winterton (Macclesfield) (Con): I wonder whether the hon. Gentleman is aware—I believe that he is—of the wonderful work of the Inter-Parliamentary Union, which is very much part of this place, and the Commonwealth Parliamentary Association's UK branch. They do a huge amount to help developing and emerging democracies with good governance and other matters that relate to democratic representation and democratic Parliaments. Could we not utilise the good offices of the IPU and the CPA a little more and thus answer the question that the hon. Member for City of York (Hugh Bayley) asked?

Nick Harvey: I entirely agree that the IPU and the CPA do a great deal of such work—indeed, I was referring to that when I said that other programmes were funded by the Treasury. The Westminster Foundation for Democracy, which the Foreign Office funds, also undertakes such work.

LEADER OF THE HOUSE

The Leader of the House was asked—

Parliamentary Questions

24. **Philip Davies** (Shipley) (Con): What recent steps he has taken to ensure that questions asked by hon. Members are properly answered by Ministers. [140287]

The Leader of the House of Commons (Mr. Jack Straw): I have made clear to the House on many occasions the importance that I attach to the timeliness and quality of responses to parliamentary questions that are tabled in the House. I have raised the matter directly with ministerial colleagues on several occasions.

Philip Davies: Perhaps I could refer the Leader of the House to my exchange with the Minister for Employment and Welfare Reform in Work and Pensions questions earlier today, when the Minister failed to answer my question. What measures is the Leader of the House taking to get Ministers to give straight answers to straight questions? That is what the general public and hon. Members want. May I urge the right hon. Gentleman to do that before he moves on to bigger and better things, or is the culture of spin so embedded in new Labour that he cannot?

Mr. Straw: I am sorry that I missed the exchange in Work and Pensions questions. All my ministerial colleagues try hard to ensure that questions are answered accurately and in a timely fashion. I have been trying to deal with the significant increase in parliamentary questions. I made it clear in evidence—not least to the Procedure Committee—that none of us has an interest in a cap on written ministerial questions. However, that requires some self-restraint by some hon. Members of all parties. If we can achieve that, Ministers will be able to spend more time dealing with answers. I have made the point on several occasions that, although the number of officials who deal with parliamentary questions can vary to some extent according to the volume of questions, that is not the case with Ministers. If they get bogged down, that can lead to inaccurate and sometimes sloppy answers.

Points of Order

Mike Penning (Hemel Hempstead) (Con): On a point of order, Mr. Speaker. I am pleased that the Leader of the House is still here to hear the point of order. Will you give a Back Bencher advice? If we ask a Minister a question and he answers a question that we did not ask, as happened in Work and Pensions questions earlier, it is a slight to our constituents who are waiting for answers from Ministers. We desperately need answers to questions and if Ministers do not answer them, are we not wasting our time?

Mr. Speaker: I can say to the hon. Gentleman that Ministers are responsible for their answers.

Miss Anne McIntosh (Vale of York) (Con): On a point of order, Mr. Speaker. Reference was made earlier to the new visitors entrance. I do not know whether hon. Members realise that visitors will use the same entrance as Members. In the event of a vote and a surge of visitors at the same time, are we meant to use St. Stephen's entrance to avoid the crush? Has any thought been given to Members' access in the event of a vote?

Mr. Speaker: I think that the hon. Lady is mistaken.

Miss McIntosh *indicated dissent.*

Mr. Speaker: The hon. Lady says no, but I think that she is mistaken. I do not use the Members entrance that I knew and loved so well so often now because of being in Speaker's House. However, I understand that it will not interfere with the visitors' centre. It would be best if the hon. Lady went to the Serjeant at Arms Department and looked at the drawings. If I am wrong, she can point that out and perhaps we can rejig the drawings—although the centre will open soon and we could be in difficulty.

Orders of the Day

Legal Services Bill *[Lords]*

[Relevant document: The Third Report from the Joint Committee on Human Rights, Session 2006-07, Legislative Scrutiny: Second Progress Report, HC 287]

Order for Second Reading read.

3.34 pm

The Parliamentary Under-Secretary of State for Justice (Bridget Prentice): I beg to move, That the Bill be now read a Second time.

I am absolutely delighted that, at last, after much debate in the other place, the Bill has finally reached this House. It is an especially important Bill because above all it puts consumer interests at the heart of legal services provision. The consumer focus, as the volume and nature of amendments in the other place show, was clearly forgotten during the Bill's long and drawn-out six-month passage there, so I now look forward to this House reacquainting the Bill with its real purpose. This is our opportunity to give voice to the needs and aspirations of consumers as opposed to providers of legal services.

Before I deal with the Bill, let me pay tribute to Citizens Advice, the Federation of Small Businesses, the National Consumer Council, the Office of Fair Trading and Which? and particularly to the members of those organisations who have worked tirelessly on the Government's consumer advisory panel to inform and shape the Bill and to ensure that it properly reflects the consumer interest. I am, of course, also grateful to leaders and members of the legal profession who have welcomed our agenda for reform and who have engaged with the Government, sometimes very constructively, in the development of the Bill. I also want to acknowledge the hard work and foresight of Sir David Clementi, whose independent review and report in December 2004 set very solid foundation stones for our proposals.

For too long, regulation of legal services has focused on the suppliers of those services at the expense of the consumer. It has been the consistent message from consumers, who have told us loud and clear—as, indeed, did Sir David Clementi—that their needs are simply not being met. In particular, they told us that they were not satisfied with the way that legal services were delivered, as the focus was on what suited the provider as opposed to the consumer; that they had lost confidence in self-regulation alone; and that their experiences of poor complaints handling had undermined their confidence in the system as a whole.

Let us look at some of the underlying problems. Bad experiences with poorly handled complaints, dealt with by the providers' own bodies, have not only given consumers a raw deal, but undermined the confidence that we all should have in our legal profession. Problems with the quality and speed of the handling of complaints about solicitors are well documented: it is a headline story, but it is not just a problem with the Law Society. In fact, based on figures from the office of the legal services ombudsman, we can see that a higher proportion of the total number of consumer

complaints against barristers over the last three years were found to have been handled unsatisfactorily than when compared with complaints about solicitors.

Mr. Oliver Heald (North-East Hertfordshire) (Con): I will just acknowledge that I am a barrister, though not a practising one. Would not the Minister accept, however, that if we look at the legal services ombudsman's annual reports of the Bar and how it deals with complaints, we find that it has been praised the whole way through, whereas when it comes to solicitors, the ombudsman actually fined the Law Society £250,000?

Bridget Prentice: The hon. Gentleman is right about the ombudsman's report, but my point is that while there are many more complaints against solicitors in comparison with the Bar, the percentage of complaints going from the Bar to the ombudsman is marginally higher than the number of complaints about solicitors going to the ombudsman. In other words, I do not believe that either house—the Law Society or the Bar Council—can afford to be complacent about their responses to consumers.

Mr. Kevan Jones (North Durham) (Lab): Does the Minister agree that the key thing that comes through from the deliberations of the other place about the Bar Council is clearly the self-interest of wanting to keep its independence? Does she further agree that, if we are to build confidence in the complaints procedure and also make it independent, the Bar Council must come within the remit of the legal complaints service?

Bridget Prentice: My hon. Friend makes the vital point that the only body to argue for the Bar Council to retain the right to deal with complaints is the Bar Council itself. I suppose that that tells us something about its response to the consumer.

Mr. Heald: Does not the hon. Lady recognise, however, that when the Bar Council disciplines someone, the people who do that work are barristers, who are effective in finding out exactly what happened in court or the circumstances of complex cases? The way in which they do that has been praised to me by, for example, Which? It would not be good if we lost those skills to wheedle out exactly what had happened in particular cases and punish those who had not met the standards.

Bridget Prentice: Of course we should not lose those skills. I am sure that the office for legal complaints, to which I shall refer later, will be able to call in some of those skills should it feel it necessary to do so. Some 33 per cent. of complaints dealt with by the Bar Council go to the legal services ombudsman, compared with about 10 per cent. of those dealt with by the Law Society. The point of the Bill is to reduce the number of complaints made in either sector of the legal profession, so that the consumer gets a better deal.

Mr. Kevan Jones: Does my hon. Friend also agree that the relationship between solicitors and barristers needs to be examined? Recently, I referred to the Legal Complaints Service the case of a poor constituent of mine who had been given very bad advice in relation to her divorce. There was a big question mark over whether barristers needed to be employed in the first place. Dealing with them separately would mean that one body would deal with the complaint against the solicitor, while the other, the Bar Council, would deal with the barrister. In that case, for example, would not it be common sense for one body to deal with the single complaint?

Bridget Prentice: My hon. Friend makes a valid point. He is right: the purpose of the office for legal complaints is to have a one-stop shop to make a judgment as to who, if anyone, is at fault. Time and again, consumers have raised with me the issue that it is difficult for them to tell whether the fault is the solicitor's or the barrister's.

To get beneath the skin of some of the less obvious issues, we have undertaken long, thorough research and wide-ranging consultation. Concerns about the competitiveness of the sector began with the OFT's 2001 report, "Competition in Professions". That identified a number of potentially unduly restrictive rules of the legal profession, which had the potential to drive up costs and prices, limit access and choice, reduce value for money, and inhibit innovation in the supply of services. To a Government committed to delivering a better deal for the consumer, that is simply unacceptable.

Following the OFT's report, the Government consulted publicly throughout 2002, and in July 2003 concluded that the current regulatory framework was

"outdated, inflexible, over-complex and insufficiently accountable or transparent".

It was clear that the existing regulatory framework was more like a "regulatory maze", with a wide range of oversight regulators who had overlapping responsibilities and few clear objectives. The problems were not restricted to oversight regulators. The legal professional bodies contributed to the "maze" by failing to separate the exercise of their regulatory and representative functions. All of that drove the Government to the inescapable conclusion that reform was not only necessary but long overdue.

We therefore immediately appointed Sir David Clementi and charged him with the task of identifying a new framework that would be independent in representing the public and consumer interest, comprehensive, accountable, consistent, flexible, transparent and no more restrictive or burdensome than is clearly justified. He published his report in December 2004. I want to put on record that he lived up to that challenge and produced an excellent report.

The model that Sir David proposed was one of strong oversight regulation under which legal professional bodies would carry out day-to-day regulation provided they separated their regulatory and representative functions. He also proposed that there should be a clear set of statutory objectives and, importantly, that complaints handling should be taken away from the legal professions. The Government broadly accepted Sir David's recommendations and in October 2005 published the White Paper "The Future of Legal Services: Putting Consumers First". I leave it to hon. Members to work out from the title exactly where the Government stand on the issue.

[Bridget Prentice]

In May last year, a draft Legal Services Bill was subjected to pre-legislative scrutiny by a Joint Committee of both Houses, and a very useful process that turned out to be. I am very grateful to the Committee for the hard work that it put into that.

Simon Hughes (North Southwark and Bermondsey) (LD): I think that everyone in both Houses is grateful to the Committee that carried out the pre-legislative scrutiny—*[Interruption.]* No, they were not all lawyers. Having done that work, does the Minister accept that we should listen carefully to what it said, and that where its members supported Opposition amendments in the Lords, the Government should also accept that those amendments are the right ones to keep in the Bill?

Bridget Prentice: I cannot say in all honesty that I would accept the amendments on that basis. We have accepted 34 or 35 of the Joint Committee's recommendations wholly and absolutely, plus another eight at least in part, and have not accepted 14. Given the amount of consideration that we have given to the recommendations, I think that we have been fairly balanced in our approach to the subject.

That was the background. No one could accuse us of rushing ahead without a well thought-out or well thought-through policy.

Mr. David Burrowes (Enfield, Southgate) (Con): As a lawyer and a member of the Joint Committee, I take issue with the point about not rushing the legislation through. Does the Minister accept the concern raised by the Joint Committee about the limited time given for it to consider what at that time were 159 clauses in the draft Bill, which has grown exponentially as the matter has been considered? Perhaps less time could have been given to the amendments if further time had been given to the Committee. Is there not a concern for Parliament that such a time limit has been extended to the Joint Committee on human embryo research? There is profound concern that we should give proper time for pre-legislative scrutiny.

Bridget Prentice: I have always been a great advocate of pre-legislative scrutiny. The timing was challenging, but the Committee clearly rose to that challenge and invited me to respond in an equally short period of time, which I managed to do.

On the Bill itself, regulators must have clear objectives to guide them in exercising their functions and to provide a basis on which consumers can hold them to account. Part 1 sets out those objectives and principles. They will apply to the board, the approved regulators and the office for legal complaints. It is important to be clear that the objectives are not ranked.

Part 2 makes provision for the new oversight regulator, the legal services board. The board will provide independent oversight of legal regulatory bodies. While the day-to-day regulation should, quite rightly, remain with the professions, the board will have a range of powers over them. The Lord Chancellor will appoint the chair and members of the board, and will do so subject to the oversight of the Commissioner for Public Appointments. The Lord Chancellor can also remove members of the LSB subject to strict criteria set out in schedule 1.

An amendment in the other place now means that the Lord Chancellor must seek the concurrence of the Lord Chief Justice in appointing and removing members of the board. I understand that that might give comfort to the legal professions, but it gives no comfort at all to consumers, and I intend to table amendments to reverse that change.

Mr. Heald: It is clearly important to reflect both the consumer interest and the public interest, but there is a feeling that the legal profession should be independent of Government and that claimants should be able to rely on that independence. How can independence be assured if the Minister removes the provision inserted by the House of Lords that the Lord Chief Justice should be happy with appointments to the board?

Bridget Prentice: Clause 1 sets out the regulatory objectives, one of which is

"encouraging an independent, strong, diverse and effective legal profession".

Moreover, the Lord Chancellor's appointments procedure will be subject to supervision by the Commissioner for Public Appointments. A joint appointment would not be dealt with in that way, and could therefore undermine the independence that the commissioner would ensure.

Simon Hughes: As the Minister will have realised, this is controversial territory, to which the House of Lords devoted a great deal of time. I understood her to say that she did not want the professions to decide membership of the legal services board. The Lord Chief Justice, however, is not regarded as a defender of the professions, and the Lord Chief Justice—any Lord Chief Justice—is held in high regard by the public. Does the Minister not think it would be better to bolster the confidence that the public may or may not have in a Government Minister with their confidence in someone who is clearly independent and above the fray?

Bridget Prentice: That is not the view of the consumers with whom we have discussed the issue. They strongly believe that if a lawyer—even one as important and well-respected as this Lord Chief Justice, or any in the past—is seen to be party to the appointments, their confidence in the board will be undermined.

Mr. Kevan Jones: Does the Minister agree that what is paramount is for the legal services board to be seen to be independent, not only from Government but from the profession? Having read the reports of debates in the House of Lords and having heard what was said a moment ago by the hon. Member for North Southwark and Bermondsey (Simon Hughes), I have the impression that the legal profession is confusing the public interest with its own self-interest.

Mr. David Kidney (Stafford) (Lab) *rose—*

Bridget Prentice: I think my hon. Friend and I are at one on this issue, but I fear that one of my lawyer friends may take a different view.

Mr. Kidney: After giving evidence to the Select Committee, Sir David Clementi wrote to the Chairman, Lord Hunt of Wirral, to confirm the recommendation in his report that the judiciary should have a say in the appointment. He wrote:

> "In practice this is likely to mean that the senior judiciary would have representation on the Nolan type committee selection process."

That is much less than is provided by the amendment passed in the House of Lords. Can my hon. Friend assure us that that practice will be followed as Sir David Clementi would wish?

Bridget Prentice: One of the benefits of allowing the Lord Chancellor to make the appointments is that, as well as their being made independently of Government, there will be clear lines of accountability to Parliament. That is one of the reasons why we enshrined the functions in the Lord Chancellor rather than the Secretary of State. The fact that public appointments made by Ministers are subject to supervision by the Commissioner for Public Appointments, and to the commissioner's code of conduct, will help to ensure the board's independence. Another point that may give succour to my hon. Friend is that no Lord Chancellor would make such an appointment without paying attention to the views of others, including the Lord Chief Justice, consumer councils and others. Therefore, I am not minded to leave the clause in as it presently stands, but I will be happy to hear further representations about whether there is a more appropriate way for the Lord Chancellor to go about making appointments.

Several hon. Members *rose—*

Bridget Prentice: I want to move on but I promised my hon. Friend the Member for Wolverhampton, South-West (Rob Marris) that I would give way to him.

Rob Marris (Wolverhampton, South-West) (Lab): My hon. Friend is being as generous as ever. I am a non-practising solicitor. She has given helpful reassurances. In response to the intervention by the hon. Member for North Southwark and Bermondsey (Simon Hughes), she mentioned consulting consumer groups for their views. Has she heard the views of what might be called consumer groups abroad? London is a major earner of foreign currency through legal services, particularly in the shipping sector, but also in the commercial sector. What do foreign users think about the independence of our judiciary and what would be their view were the Lords amendment to be reversed?

Bridget Prentice: I am interested in consumer views abroad. I know that there are those who suggest that the legal professions in other countries think that that system might not be the way forward, but they have their own internal reasons for thinking that, so I am not over-impressed by that particular argument. The work that the legal professions bring to the country and the boost that they give the economy through their work abroad is exceedingly important. We would not want to undermine that, but I do not believe that that system to appoint the legal services board, with the oversight of the Office of the Commissioner for Public Appointments, would in any way undermine that part of the economy.

Several hon. Members *rose—*

Bridget Prentice: I will give way for the final time to the hon. Member for North-East Hertfordshire (Mr. Heald). I apologise to the hon. Member for North-West Cambridgeshire (Mr. Vara).

Mr. Heald: The hon. Lady is being very generous in giving way. I was pleased that she said that she would look at alternatives, but she will be aware that in Germany there is considerable concern and the thought is that solicitors firms from Britain that currently are allowed to practise there might not be in future if the issue is not resolved satisfactorily. Has she looked into that and what is her latest thinking on it?

Bridget Prentice: I have looked into that because the one example that is constantly cited to me is the German example, but the BRAK in Germany is the representative body there, so it is looking at its own vested interests, rather than those of the consumer. As I have said, however, I am happy to look at ensuring that people feel confident that the system of public appointments made through Ministers is robust and will be seen to be independent.

May I move on to part 2 and to the legal services board? The board will provide independent oversight of the regulatory bodies. Again, day-to-day regulation will, clearly, remain with the professions.

I move on to reserved legal activities. Part 3 sets out those legal activities that will come under the regulatory control of the board, such as the provision of advocacy and litigation services. It also provides for the offences of offering or providing those services when not entitled to do so. The Bill also provides for alterations to be made to the list of those activities by affirmative order. That is an important change because, at present, additional activities cannot be brought under regulatory control without primary legislation.

I will be tabling amendments to ensure that trade unions can continue to provide legal services to their members, although they will need to be licensed under part 5 if they want to provide services more widely or on a commercial basis.

Part 4 sets out the arrangements under which the board will regulate "approved regulators" such as the Law Society and the Bar Council, and defines their regulatory and representative functions. That part also provides the board with its powers. Those include to set targets and to monitor the performance of approved regulators; to exercise a power of direction over approved regulators; to censure publicly an approved regulator; to fine approved regulators; to take over a function or functions of an approved regulator; and, ultimately, to remove the designation of an approved regulator. There are grades within those powers, and the board will determine which of them is appropriate at the relevant time.

[Bridget Prentice]

The powers ensure that the board can effectively and fully protect the consumer interest. There must be the widest possible mix of powers, and the greatest possible flexibility in deciding when to exercise them. That is why I intend to introduce amendments to reverse changes made in another place that limit the legal services board's flexibility by adding the term "significant" to the adverse impact test that triggers the use of the powers and by adding a requirement that the impact must be on the regulatory objectives "taken as a whole", rather than on any single objective. As the National Consumer Council has said:

"The Board should not have to wait until a significant or serious event before taking action to protect consumer interests."

Amendments made in another place also sought to make explicit in the Bill the "oversight" nature of the board. Although I have some sympathy with that, in its current form the relevant amendment does not properly reflect Government policy. I therefore intend to bring forward amendments to refine the change. Finally, this part of the Bill also provides the important power—to be exercised by affirmative order, and only following a recommendation from the board—for the Lord Chancellor to modify the functions of approved regulators in order that they might effectively discharge their regulatory responsibilities.

Part 5 of the Bill provides a means of increasing competition and consumer choice. By becoming licensed bodies, firms will be permitted to have different types of lawyer and non-lawyer working together on an equal footing. They will also have access to external investment. The Bill provides a number of important safeguards, including requirements for there to be named heads of legal practice and of finance and administration, and a "fit and proper" test for external investors. I know that there are concerns about the impact these proposals might have on access to justice and I accept that that is a vital issue, but I believe that the Bill already protects—indeed, that it enhances—access to justice, particularly given changes that the Government introduced in the other place to require the board to carry out monitoring of the impact of alternative business structures and to report on that monitoring.

However, it is also important to listen to consumers. Earlier this year, the National Consumer Federation said:

"The increased competition promised in the Bill should be a public benefit encouraging providers to be more responsive to consumer need, stimulating innovation and lowering prices."

I therefore intend to introduce amendments to reverse the amendment made in the other place that could have the effect of ranking the regulatory objectives by requiring special consideration to be given to access to justice when granting ABS—alternative business structures—licences. I also intend to bring forward amendments to reverse those made in another place which require further study and a "sunrise clause" before part 5 can come into effect. That would only serve to delay innovation and consumer choice.

John Mann (Bassetlaw) (Lab): Far be it for me to be seen as a defender of the legal profession, but will the Minister take into consideration the Government's self-inflicted scandal in relation to miners' claims, particularly hearing loss claims? A claims handler called Vendside Ltd—non-solicitors—was allowed to bring forward claims on behalf of consumers, but the consumers then found that there were no regulatory powers in relation to any redress, other than using the civil courts.

Bridget Prentice: My hon. Friend has been robust in his pursuit of Vendside and others over the appalling way in which they have handled matters with regard to his constituents. He, and others among our hon. Friends, welcomed the Compensation Act 2006. That Act means that there is now regulation of the claims handling market, and when the Bill is enacted, it will make that even more robust. My Department and the Department of Trade and Industry have, of course, been working very hard recently to ensure that claims made on behalf of miners are being properly dealt with.

Mr. Heald: Given the appalling record that the Minister has just alluded to with two trade unions, does she really think that there is any justification for excluding unions from the proper regulation that the Bill provides? Is that not asking for the sort of problems with legal advice that we have already experienced with claims handling?

Bridget Prentice: The answer to that question is quite straightforward. If a trade union wishes to give other advice or to spread its wings more widely, it will have to be licensed. If the shop steward on the shop floor is giving advice to that union's members, I do not think it appropriate for it to have to be licensed. If it wants to go beyond that, it certainly would have to be licensed.

Mr. Mike Weir (Angus) (SNP): I should perhaps declare an interest, in that I am a non-practising solicitor, although as a Scottish solicitor I would not be directly affected by this provision. On the sunset clause—or sunrise clause, as the Minister called it—for the ABS, concern has been expressed by the Law Society of Scotland, and, I think, others, about the extraterritoriality of some of the larger firms. The hon. Member for Wolverhampton, South-West (Rob Marris) mentioned large English firms working abroad. As part of our investigations, the Trade and Industry Select Committee came across such a firm in India and in Brazil. Has the Minister considered how the legal services board will deal with businesses that chose to go into an ABS structure but operate in more than one jurisdiction, given that the rules may well be different in other jurisdictions?

Bridget Prentice: The Bill does touch on Scotland, in the sense that we will give effect to the Legal Profession and Legal Aid (Scotland) Act 2007 through it; that to some extent answers the hon. Gentleman's question. However, it will be for the legal services board to look at how different firms operate, and to decide through the various structures that will be set up whether a particular firm is an appropriate one to act in that way. It will then license or not license that firm, accordingly.

Let me clear up the question of whether the clause relating to part 5 of the Bill should be called a sunrise or a sunset clause. It is called a sunrise clause because

the idea is that nothing will happen until the relevant research is done, as opposed to allowing something to happen and reflecting on it afterwards. However, I am sure that *Hansard* will make the appropriate amendments for me regarding the use of the word "sunset" or "sunrise".

Through part 6 of the Bill, we intend to establish a new and independent office for legal complaints, which will provide quick and fair redress of up to £20,000 for the consumer, although the Bill does provide for that figure to be increased.

Mr. Kevan Jones *rose—*

John Bercow (Buckingham) (Con) *rose—*

Bridget Prentice: I shall give way first to the hon. Member for Buckingham (John Bercow) as he has yet to intervene.

John Bercow: I am grateful to the hon. Lady for giving way. She rightly says that part 6, through clause 114, provides for the establishment of the office for legal complaints. I am a little concerned about this. In terms of the Bill's chronological sequence, we are referred for further and better particulars to schedule 15. That is not entirely unhelpful, but I am a little disconcerted to discover only in the explanatory notes the observation that the office will be responsible for determining the details of the ombudsman scheme. Although I understand why the Government are proceeding as they are, if the devil is in the detail, it is a matter of some concern that Members will see that detail only after we have decided whether to approve the Bill. The public are very concerned about the detail of a scheme that will determine whether or not they benefit, and if so to what tune. Does the Minister have some sense of the legitimate concern that people will feel about the fact that they will see the detail only at a much later stage?

Bridget Prentice: The hon. Gentleman makes a reasonable point, and as always, he is accurate about the detail and the parts of the Bill to which he refers. There will be a long run in time before the structure is set up. I mentioned that we started in 2001 with the report by the Office of Fair Trading, and we are now in 2007. Alternative business structures, the office for legal complaints and so on will not be up and running until 2010-11. In the period before the legal services board and the OLC are set up, the details will be considered, and there will be an opportunity for everyone to see them. As I have said from the beginning, the Bill is about consumers, and about putting them at the heart of the legal system. I expect that the OLC would take account of consumer interest when developing an appropriate scheme.

Mr. Kevan Jones: I do not think that £20,000 is a high enough limit. May I give the Minister an example? Mrs. X, from Stanley in my constituency, recently complained to me about a firm of solicitors called Mark Gilbert Morse, which handled a miners' compensation case on her behalf and rejected an offer of £42,000 from the DTI without even consulting her. Subsequently the offer was reduced, and it was only through the legal services complaints service that we shamed the company into paying her the original figure of £42,000. If it had been pinned down at £20,000, my constituent would have lost in excess of £22,000.

Bridget Prentice: I understand my hon. Friend's point, which is why the Bill allows for the amount to be increased. We set it at £20,000, which is still above the Law Society's present level of £15,000, which was increased only recently. It will be not for me but for the OLC to determine whether to recommend that the amount be increased.

John Mann: No doubt the matter will be gone into in more detail in Committee. However, is the Minister aware of the significant number of services awards for miners' compensation claims which solicitors appear not to have put in for, and which, on the balance of probabilities, are all liable to be higher than £20,000? They include the case of one of my constituents, in which the solicitors concerned had to pay back £23,000. Many such detailed potential claims will go forward as complaints against solicitors, and all are liable to be in excess of £20,000. Should not that figure be reconsidered at this stage, to avoid the absurdity of having to change it within days of the Bill becoming an Act?

Bridget Prentice: My hon. Friend makes a very good case for tabling an amendment in Committee—should he be on the Committee. We can have a full and detailed debate about it then.

Mr. Jonathan Djanogly (Huntingdon) (Con): I state my interest as a solicitor and as a member of the Law Society. The Minister says that she will exempt trade unions from part 3 of the Bill. Does she intend to exempt them from all the reserved legal activities set out in clause 12(1)?

Bridget Prentice: Yes. As I said, under part 3 we will exempt the trade unions when they provide services to their members. However, when lawyers—perhaps in-house lawyers—employed by trade unions provide reserved activities, they will be regulated in exactly the same fashion as any other lawyer. I was talking about lay members of trade unions who give advice in their workplace. Lawyers who are employed by trade unions will be regulated in the same manner as any lawyer working in any other firm.

Mr. Heald: The Minister will understand the concern caused by the idea that if a shop steward represented a union member at an employment tribunal and made a hash of it there would be no redress, whereas if that person were represented by someone from a citizens advice bureau, there would be redress. Is that what she is saying?

Bridget Prentice: No, that is not what I am saying. Perhaps the hon. Gentleman's lack of knowledge of the trade union movement is rising to the surface. The work that lay officials of trade unions do on behalf of their members, whether in employment tribunals or elsewhere, is generally of a very high quality. I do not want trade union members to be any less well-off than anyone else, and I want to ensure that they are not. We have been working with the TUC and the Law Society to deal with that matter, and I think that we have agreed an appropriate way forward.

Under part 6 of the Bill, every authorised person must have internal complaints-handling arrangements,

[Bridget Prentice]

and approved regulators must set standards for that. The Bill recognises the importance of the legal professions disciplining their members, and provides for potential professional misconduct matters to be referred to approved regulators for consideration of disciplinary action.

There are two areas in which amendments were made in another place. First, there were amendments to restrict the circumstances in which the OLC may impose a charge on a respondent when a complaint is received, as under the case fee arrangements operated by the Financial Ombudsman Service. Again, I have sympathy for the arguments expressed in the other place, but the Bill already provides for that fee to be reduced or waived; and I am not yet fully convinced of the merits of restricting the OLC's flexibility in that way. I therefore intend to table amendments to reverse those changes.

Secondly, following calls primarily—or I suspect, exclusively—from the Bar, amendments were made providing for the delegation of complaints handling from the OLC back to the legal professional bodies. That point was raised earlier. That change defeats the whole purpose of this part of the Bill, and flies in the face of the deepest felt consumer concerns about complaints handling. Indeed, even the Law Society's complaints-handling body accepts that

"delegation of complaints handling would dilute the Bill and the Office for Legal Complaints and be more complicated for consumers. The Bar Council seeking to 'opt-out' weakens the structure of the Bill and the Office for Legal Complaints."

I agree. As far as consumers are concerned, that is a clear red line. I shall, therefore, table amendments to reverse those changes, and I shall be interested to hear the views of the House on that important issue.

David Taylor (North-West Leicestershire) (Lab/Co-op): I must declare an interest, in that I am in a minority in the Chamber because I am not a lawyer. Before the Minister goes on to discuss the OLC's objectives, will she pay at least some tribute to the midlands-based Legal Complaints Service? It has been noticeably independent of the Law Society, has been recognised by the consumer association Which?, and has been engaged on an agenda of improvement for some years.

As we still have three years until the OLC emerges, will the Minister encourage the Legal Complaints Service to continue to invest in the improvement and independence that has impressed great numbers of people throughout the country? It has dealt with 18,299 complaints against solicitors in the most recent year for which we have figures. That is more than one complaint for every six solicitors. It still has a role in the next three years, has it not, so will my hon. Friend say something positive about what it has done in the past year or two?

Bridget Prentice: My hon. Friend makes the very important point that the improvement made in recent years by the Legal Complaints Service has been remarkable, and much of that is due to the leadership shown by Shamit Saggar and others in ensuring that they deal with things robustly. My hon. Friend rightly points out that they must continue to deal with complaints about solicitors for the next three years. So it is very important that we manage properly the transition from the complaints services provided by the Law Society and the Bar, so that complaints continue to be dealt with and so that the improvement in dealing with them continues, too. I am very happy to put all that on the record.

Simon Hughes: The Minister helpfully indicated earlier how many of the pre-legislative scrutiny Committee's recommendations had been accepted and how many had been rejected. I think that I have now calculated that she has addressed each amendment made by the House of Lords, and unless I am mistaken, she has indicated that the Government will accept none of the Lords amendments. Is that the position, or is the reality that although the Government are saying today that they will accept nothing, they recognise that the House of Lords has an important role, and that the best legislation is made when they listen to both Houses of Parliament and do not steamroller things through on the basis of the views of one side alone?

Bridget Prentice: No, the hon. Gentleman is wrong. We have accepted a number of amendments in the House of Lords. For example, we have agreed that the public interest is different from the consumer interest. We have substituted the term "Lord Chancellor" for "Secretary of State". We have amended the threshold for action on financial penalties. We have accepted the requirement for the ABS licensing authorities to issue policy statements. We have given the board a specific duty to cover ABS in its annual report. We have accepted a number of consumer-focused amendments, a power for ombudsmen to enforce the determination on a complainant's behalf, and a narrowing of the circumstances in which complainants can be ordered to pay costs, and so on. We have accepted a number of amendments that were proposed in the Lords, and I pay tribute to my noble Friend Baroness Ashton, who worked very closely with others in the Lords in getting the Bill to its current position.

Part 7, which sets out further provisions relating to the board and the OLC, will require that those who are subject to regulation must pay for the cost of that regulation. The alternative—that the changes should be funded through general taxation—does not seem appropriate. Parts 8 and 9 will provide for amendments to existing legislation to align it with the Bill.

Mr. Burrowes: In relation to the board, I have not yet heard whether the Minister will honour the undertaking given in the other place. Hon. Members who are lawyers are used to honouring undertakings, and it would be useful if the Minister would do likewise, particularly in relation to the Lord Chancellor's power to increase the size of the LSB. I understand that an undertaking was given that that relevant power could be dealt with by affirmative, rather than negative, resolution.

Bridget Prentice: I will have to look in more detail at whether we have given such an undertaking. It is not one that jumps to the forefront of my mind at the moment, but I will look at it, and if we have given an

undertaking, I will seek to find out whether there is a way in which we can carry it out. But I make it clear that I am not making any guarantee to the hon. Gentleman.

I apologise to the House for taking quite so long over the Bill, but as hon. Members will know, it is a pretty hefty piece of legislation. Parts 8 and 9, as I said, will provide for amendments to existing legislation, and I will introduce a number of minor amendments, including those promised in another place, to ensure that the Bill is consistent with existing legislation.

The rules of the Solicitors Disciplinary Tribunal will be subject to oversight by the LSB. The courts will be able to make a costs order in civil cases in favour of a party whose legal representation has been provided on a pro bono basis. Awards will be made at the discretion of the court and will be payable to a designated charitable body. As I have said, the Bill will give effect to the Legal Profession and Legal Aid (Scotland) Act 2007, which introduces new arrangements for handling complaints about lawyers in Scotland.

The Bill will restore consumer confidence. We will see a modern, flexible, transparent and independent system of regulation. We will have a new oversight regulator that can act, and will act, to protect consumer interests. There will be enhanced competition, with lawyers able to provide services in new and innovative ways. Most importantly, we will see the sweeping away of decades of piecemeal reform and a new robust regulatory system in its place that will put the consumer at the heart of the legal system. I commend the Bill to the House.

[redacted]

Oliver Heald (North-East Hertfordshire) (Con): I welcome the Bill, which addresses serious issues regarding the regulation of solicitors, barristers and other legal professionals. It builds on the work of Sir David Clementi, whose report has been its cornerstone. I echo the tributes that have been paid to his work.

The Bill has important allies. The president of the Law Society, Fiona Woolf, has said that the society

"has consistently supported the principles of the Bill".

Jill Johnstone, the director of policy at the National Consumer Council, also welcomed the Bill asking that

"MPs...give these consumer-friendly reforms a smooth passage through Parliament".

Which? has been a strong supporter of the measure and, especially, moves to tackle complaints involving solicitors more effectively.

I join the Minister in paying tribute to the work of my right hon. Friend Lord Hunt of Wirral, who chaired the Joint Committee expertly. The Committee gave the Bill effective pre-legislative scrutiny over a short time scale. My hon. Friend the Member for Enfield, Southgate (Mr. Burrowes), a practising solicitor, also brought his insight to the Committee's work. It was a sign of the Joint Committee's effectiveness that the Minister in the other place was able to concede many of the points that it made. Improvements were made to the Bill in the other place and it was to be hoped that the Under-Secretary of State for Justice, the hon. Member for Lewisham, East (Bridget Prentice), would accept that the Bill was now much better than when it started its passage. I pay tribute to my right hon. Friend Lord Kingsland, who played a big part in improving the Bill.

I agree with the Minister that it is right that consumers should be able to challenge their lawyers effectively when things go wrong and that complaints should be efficiently handled. However, it is also vital that lawyers should be free to act for their clients without Government interference. The Government should not be able to use consumer rights as a cloak to attack people's basic civil liberty of having a genuinely independent lawyer acting on their behalf.

Legal services make up a major economic sector that is valued at about £20 billion and they generate almost 2 per cent. of the UK's gross domestic product. It is estimated that UK legal services exports amount to £2 billion a year. London is a major centre for international commercial litigation and arbitration, and English law is widely used as the basis for many international business transactions.

The legal profession is large. There are 14,000 practising barristers, 97,000 practising solicitors, thousands of legal executives and hundreds of licensed conveyers, registered trade mark attorneys and public notaries. Not-for-profit organisations such as citizens advice bureaux and law centres also provide much-needed legal advice. An independent legal profession provides legal services to some of the most vulnerable in our society. Indeed, many lawyers enter the profession with a vocation to help to right wrongs. It is an important check on government that lawyers in Britain will take on public authorities and the Government in court without fear or favour, often in cases that are not popular with the public. Indeed, it was reported only today that prisoners were taking the Lord Chancellor to court to ask not to sit around in prison idly all day, but to be able to work purposefully towards their rehabilitation.

Mr. Kevan Jones: I agree with the hon. Gentleman that lawyers should act in the best interests of their clients. However, does he agree that there are many cases, especially those regarding miners' compensation that my hon. Friend the Member for Bassetlaw (John Mann) and I have raised, in which a huge number of lawyers, some in "well-respected" legal firms, did not act in the best interests of their clients—they did not care about the interests of their clients—but worked for their own interests? Surely that scandal shows that self-regulation involving the Law Society has not worked and that people need the protection offered by the Bill to get legal redress from such lawyers.

Mr. Heald: Yes, I agree absolutely. The hon. Gentleman and I have made common cause on some of those cases and have been disappointed to some extent by the Government's response, especially in relation to claims handling. However, he and the Government must recognise that having a strong legal profession, independent of Government, is an important constitutional issue and improvements to the regulation of the legal profession should respect that. It is not in the consumer interest to have Government control over lawyers, because many consumers of legal services are taking cases against public authorities and the Government.

British exports could be threatened if the international perception is that our legal profession is

[Mr. Heald]

not truly independent of Government. Indeed, the chairman of the Bar Council has described the plans as "an absurd own goal" and he and the senior partners of five of the largest legal firms have written to the Economic Secretary to the Treasury pointing out how important the issue is and explaining that overseas legal professions are already protesting about the Government's plans. We believe that the amendments made in the other place have helped to save British legal services exports, but can the Minister give an assurance that legal services exports are safe under her plans? If she cannot, is not £2 billion a year in lost exports a high price to pay?

The Government appointed Sir David Clementi as long ago as July 2003 and the focus of his report was correctly summarised by the Minister as the complexity of the regulatory framework, how complaints about solicitors were being handled and the restrictive nature of the current business structures for lawyers and skilled professionals. However, I would say that the area of most concern was how consumer complaints against solicitors were being dealt with. There were concerns about efficiency and the overlapping powers of the oversight bodies. Sir David described the current regime as

"outdated, inflexible, over-complex and insufficiently accountable or transparent",

and the Government accepted that phrase. He suggested the three main reforms: the legal services board, with its statutory objectives; the new office of legal complaints; and liberalisation through alternative business structures. We agree with that approach.

The handling of complaints against solicitors started to become a major issue as long ago as the 1980s, when it first became clear that it was taking up to two years to deal with some complaints. More recently, we have seen the cases referred to by the hon. Members for Bassetlaw (John Mann) and for North Durham (Mr. Jones), in which solicitors firms have fallen into disrepute over the handling of compensation claims by former miners.

The activities of trade unions have been criticised in connection with those cases. It seems odd that today the Minister has said that it would be all right for a trade union official who is not a lawyer to appear in court, to give legal advice and to carry out other activities associated with the work of a lawyer and there would be no regulation of that person, but someone who works for a law centre or citizens advice bureau would be regulated. That may be something that trade union leaders want, but trade union members should not be treated in that second-class manner. Trade union members are consumers every bit as much as any other person and I believe that they should be treated equally. The Minister said that lawyers employed by trade unions would be regulated, but we all know of cases in which trade union officials attend tribunals and other forums on behalf of members, so surely they should be regulated.

Bridget Prentice: I think that the hon. Gentleman is inadvertently misleading the House by suggesting that trade union officials would appear in court. They have no rights of audience in court, so they would not be able to do that. The Bill will protect trade union members because if a union offers reserved legal services, those services must be carried out by qualified lawyers, who will be subject to regulation by an approved regulator. The exemption applies only where the union provides legal services by virtue of membership, and not in any wider sense. I hope that the hon. Gentleman understands that the Bill does not go quite as far as he seems to be suggesting.

Mr. Heald: The Minister may misunderstand the position herself. I have on many occasions attended tribunals where there has been a trade union official—often, I must say, expert in the law—on the other side with a right of audience. If she looks at clause 12, she will see that the reserved legal activities are set out there. They include exercising rights of audience, conducting litigation and giving legal advice in connection with any of the activities listed. Those are things that trade union officials do, and I cannot see why she would want trade unionists to have second-class status under the legislation.

Mr. Kevan Jones: I used to attend industrial tribunals on a weekly basis, as an unqualified solicitor and as a trade union official, and given some of the pathetic barristers that I had to deal with, I never saw myself as a second-class citizen. Does the hon. Gentleman agree that what a trade union official or layperson can do is quite limited? There were only two sets of proceedings that I used to appear in: one was industrial tribunals, and the other was county court proceedings, in which anyone can represent themselves. In terms of the scope of the legal services, one has to be legally qualified to represent people at a higher level—for example, if a case goes to appeal.

Mr. Heald: The hon. Gentleman will see in the Bill the list of activities for which, if undertaken by a trade union official, there should be no regulation. Yet if a person from a citizens advice bureau did one of those activities, the situation would be different. There are tribunals where trade union officials appear, but of course he is right that not every tribunal would allow that to happen. I do not see why members of a trade union should not have the protection that the Bill would give someone from the citizens advice bureau or a law centre doing the same work. We can pursue the subject further in Committee, but that position seems to be all of a piece with the exemption that applied to trade unions as regards their activities as claims handlers. My view on that is that what is good for one group of people doing a particular job should be good for all groups that do that job.

At the moment, legal complaints are handled in-house by the Law Society. A claimant who is dissatisfied can go to the legal services ombudsman, who can ask that the complaint be looked at again. There has been some suggestion that criticisms of the way in which barristers deal with complaints are on a par with criticisms as regards solicitors, and that simply is not so. The ombudsman has regularly praised the Bar for the way in which it deals with such cases, and has said:

"I can report I have seen an increase in the percentage of Bar Council investigations I was satisfied with, up...to 88 per cent. this year. I welcome this improved performance."

She praised the "excellent progress made" on the speed of handling cases, and said, on transparency,

"I have found the Bar Council to work in a very open and co-operative manner."

As I am sure that the Under-Secretary of State for Justice, the hon. and learned Member for Redcar (Vera Baird), would acknowledge, if there are disciplinary proceedings against a barrister, there is nearly always a conduct case, and in those cases it helps if the people carrying out the examination are skilled at cross-examination and at finding out what really happened. As I have said, when I discussed the subject with Which? some time ago, it acknowledged that the way in which the Bar dealt with such cases was very good.

Mr. Kidney: The hon. Gentleman prays in aid Which?, but has he seen the briefing that it gave hon. Members for today's debate? It says:

"Which? has found that the BSB's complaints handling is not at all transparent, is far too complicated and bureaucratic, relies too heavily on 'volunteers' and is not particularly accessible."

That is hardly an endorsement of the present system.

Mr. Heald: Perhaps that is an interesting reflection on a change of personnel. All that I can say is that when I spoke to a representative of Which? when the White Paper came out, they were very complimentary about barristers' approach to professional standards. Which? said that it wanted barristers' skills to be brought to the new office for legal complaints. It is important that we do not lose those skills, because one thing is sure: no one will be better at finding out what really happened in a particular incident, and at understanding the full issues of conduct, than someone who is skilled at finding out such things professionally.

Simon Hughes: In the debate about complaints—MPs have great experience of complaints against solicitors rather than against members of the Bar, although there are complaints against both—does the hon. Gentleman accept that the system has sometimes not worked very well for the professions, either? Significant numbers of solicitors have been unhappy about the old system of dealing with complaints, which has been as bad at dealing quickly with their concerns as it has been at dealing with the concerns of lay users of their services.

Mr. Heald: Yes, I agree entirely. One of the first points that I made was that I support the setting up of an office for legal complaints. If we can find a way of harnessing for the future the skills that the Bar has brought to the process, that would be a better way forward than immediately reversing the amendment made in the other place.

John Mann: How would the hon. Gentleman deal with a complaint from a consumer where—for example, in many of the hearing loss claims on behalf of textile workers—unbeknown to the consumer because of their limited understanding of the process, the legal executive handling the claim goes to a barrister for five minutes of quick advice, but between them they handle the claim very badly? To whom should the consumer complain?

Mr. Heald: I suspect that the hon. Gentleman is referring to a particular case, of which I do not know the full circumstances. Depending on the circumstances, we would want the actions of both individuals to be carefully and effectively analysed in a speedy and transparent way. That is what we are all hoping the office for legal complaints will produce.

John Mann: That is precisely the point. There is a raft of complaints concerning the process whereby the solicitor gives the work to a legal executive, who unnecessarily calls in a barrister for opinion, in order to advocate the case on behalf of the individual. Who should the complaint in such cases go against—the solicitor or the barrister, or should it not be against both?

Mr. Heald: One would start in such a case with the solicitor's firm, but it is important that the new office for legal complaints is a one-stop shop and that each aspect of the problem outlined by the hon. Gentleman can be properly, speedily and transparently investigated. That is the outcome that we all seek.

The legal service ombudsman's reports on the Bar were positive and praised the way in which it dealt with matters. It is not chance that, as the hon. Member for North Southwark and Bermondsey (Simon Hughes) observed, most of the complaints that Members of Parliament have received have been about the way in which solicitors have performed. Zahida Manzoor, the legal services ombudsman, fined the Law Society £250,000, stating that she was imposing the penalty because of the inadequacy of the Law Society's plan for securing improvements to its complaints handling procedure.

The White Paper that followed the original Clementi report committed itself to the three main provisions proposed by Sir David. The Joint Committee then made some valuable recommendations pointing to particular areas of concern. It is right to pay tribute to the Government for listening to a substantial number of those, but on regulatory objectives, the Committee recommended that

"protecting and promoting the public interest"

should be included in the Bill's list of objectives, and that the objectives should be redrafted to make explicit reference to the independence of the legal profession. The Committee found that the Bill gave the Secretary of State too much power, and recommended that that should be re-examined. It also expressed concern about alternative business structures, highlighting the potential for conflicts of interest, and about access to justice. It felt that the office for legal complaints should be not just a "rebrand", but a genuinely new start, particularly for complaints relating to solicitors. In that connection, how does the Minister justify simply moving the office to Coventry from Leamington Spa—a move that is deliberately designed to ensure that the very staff whose work has been criticised would continue to deal with complaints against solicitors—and how can she assure us that that constitutes something good for the future that will tackle the problems that have bedevilled that part of the law since the 1980s?

The Government have accepted that there should be explicit reference to independence and that there

[Mr. Heald]

should be reconsideration of the Secretary of State's role. In the other place, the Government tabled amendments that dealt with many of those issues, but given the issues on which they lost votes, whether the amendments were tabled by a Cross Bencher, a Liberal Democrat or a Conservative, they seem rather unbending if the Minister's tone today is anything to judge by. That is a pity, because the process has been relatively co-operative and progress has been made. For example, an amendment was passed that meant that the Lord Chief Justice's concurrence would be required before the appointment by the Lord Chancellor of the chairman of the board. That was a means of securing for the board some independence from Government. The Minister's comments suggest that she has some sympathy with that idea, although she has made it clear that the Government will reverse that decision. We must find a way that ensures that it would not be possible for the Lord Chancellor to appoint friends of his to the board without any check. It would be intolerable and unprecedented if it was possible to put friends of the Labour party or friends of the Lord Chancellor on the board, and that would not give us the independent, free legal profession that we are entitled to expect in this country. Even if one accepted that the present Lord Chancellor could be trusted, any such appointment would still be a constitutional issue.

The concurrence of the Lord Chief Justice provides a necessary check. The Minister says that she will reverse that, but it is important to have some form of check in the system—some consultation and some way of ensuring that our legal profession can continue to be genuinely independent.

Mr. Kevan Jones *rose—*

Mr. Heald: Before I give way to the hon. Gentleman again, he should reflect on the fact that the legal services board, appointed by the Lord Chancellor, has the power to change the way in which the front-line regulators operate and seriously to affect the regulation of the legal profession. It would be wrong to do that in anything other than a transparent way with proper checks and balances.

Mr. Jones: I agree with the hon. Gentleman about transparency. Is it not also a fact that the appointments will be made with the Nolan principles in place, which the present Government introduced and which will make the process quite transparent? I would not agree with the situation described earlier either—no future Government of any party should interfere in the process—but why does the Lord Chief Justice's involvement make the board more independent?

Mr. Heald: The reason for suggesting the Lord Chief Justice is that he is the head of the judiciary and as such has a position that is widely respected in the country as that of an independent figure—

Mr. Jones: Why?

Mr. Heald: We are talking about pillars of the constitution. Let us think about the judicial pillar—our courts. Right at the top, we have the Lord Chief Justice. Under the former arrangements, the Lord Chancellor used to span both pillars: he was part of the Executive and the most senior judge. However, it seems appropriate that under the new arrangements there should be appointments by the Executive, but with the concurrence of, after consultation with, this very important figure in the other pillar. Let us not forget that the legal profession gives us our judges, so if it was not truly independent, that would have very worrying implications for our constitution. By having the most senior judge involved in the process, the constitutional position would be subject to a proper check. That is my view, although I am willing to accept that there may be other ways in which to achieve the objective and that we can discuss the matter further in Committee. However, doing nothing is not acceptable and simply reversing the amendment would be intolerable.

Mr. Kidney: Earlier, I quoted from a letter from Sir David Clementi. Would the hon. Gentleman accept a position whereby the Lord Chancellor made the appointment, but after a Nolan procedure had been undergone and a senior member of the judiciary had served on the Nolan committee that recruited?

Mr. Heald: That is better than nothing—we would be prepared to debate it. However, there is little to criticise in consulting the most senior judge. The Under-Secretary said that she did not want to do that because it gives consumer groups the wrong impression. However, if it is the right thing to do, surely we should do it.

Mr. Burrowes: Is it not a concern that there is little on the face of the Bill to guarantee independence? There is no guarantee, beyond the Under-Secretary's assurances, that the appointments process will follow Nolan principles. The independence, accountability and openness that Nolan guarantees is not enshrined in the Bill.

Mr. Heald: My hon. Friend makes the point clearly. I agree that he outlines a concern. We should not trifle with the legal profession's independence, which is as important as the consumer interest. They are both important principles, which need to be respected. Indeed, the Government have accepted that because they included the public as well as the consumer interest in the Bill. That was the right decision, but further work remains to be done.

The other place made changes to the ground on which the board could take action against an approved front-line regulator and to clarify that the board is to act only as a supervisory regulator. The Under-Secretary said that she wanted to refine that. Does she mean a drafting change or a substantive change to what was agreed in the other place? Perhaps the Under-Secretary of State for Justice, the hon. and learned Member for Redcar, could comment on the matter in her winding-up speech. If the regulator is only supervisory and acts as a backstop, that is clearly what Clementi proposed and what we all expect. However, if the Under-Secretary intends to change the Lords proposal, it is important to know the exact reason for that because the protection is important.

The Lords tried to raise the threshold for intervention by the board and constrain the powers of direction and public censure so that the regulation was lighter touch, not heavy handed. The Under-Secretary says that she wishes to overturn those changes, but does she not agree that the Clementi model is that of a supervisory regulator and that the provisions will set the tone for whether regulation is light touch or heavy handed? I understand that she has examined various ways in which to suggest appropriate intervention and I welcome her proposal to reconsider ensuring that the oversight nature of the board is included in the Bill. May I invite her to continue in Committee the search for the right words to describe the threshold for intervention? Heavy-handed regulation is in no one's interests—I know that she agrees.

In a similar spirit, the Government successfully tabled amendments to limit the circumstances in which the board could exercise its power to fine. They responded positively to protecting and promoting the public interest in the regulatory objectives. Limits were placed on the discretion of the office for legal complaints, and that is welcome. However, the other place made a change to provide that charges for the complaints process should not be levied when the complaint was unfounded and the matter was handled properly in-house. I understand that the Under-Secretary proposes to abandon the principle that the innocent do not pay for a complaint against them and that the polluter pays. I find that surprising given that she said that she agreed with the thinking behind the amendment in the other place. Surely there is a compromise to be found there: if she agrees with us, surely we can find words to express that agreement.

Lord King also persuaded their lordships of the need to delegate complaints handling to an improved regulator by direction of the board. That relates, of course, to the highly regarded Bar standards board. It is well known that the Bar is tough on those who transgress: it is part of the culture of the Bar, and it is good at uncovering wrong-doing, so it would be counter-productive to lose those skills under the new system.

Turning to alternative business structures, the principal concern has been the threat of cherry-picking, whereby perhaps a supermarket chain or some other multiple sets up booths to deal with some small aspects—the profitable aspects—of legal services, as a result of which the wider service provided by high-street solicitors and law centres will be lost, widening the legal advice deserts and making life much more difficult for individuals seeking legal advice, particularly the most vulnerable. An amendment was passed in the other place whereby the licensor has to make an investigation of the access to justice implications when determining an application to become an alternative business. If the Minister accepts that that is a vital issue—that is what she said—and if she is happy that her proposals will not damage access to justice, why does she object to the amendment? She seems determined to reverse something that simply provides for what she claims to want, so perhaps she can find some way of squaring that circle, too. One thing is for sure: it is not in the interest of consumers to lose access to justice. A supermarket providing some small legal service is all well and good, but if people want to talk about family law problems or other matters of legal concern, they will have to travel literally tens of miles.

Finally, the Bill will transform the way in which legal services are provided. We consider the Bill to be broadly satisfactory in its current form. We would be alarmed, however, if the Government chose to try to undo all the good work that was done in the other place. There is substantial consensus over this Bill and the changes made reflect the spirit of Clementi and do not conflict with it, so there is no issue of principle between us.

The Joint Committee noted that the public interest and the consumer interest do not always equate, particularly in matters of law, and it is good that the Bill now reflects both interests and that the Government have agreed that it should do so. Although it is vital for consumers to be able to remedy wrongs done to them by lawyers, it is also important that they have access to lawyers who are independent of the Government so that they can pursue the Government for the wrongs that they do. There is therefore no conflict between protecting the consumer and protecting the independence of lawyers. A fair and just system works to the benefit of all. Indeed, it is very much in the public interest. We believe that it is vital to consumers to protect access to justice. Legal services are sometimes commercial in nature, but they often amount to an important part of the welfare state.

We look forward to examining the Bill further in Committee. We see some room for compromise and further reflection, and we will want to raise a range of issues. One issue is whether there should be some regulation for will writers. As the Minister knows, that is a classic area for burying one's mistakes because problems often come to light after the death of the person who made the will. Some standards should be set, but I am not suggesting that only solicitors should be able to write wills. In some ways, this area falls into the same category as claims handling, so perhaps the Minister will consider whether similar provisions should apply.

At this stage, and taking account of the current state of the Bill, we see no reason to divide the House, but I want to make it clear to the Government that if they abandon a co-operative approach and attempt simply to reverse the Lords' improvements, our attitude will change.

4.54 pm

Mr. David Kidney (Stafford) (Lab): I declare my interest—a modest one—as a non-practising solicitor. It is important to acknowledge something that may not be apparent from the number of hon. Members rushing back from the Whitsun recess to take part in the debate—that this is a landmark Bill in our generation for the regulation of legal services. Yes, we are going to meet the concerns of consumer groups, but it is also important as we legislate to recognise that legal services are vital to the upholding of the rule of law, the functioning of our democracy, and the effectiveness and success of our country's commercial interests.

Throughout our history, there are some fine examples of the outstanding values of talented lawyers—whether it be in respect of criminal law,

[Mr. David Kidney]

human rights law or even immigration, to mention a recent example discussed in the national media last week. When an injustice is prevented or put right later, and the case attracts a lot of attention, it is noticeable that the person who was the victim of the injustice—or about to be threatened with it—turns to their legal team and expresses their heartfelt thanks for their skill and dedication in defending them. It is important to bear that in mind, and to preserve the talent and success of legal services in our country. The Bill's provisions for new business structures are intended to preserve all that is best in our legal services and give them the ability to flourish in new and changing markets.

A minority of lawyers are incompetent and, sadly, some of them are dishonest. It has not always been apparent that existing systems for identifying and rooting out such dangerous characters have been as effective as they should have been. When people complain, we do not often hear that the complaints procedures have been transparent; most people criticise their opaqueness. Often, consumers think that the system lacks independence, and that it looks as though lawyers are judging their friends—other lawyers. In many cases, the processes of dealing with complaints are far too slow. All that adds to an air of dissatisfaction, which has led to the pressure for change from consumer groups. If we also take into account doubts about the openness to competition of legal services, investigated by the Office of Fair Trading in 2001, we start to see the powerful case for change.

The legal profession has been structured through a series of professional bodies, which, historically, have taken on both representation and regulation of the members of their profession. The various professional bodies have appeared to act in silos—barristers, solicitors, legal executives and the like. It has not even been possible for different legal disciplines to form businesses together. Clearly, if it is not possible even for different kinds of lawyers to form businesses together, it has not been possible for different kinds of professionals to form businesses together and provide services in one business unit. If neither of those are possible, it is certainly beyond the pale at present for a banking or retail business to offer legal services with common owners and managers.

That was the scene surveyed by Sir David Clementi in 2003. After his investigation and report, he recommended a legal services regulator, an independent office for legal complaints, and new alternative business structures for the formation of legal businesses. All those recommendations form the basis for the Bill.

On a slightly separate note, I was closely involved in the legislation that established the Financial Services Authority. For the financial services sector, the FSA was created to be a single, powerful regulator. In the case of legal services, however, Sir David came up with a design of greater subtlety. He recognised that there is value in continuing to utilise the expertise of professional bodies such as the Bar Council, the Law Society and so on. He made it clear, however, that they could not continue to act as representative and regulator at the same time. For the professional bodies to be regulators, he said that they must effect a complete separation of the two roles. The Government accept that proposition and, through the Bill, envisage that front-line regulators will be formed out of existing professional bodies. In fairness to those professional bodies, they have not waited for the Bill to become law to act. Most recently, both the Bar Council and the Law Society have separated out their regulatory arms and made them more independent.

To provide oversight and knit together a seamless, consistent regulatory regime, Sir David also recommended, as the Government accepted too, that an overarching legal services board should be established. The danger of that approach is the inherent duplication of two regulators where one might otherwise suffice: perhaps the legal services board second-guessing the front-line regulator; perhaps one regulator being played off against another; perhaps gaps opening up in regulation because each of the two regulators thought that the other was acting in a particular situation; and certainly, a danger of two sets of costs.

Achieving an effective value-for-money regulatory system through the structure of front-line regulators and the legal services board requires us to give careful attention to the architecture of regulation and the powers and duties of the different regulators. In the case of the legal services board, it needs to be small, light touch and strategic, with the power to act decisively when called on. In the case of the front-line regulators, they need to be allowed the freedom to operate effectively within their spheres of operation. Even with that balancing act successfully established, there is still the tricky business of identifying when and in what circumstances the legal services board must intervene if a front-line regulator is failing—what should be regarded as a sufficiently serious failure to warrant intervention by the board. My advice is that decisions about the timing and manner of an intervention—be it a public reprimand or fines, through to the most serious power of withdrawing authorisation from the front-line regulator—should be guided by the best interests of the relevant consumers.

Handling complaints relating to legal services is often separate from, but obviously relevant to, the regulation of legal services. As Sir David recommended, the Bill establishes an independent office for legal complaints. The intention is that there will be a single point of contact for all aggrieved consumers of legal services. Where complaints relate solely to poor service, the office for legal complaints will be able to investigate, conciliate and determine the complaints. It can order redress, the equivalent in the legal services area of what the financial services ombudsman scheme does in the financial services sector. Where the complaint points to potential professional misconduct, the front-line regulator—for example, the Solicitors Regulation Authority for solicitors—takes over. In reality, however, many complaints will not neatly fall one side or the other of such a divide. There will, therefore, be a need for co-operation between the regulators and a free flow of information.

I have received representations from the Solicitors Regulation Authority to the effect that the Bill should be further amended to give the authority powers that it does not currently possess. One of those is a power to fine and publish rebukes for lawyers whom it has fined

and who have fallen short in their duties professionally. That would provide an alternative route to taking each case to the solicitors disciplinary tribunal, which the authority thinks should be retained for the more severe cases. Hearing about the delay in cases coming before that tribunal, I can well see that it would be desirable for some of the less serious cases to be dealt with by different routes. The other representation from the Solicitors Regulation Authority refers to sole practitioners, with the authority wanting to be able to regulate sole practitioners in the same way as a business entity, to prevent there being a possible gap in the regulation between the two.

The aim is for the office for legal complaints to be the one clear place to take complaints, offering a quick, fair and accessible way to put matters right, and ensuring transparency and independence both for consumers who make complaints and for the legal service providers who are being complained against. Alternative business structures have the capacity to transform the landscape for the delivery of legal services in England and Wales. Parliament's role in defining the arrangements will be crucial: too little detail, and loopholes will open up to render regulation ineffective; too much detail, and regulation may be overbearing, complex and costly. Consider the difficulties that arise when one business organisation provides a range of services, each of which is currently separately regulated. Who will license the business to provide the legal services? Will there be one lead regulator? If so, how will the one be chosen above the others? Will different regulators have in place agreed common approaches to the exercise of their respective powers?

Such concerns led the Joint Committee, of which I was a member, to propose a step-by-step approach to introducing different forms of alternative business structure. However, evidence that I have seen since the Committee reported leads me to think that that is too strict a way of dealing with the problem. I have in mind, first, evidence from the Chartered Institute of Patent Attorneys and the Institute of Trade Mark Attorneys. Admittedly, they are small in terms of their membership and operate in niche markets, but nevertheless they have considerable expertise and some international significance. They already have experience of mixed-practice firms, and they say that such a structure can operate without adverse effects on consumer interests. I am also impressed by the briefing that Members received for the debate from the Institute of Chartered Accountants in England and Wales, which argues convincingly—in my view—that some multi-professional businesses which bring together lawyers and professionals such as accountants and surveyors offer considerable benefit to consumers, along with low risk for regulators.

I conclude that Parliament should concentrate on getting the regulatory framework right, and leave the Legal Services Board to get the sequence and the pace of introducing licensing for alternative business structures right for themselves.

There is genuine concern about the effects of alternative business structures on access to legal services. Will new businesses "hoover up" existing sources of work, making existing providers on high streets and in rural areas no longer viable? Will consumers retain their present ability to choose between providers, or will that choice be reduced? The Bill—rightly, in my opinion—requires the Legal Services Board to have regard to that issue. One of the regulatory objectives is "improving access to justice".

I think I heard my hon. Friend the Minister say that she did not like amendments to that effect that were made in the House of Lords. She referred specifically to the requirement for research to be carried out before the first licences could be issued. I agree with her that that goes too far, but I think it right to require the Legal Services Board to monitor the operation of alternative business structures in the market, to evaluate the effect on the market of the first issues of licences, and to consider, following that monitoring and evaluation, whether and at what pace to grant further licences in the future.

Today's professional bodies are greatly exercised about the costs of setting up and running the new regulatory regime. The Joint Committee expressed reservations about the cost estimates in the draft regulatory impact assessment. It can fairly be said that those reservations have proved to be justified, as the Department has since revised the estimates significantly upwards.

The Government say that the legal professions must bear all the costs of the new system. I can see the case for the independent regulator not to rely on public funds for running costs in order to be independent, but the setting-up costs could place a harsh and heavy burden on those who are members of the profession at the time when the Legal Services Board is set up. I ask the Minister to consider carefully, as the costs continue to rise, whether it is fair to expect only legal professionals to bear that burden, given that some elements of today's supervision are paid for by public funds.

Mr. Heald: Would it not be useful if the Minister could give us an updated estimate of the start-up costs? Of course, it might depend to some extent on what amendments are finally incorporated in the Bill.

Mr. Kidney: Yes, indeed. The latest estimate that I have seen is in the briefing sent to us by the Institute of Legal Executives, which states that the estimated cost of "light-touch regulation" has risen from £28.6 million to £37 million or £38 million,

"with...running costs now predicted to be £19.9 million".

All those figures are higher than those given by PricewaterhouseCoopers at the time when the Joint Committee was sitting. I agree with the hon. Gentleman that up-to-date figures would help politicians to decide where the costs should lie.

The Parliamentary Under-Secretary of State for Justice (Vera Baird): I hope I can help. Our revised estimate of the transition cost is £32.1 million, which does not entirely accord with the figure from a different source that my hon. Friend cited. The revised estimate of the running costs is £4 million for the Legal Services Board and £19.9 million—as I think my hon. Friend said—for the office for legal complaints. Those costs represent 2007-08 prices, include VAT, and reflect other

[Vera Baird]

adjustments. As my hon. Friend says, the amendments that are eventually included in the Bill will influence the final figures.

Mr. Kidney: It is very helpful to get a speedy response to the request that was made by the hon. Member for North-East Hertfordshire (Mr. Heald).

The Bill contains measures for a once-in-a-generation reform of our legal services. We must guard jealously those qualities that make our legal services renowned for their excellence and independence at home and abroad.

Bridget Prentice: May I shed further light on the issue of costs and in a sense apologise to the hon. Member for North-East Hertfordshire (Mr. Heald), who speaks for the official Opposition, and to the hon. Member for North Southwark and Bermondsey (Simon Hughes)? I wrote to the Chair of the Select Committee on Constitutional Affairs with details of the costs and made copies available in the Library, but I will ensure that substantial copies are made available to them.

Mr. Kidney: That is generous of the Minister.

We must guard jealously those qualities that make our legal services renowned for their excellence and independence at home and abroad, but we must press on with necessary reforms to meet the genuine concerns of consumers, to protect the public interest and to enable lawyers to compete and to innovate in changing times. Holding the ring between those interests, which will sometimes coincide and at other times conflict, is the statutory objective in the Bill. Those eight values set out, at the start of the Bill, what will be guaranteed for the continuation of high standards in the provision of legal services. They should be our route map and our ringing declaration of what we expect the Bill to produce in terms of the future quality of legal services. Like others before me, I support the Bill.

5.16 pm

Simon Hughes (North Southwark and Bermondsey) (LD): The hon. Member for Stafford (Mr. Kidney) was right: this is not a Bill for which colleagues have come in numbers from all parts of the UK to ensure that the first day back after the half-term break is the most exciting parliamentary event in the Commons before the new Prime Minister comes to his first Prime Minister's Question Time. However, as colleagues have said, it is an important Bill.

All the time I have been in this place—like many others, I came from a legal background—I have been conscious that the legal system has not always served the public in the way it should have done. In all my time here, there has been a regular trickle of complaints to me as an MP and when I have had responsibility for the subject, and to other colleagues, that the system has not been working. That has been a slow but long fuse, so it was right that the Government addressed the issue.

As I have done before, I pay tribute to the Labour Government in 1997 for seeing the reform of the Courts Service, the justice services and therefore the legal services as an important matter of public policy. It is notable that the Bill is the first to come to the House of Commons from the new Ministry of Justice, under its new colours. That is important because this is a justice Bill.

I want to start where the hon. Member for Stafford finished. Clause 1 sets out what the legal services of this country should be about. In parenthesis, I am going to have a slight carp. I always have a complaint about the way in which Bills are set out. It is frustrating that even now Bills are not written in the ways in which the public read things. To start a Bill with definitions, without saying whom one is defining and who has that obligation, strikes me as the wrong way around. I hope that we will be able to tidy that up, so that the Bill starts by saying, "This Bill sets up the legal services board"—that comes in clause 2—"which has responsibility for making sure that the following are achieved", and then sets out the objectives. If we are going to try to make the law of the land useable by consumers and non-lawyers, we need to write our legislation in such a way that non-lawyers would read it, as opposed to paying people to do that.

Everyone else has declared their interest. It will not give the public huge confidence to hear everyone, apart from the Minister and other honourable exceptions, saying, "I am a non-practising solicitor or barrister". They will think that they cannot be up to speed as to what is going on. To exculpate colleagues, the answer is that people gave up their full-time jobs doing those things when they came here. People should do that. I am a non-practising member of the Bar, but still a member of chambers in King's Bench Walk and I value my continuing links with that profession.

This morning, I was at a meeting on behalf of a constituent at the headquarters of ACAS, the Advisory, Conciliation and Arbitration Service, which does a very good job. We all wish that more people would end up going to organisations such as mediation centres and ACAS, rather than to lawyers. One of the frustrations in our world is that we are producing a society in which people have increasingly to use lawyers. It is a reflection of the sort of society that we live in that the number of lawyers and accountants—those who make legal and financial interpretations—increases but the number of people who actually make things decreases. However, the fact is that there are more lawyers and there is more law—not least because we pass more law.

I join others in paying tribute to Sir David Clementi and all those who have done the work that has led to us reaching our current position. The Bill seeks to address the difficult questions of how to produce a good complaints system and how to regulate in respect of people who are not directly a public service, or who are not a public service at all.

As I was preparing over the weekend for today's debate, I thought about the fact that we regulate and allow complaints in different ways. In terms of Government and local government, there are methods of complaining but they cannot be made to do anything. Because they are elected bodies, the ombudsman can recommend but they cannot tell them what to do—if Government or local government say no, there cannot be any further sanction. However, in

recent years we have, for example, taken complaints against the police out of the hands of the police, and I strongly supported that; that is a public service and police officers are public servants and they should not investigate themselves. There is a halfway house in respect of doctors—how to deal with them was controversial for a long period. Doctors are generally independent but are contracted to the state. The body that regulates them is the General Medical Council—and there are similar bodies for nursing and dentistry. Therefore people working in the NHS—paid for with public money—are regulated by part-independent organisations.

The question in the current debate is how to deal with lawyers. The hon. Member for Stafford made the point that a few years ago we addressed the same question in relation to the financial services industry, which is a private sector industry. We asked whether it should just be left to regulate itself, or if there should be some form of legislative control.

We are asking ourselves the same question in this debate. There is a sound logical argument—especially for someone who is a liberal by conviction—that we should allow the market and those working in this field to regulate themselves. However, it is clear that that is unsatisfactory in relation to the public. The hon. Member for Bassetlaw (John Mann) and others have pointed out over the years how unsatisfactory that has been. People abused their private-market position. Therefore we as a nation—or the nations of England and Wales in this instance—have come to the conclusion that we need a regulatory system.

My next point has not been made explicitly, although the hon. Member for Bassetlaw made it indirectly in relation to miners' compensation claims. It has often been the case—and it frequently remains the case, I think—that when people go to find a lawyer they do not know the professional qualification of the person with whom they end up dealing. People have often said to me, "I went to see a solicitor" when they did not see a solicitor; instead, they might have seen a legal executive or a clerk, or someone in training. I hope that we will address how to ensure that everyone who practices these professions or works in their organisations must identify their status and qualification.

That point is of relevance to the following conundrum, which has already been posed. If someone goes to a legal firm and they are dealt with by a person who is not a solicitor—by a clerk or legal executive, perhaps—and that person then instructs a member of the Bar, who is by definition independent, and the case then goes wrong, who takes responsibility? To be blunt, the solicitor's firm—the senior partner or managing partner—should take responsibility for all their staff, and in the past the Bar Council would have taken responsibility for the discipline of its member.

The public do not know about the differences between all the various sorts of people who might be involved. In terms of the courts, distinctions have become much less obvious; solicitors can now appear, as it is no longer necessary to be a barrister. That is perfectly reasonable. However, we need to make sure that people know who they are dealing with. It is therefore right that when people want to complain, they in effect go through one door marked "Complaints", because they should not have to do the run-around. The old system was really confusing, and I accept that the "maze"—the phrase used—of different regulatory authorities, ranging from the Master of the Rolls to individual organisations that people have barely heard of, has to be replaced. People need to go through one door, and there needs to be a proper system for dealing with complaints on the other side of that door.

I want to add my tribute and thanks to the tributes and thanks already paid and given to those who have done the work on this Bill. I am a great fan, as I think everyone now is, of important and difficult legislation such as this going before a pre-legislative scrutiny Committee. The Committee in question did an extremely good and robust job, and Lord Hunt of Wirral, who is very well respected, was clear. The Committee did not consist of all lawyers. For example, my hon. Friend the Member for Birmingham, Yardley (John Hemming), who certainly is not a lawyer, came to the issue from a business point of view and from a local government background. Others were also not lawyers. The Committee did an excellent job and I pay tribute to it.

John Mann: How many others were not lawyers?

Simon Hughes: There were not many. I accept that the majority were lawyers—I was not on the Committee—I was making the point that my hon. Friend the Member for Birmingham, Yardley, who comes from a non-legal background, was one of those who were not lawyers. That was important.

I also pay tribute to those of my colleagues who did the burden of the work in the other place. Lord Thomas of Gresford and Lord Maclennan of Rogart bore the brunt of the heat of the debate that started in the Lords almost six months ago to the day. That was not too long a period, and I am extremely grateful that the Bill did start in the Lords. The Lords did a fantastic amount of work on it, and as the Minister said in answer to one of my interventions, the work done with her noble Friend Baroness Ashton, who was very helpful, in the end produced an agreement to amend the Bill. Many of the Joint Committee's recommendations were accepted, and I pay tribute to colleagues who worked to make sure than the Bill is much better than when it started.

After almost six months in the Lords, the general conclusion—everybody seems to have said this—was that it was considerably improved by the amendments made there. *[Interruption.]* There are remaining objections to certain significant changes. The Minister rather cleverly avoided a direct answer to my earlier intended direct question. Where there were votes in the Lords and the Government were defeated—according to my calculations, there were seven of those—we Liberal Democrats and, I think, the Conservatives, by and large, believe that the Lords made the right decision. Such amendments were sometimes proposed by independent, Cross-Bench Members of the Lords, sometimes by Conservatives and sometimes by Liberal Democrats, and they were all moves in the right direction.

[Simon Hughes]

That such proposals were indeed right is confirmed to me by the phrases used by Lord Hunt of Wirral, who supported and voted for either all or many of them. For example, he said the following on Second Reading about the alternative business structures proposal:

"There are widespread worries about conflicts of interest, which will—not may—be created if Ministers press ahead with the ABS reforms. Sir David drew attention to that concern in his report, as did the Joint Select Committee that I chaired, which was unanimous in its report. The provisions in the Bill are very weak and will have to be strengthened considerably, but that will be a matter for Committee stage."—[*Official Report, House of Lords,* 6 December 2006; Vol. 687, c. 1181.]

On Third Reading, where the Lords supported an amendment providing a sunrise clause and other provisions for ABSs, Lord Hunt said:

"My Lords, I should explain how strongly I support Amendments Nos. 3 and 13. It was the unanimous view of the Select Committee that amendments should be tabled,

'to ensure that the impact of ABSs on access to justice, particularly in rural areas, informs the decision-making process for licensing an ABS firm'."—[*Official Report, House of Lords,* 15 May 2007; Vol. 692, c. 140.]

So there was clear support, on the basis of argument, for the amendments on which the Government were defeated. We should work on the basis that that is the right starting place, and that the burden is on the Government to make the case for any changes. I am troubled that the Minister appears in most cases to be rejecting such amendments completely, and in one or two cases to be saying that she will reject them at least in part. I hope that there will be a debate on that, and that we can win the argument. If we do, I hope that the Government will be flexible and will not stubbornly hold on to a position that clearly did not win the confidence of the other place.

Mr. Heald: Does the hon. Gentleman agree that none of the amendments conflict with what Sir David Clementi proposed in his report? In fact, as the hon. Gentleman said, they work with the grain of what Sir David suggested to a considerable extent.

Simon Hughes: I agree. The amendments all help to achieve a better list of principles in clause 1. The principles are of

"(a) protecting and promoting the public interest; (b) supporting the constitutional principle of the rule of law; (c) improving access to justice; (d) protecting and promoting the interests of consumers; (e) promoting competition in the provision of services...(f) encouraging an independent, strong, diverse and effective legal profession"—

"independent" was added in the Lords, as was the first principle, "protecting and promoting the public interest". The list continues with

"(g) increasing public understanding of the citizen's legal rights and duties; (h) promoting and maintaining adherence to the professional principles."

The hon. Member for Stafford said also that five professional principles are then set out. The first three are independence and integrity for all in the professions; proper standards; and the support of clients' best interests. The last two provide that

"people who exercise before any court a right of audience, or conduct litigation...should comply with their duty to the court to act with independence in the interests of justice, and (e) that the affairs of clients should be kept confidential."

Lord Thomas of Gresford made the point clearly on Second Reading that the important thing about people practising in the legal profession is that they owe a duty not just to their clients, but to the courts and to the justice system. They therefore, for example, have an obligation to ensure that there is no conflict of interest, and an obligation not to state things that they know to be untrue. *[Interruption.]* That is the professional obligation. One may be given instructions that sound incredible, but one has to put the case, because that is the way in which the adversarial system works. One is certainly not allowed to put forward something that one knows to be untrue, or something that reveals a conflict of interest without it being public. Those matters are important, and making the regulatory standards clear and placing them in statute will represent progress.

We now think that the objectives are much better defined, and we do not think that they should be amended by ministerial decision alone. It is not the biggest debate in the world as to whether the Lord Chief Justice and the Lord Chancellor should be able to change the membership of the legal services board, and add to or take away from its numbers, but it is the right change to make, because one of the Bill's troubles is that it increases the powers of the Government and of Ministers. A tally was made of the Secretary of State's powers: it started off at 100 and ended up at 288. However eminent the Minister and however grand their title—such as Lord Chancellor, which goes with the title of Minister of Justice under the new system—we should ensure that decisions are made not only by the Government.

The reason why we support appointments and dismissals being under the joint lock of the Minister and the Lord Chief Justice is that the head of a Department—however full of integrity—is a politician and is perceived to be a politician. If an authority is to command respect, it must be seen not to be full of political appointees. The Lord Chief Justice, who has never been perceived to be political or party political, will provide that guarantee.

John Mann: The hon. Gentleman used the word "we". Are we to understand that in his extraordinary eulogy to the vested interests of the legal professions, he speaks on behalf of the Liberal Democrats? If so, is that in the true traditions of the Liberal party?

Simon Hughes: First, yes, I speak on behalf of the Liberal Democrats. Secondly, my speech is not a eulogy to the legal professions. I have made it clear that the legal profession has a good reputation in this country, but it has also had its significant failures, and I started by saying that that is why we are in the Chamber debating the Bill. We are trying to get a structure.

We have supported there being clear, regulatory objectives. That is a good thing. We have supported there being a legal services board—an overarching regulatory authority. That is a good thing. We have supported the separation of representation and regulation. That is a good thing. We have also

supported there being one door to a legal complaints service. None of that is a eulogy to or defence of the current position or the past practices of the major professions—the Bar and solicitors—or any other relevant profession. This is not about taking a defensive position, it is about making sure that we respect what works and put it in the context of an accountable and better-to-use service that gives citizens the rights that they expect.

Mr. Djanogly: The hon. Gentleman will appreciate that because of changes made by the Labour Government, the Lord Chancellor could be situated in this place in future. In some ways, that makes his point about the politicisation of the role more important. I do not say that that is wrong or that accountability is wrong, but the balance that comes with the role of the Lord Chief Justice might become more important as a result.

Simon Hughes: I accept that. Indeed, my hon. Friends and I have always argued, in recent years, that there should be a Minister for Justice and that they should be in this place. We think that here is the right place for them to be and that they should be accountable to other elected Members of Parliament, but, yes, that would make such a Minister more overtly party political than they sometimes appear when acting as Lord Chancellor at the other end of the Corridor.

We believe that the way in which the costs of the legal services board are met should be reconsidered in Committee. That issue comes up most frequently in cases with vexatious litigants, whom we all know exist—the Under-Secretary of State for Justice and I and others all come across them in our constituencies on a regular basis. We need to ensure that firms are not penalised, and it seems to us that there could be some general public contribution.

The board must also be able to punish and fine people who misbehave.

Mr. Kevan Jones: I find the hon. Gentleman's contribution absolutely fascinating. The Liberal party is supposed to stand up for the little men and women in society. Is he really arguing that someone should be penalised for making a complaint to the legal services board—or the Legal Services Commission, at the moment—and that costs should then be given? My experience and, I am sure, that of my hon. Friend the Member for Bassetlaw (John Mann)—I think that we topped last year's poll for the most complaints to the complaints service—is that it does not deal with frivolous and vexatious cases. It throws them out before they even get to an adjudication. What the hon. Gentleman suggests will put another hurdle in front of the consumer. I find that very disturbing.

Simon Hughes: I absolutely was not arguing that—

Mr. Jones: You are.

Simon Hughes: I absolutely was not arguing that the consumer should bear the cost. I was arguing that not all the costs should necessarily fall on the companies or individuals who have been complained about, and that there might be a public interest in some of that cost being met publicly and generally, so that the cost of the regulatory authority and what it does is not borne entirely by those whom it regulates. That does not put the burden on the little man or woman; it means that we—the people as a whole—share the responsibility.

Mr. Jones: I think that I understand the legal services complaints system quite well. Will the hon. Gentleman explain what costs are placed on a solicitors firm that is being complained about? In my experience, the initial action is to put the case in writing, and then if it comes back and the complaints service thinks that there is no case to answer, it goes no further so there are no costs at all. His point is, therefore, complete nonsense.

Simon Hughes: The Government's proposal, which is generally supported, is that there should be a legal services board, which will be a new organisation. It will employ people and those costs will have to be paid for. I am suggesting that we need to consider, in Committee, from where the whole costs of that organisation will be met and whether they should be met only by the firms that it will regulate, or whether there should be a public contribution.

John Mann: In the interests of consistency, will the hon. Gentleman and his party argue that the costs of trade union political functions should be entirely covered by the state as well?

Simon Hughes: That is an entirely separate debate, but certain costs are met—for example, those associated with certification officers—and other regulatory agencies are also part-funded by the taxpayer. So the answer is that we must have a reasonable outcome in the way in which the costs are met, and we need to have that debate.

Vera Baird: I am anxious to follow the hon. Gentleman's point because he speaks as though public input into the costs and the problem of firms bearing the cost of vexatious litigants with nuisance applications are almost the same thing. As configured before the Lords amendment, the LSB will have discretion—it will no doubt exercise it properly, subject to judicial review—over whether it awards costs against the firm. That point was satisfactory before the amendment. The hon. Gentleman raises a different issue about whether the public should pay for the ongoing running costs, and it is intended that such costs should be met from a levy and from costs per case from the firm.

Simon Hughes: The Minister is right; they are separate points. Of course, there is discretion, which remains right. The question is whether the set-up costs and the ongoing costs should be met at all from the public purse, or only from the two sources that she talked about. We need to have that debate, so that there can be confidence that the costs fall in the right place.

My last point about the LSB remains slightly unresolved after various specific debates in the Lords. What rights of appeal will exist against the LSB's decisions?

On reserve legal activities, there is a question about will writing. I do not suggest that everyone needs to

[Simon Hughes]

employ a lawyer to write a will. People increasingly go to the shop down the road and get a "write your own will" pack. However, if people employ someone to write their wills, they need to make sure nowadays that they employ someone who is competent, and we need to consider that profession as well.

I have dealt with the legal complaints issue. One door is the right place. There should be the ability to delegate the powers to investigate, but the legal complaints system should be able to look after that. Independence from the profession is needed. Such things might have been done well or badly. Solicitors have received many more complaints than the Bar, but they are a much bigger profession. We certainly need a system that works better and more quickly, in the interests of the professions, as well as consumers who have often received a bad service.

The really controversial issue is the business structures proposal. Logically—I will pick up the challenge—Liberals will say, "Fine. Free market. There should be absolutely open competition." But we do not do that in many other areas of life. Why? Because we know what happens. This is like the postal service debate. If we had a free market for the postal service, the people who would undercut the costs in urban areas would not be willing to deliver to the islands and highlands of the country. So we must have a service that ensures that access to justice is as readily and easily available to people in the constituency of my hon. Friend the Member for Somerton and Frome (Mr. Heath) who live in villages and towns in rural Somerset or those who live in the villages and towns of north Wales referred to by my noble Friend Lord Thomas of Gresford as it is in the capital city of our country, part of which I have the privilege to represent.

There is a real concern that, if we just go down the road that the Government propose, we will produce the sort of cut-throat competition that not only has the advantage of bringing professions together, but that means, bluntly, that the big boys—the big commercial companies, whose interest is principally in something else—come in, undermine and kill off the people who have local competent experience.

In many places in the country—let us take a small city such as Hereford, where the issues are often to do with flooding and land drainage—there is a lot of tradition and understanding of exactly the issues. That would not be known by someone in the headquarters of a multinational company, which has a principal interest not in legal issues in rural counties in England, but in something else. Therefore, the Liberal Democrats are absolutely clear that the sunrise protection—having a proper check and an investigation—is the least that should happen before we open up the profession to full competition.

Mr. Kevan Jones: Does not the hon. Gentleman agree that that is already happening with regard to the legal profession? There is gravitation towards not only larger firms, but firms that specialise in certain areas. From my experience of miners' compensation, that is a good thing, because some of the scandalous cases with which I have dealt involved the sort of small practices of family firms to which he referred that had no experience in dealing with complex litigation. Such firms do not say to clients, "We are not competent to deal with this," but take on the case and give a bad service.

Simon Hughes: I absolutely understand that point. We have debated how we do not want a health service in which people go to their general practitioner to get referred for an X-ray, for example, and are then shuttled between 19 different providers, even though they are getting one service. Of course, some local solicitors might not have the competence to deal with matters that are beyond their expertise, yet do not say so. The situation has improved because solicitors can now say what their expertise is and it is easier for people to work out the solicitors who are specialists in such areas as family law. However, I agree that things are not perfect. Solicitors can hold themselves up as experts in certain areas, although they are not.

Mr. Jones *rose—*

Simon Hughes: I will not give way because otherwise colleagues will not have the opportunity to make their points—*[Interruption.]* I will not be tempted. There might even be a chance of an early finish if the hon. Member for North Durham (Mr. Jones) lets me finish shortly.

There is an argument that there will not be an understanding of many of the more expensive, difficult and complex local issues in many places in big organisations without any local interest. Such organisations will be under no obligation to provide the personal service that has been offered in such places in the past. People often have a personal obligation to their community, but that is not the case for an international organisation that is based in Nevada, or one city in this country.

Mr. David Heath (Somerton and Frome) (LD): A further difficulty is very much evident in areas such as mine, which my hon. Friend identified. Small firms often provide the cross-subsidy that allows any sort of criminal law to take place in our magistrates courts and smaller courts. Such work is not profitable and is carried out only due to the good will of small firms. If we lose them, we will lose any hope of legal aid for criminal cases in rural areas—*[Interruption.]*

Simon Hughes: The Ministers are saying that that is absolute rubbish, but it is not. In practice, many firms make their money through the easier route of conveyancing, which effectively allows them to do other things. We are having a separate debate about legal aid—not all such work is legal aided—but it is certainly the case that such easier work allows those firms to carry out more difficult work. There is a danger that big companies will cherry-pick the easier work for bigger profits, while the less fashionable and straightforward cases will go to the wall. That is why we strongly support the amendment that says that access to justice should be a special consideration when granting business structure licences and the amendment that states that there will need to be a review.

Mr. Kevan Jones: I agree with the hon. Gentleman's point about access to justice, but why should people in rural communities get a second-class service because their firm of solicitors is a cosy family firm with no expertise in some matters? I am sorry, but the hon. Gentleman is wrong that solicitors say, "I'm sorry, but I'm not expert in this, so can you go somewhere else?" Instead, they take cases on, and people who do not understand the way in which solicitors operate think that they are getting a good service when they clearly are not. The hon. Gentleman is deluding himself if he thinks that small family firms in rural communities are turning people away when they do not have relevant expertise. They take the cases on and the clients become disappointed in the long term when they find that they are getting a poor service.

Simon Hughes: It is impossible to generalise on this issue.

Mr. Jones: You are.

Simon Hughes: I am not generalising at all. There are some extremely good local firms of solicitors that deal competently with the work with which they can deal and take on work that others might not because of their loyalty to a community and its residents. Such solicitors will often and perfectly reasonably send off work that they are not competent to carry out to a colleague or another firm. There may be firms—I am sure there are—that seek to do work that they are not competent to do. What I know is this: if small firms are faced with competition from a catch-all company that does everything—insuring clients from the cradle to the grave and providing legal services for everything, allegedly—that underprices and takes the business, the result will be that some of those firms are no longer viable. When those smaller firms have gone, if the big international provider decides not to have an outlet in that village, town or city, there is nothing to take its place.

That is the danger of the predatory market and it is the reason why, in a capitalist society, checks and balances are always necessary. That is why, in this debate, the big issue is what the correct balances are. Yes, we need a more customer-oriented, consumer-oriented service; but, no, we do not need an untrammelled free market that suddenly says that everybody can come, irrespective of tradition, practice, competence and so on. Let us proceed carefully—the amendments made in the Lords allow us to do that. They do not prevent alternative business structures; instead, they say that we should proceed carefully and in a way that protects the best and protects access to justice. That is the test. This is a justice Bill and the outcome should be judged by whether it gives best access to justice and legal services in the smallest villages and the biggest cities in our land.

5.51 pm

Mr. Adrian Bailey (West Bromwich, West) (Lab/Co-op): I start by declaring an interest: I am not a lawyer, but I am a Labour and Co-operative Member of Parliament. Given that some parts of the Bill have been described as "Co-op law" or "Tesco law", I think it only right to bring my association with and support for the co-operative movement to the notice of the House.

I welcome the Bill, but I would like to comment on the process hitherto. Hon. Members on both sides of the House agree that the consultation process has been very thorough, and I think that part of the reason for that agreement across the House is that the majority of participants in the debate have a legal connection. The ad hoc Committee comprised—not entirely, but largely—people with legal backgrounds. Not all but most of those who contributed to the debate in the other place have legal backgrounds, and so far a high proportion of those who have contributed to today's debate have legal backgrounds, or have operated with non-legal qualifications.

Mr. Kevan Jones: Does my hon. Friend agree that if a piece of trade union legislation was going through Parliament and the debate was packed with people who were trade union members or Co-operative Members, the press would be full of condemnation about vested interests?

Mr. Bailey: My hon. Friend makes an important and valuable point, which underlines my next observation, which is that had the consultation process been so dominated by representatives of consumer organisations, we might have a rather different Bill and heard different comments today. Notwithstanding the praise that has been given, we have to recognise that overall, the debate has been legally driven and legally dominated. It is interesting that those who have been so complimentary toward the ad hoc Committee are largely solicitors and lawyers who agree with those who participated in the Committee. The amendments that have been accepted are those that were proposed by them, and they have been complimented by them.

My perspective is that of a non-lawyer consumer. Listening to the debate, I have at times felt like an atheist at a Council of Churches debate, because the nature of this debate has been arcane and sometimes almost theological. I do not pretend to understand all the arcane structures and processes of the legal services industry, but I have a general understanding, from a consumer's perspective, of how that industry appears not to be meeting the needs and concerns of the general public. I hesitated to speak at first, but then I thought that, as a representative of constituents who are mainly on low incomes and do not readily run to the courts, I am perhaps better placed, and in some respects better qualified, to participate than are some others.

My constituents have little confidence in the law. There is a pervading suspicion of lawyers, and given the cases that have been brought to me, I can understand that. That feeling was reinforced in me three or four years ago, during the Carter review of legal aid, when I was asked to attend a meeting of solicitors in Birmingham. When I got there, I was stuck on a chair in front of a great group of solicitors and told that the big issue in my constituency was the absence of legal aid. I was puzzled, and my response to that statement was fairly robust. I said that I had been an MP for four or five years and had held hundreds of surgeries, but not one person had come to me to complain about the inability to get legal aid. However,

[Mr. Bailey]

many people had come to me to complain about the services that they had received from solicitors. Needless to say, that did not go down too well. What struck me was the ability of the profession to redefine self-interest as public interest. That experience clearly demonstrated to me how exclusive the profession was, and how it perceived the outside world.

As I see it, there are two big issues: first, lack of accountability, and secondly, cost. Reference has been made to the number of complaints that have been dealt with unsatisfactorily by the Bar Council and the Law Society. One third of Bar Council complaints ended up with the ombudsman, as did more than 17,000 complaints made to the Law Society. There is a general feeling that complaints are being judged and determined by members of the legal profession, and that they run a closed shop. Looking at the number of complaints and given the prevailing perception that there is little point in complaining, I cannot help but wonder how many complaints there would be if we had a process that commanded public trust.

Mr. Jones: Does my hon. Friend agree that one of the biggest problems is that many people do not know how to complain about the poor service that they get from some solicitors?

Mr. Bailey: I agree absolutely. Many people in areas such as the one that I represent want as little as possible to do with solicitors. They do not know how to complain and they do not believe that they will get value for money, so they avoid solicitors.

The one time when the great majority have some association with the legal profession is, of course, when they buy a house. I shall not bore the House by repeating the litany of complaints that I have heard about the service that people have had from solicitors carrying out conveyancing on their houses. I am sure that other hon. Members have had similar experiences. I would summarise the complaints by saying that they relate to slowness, lack of response to telephone calls, and indifference to the stress of purchasing a house and to the implications of slowness on the part of the legal profession. I am the first to accept that there are many dedicated solicitors who take a professional approach, but overall the perception is that there is a culture within the profession that is not responsive or accountable.

There has been a lot of debate about the independence of the legal services board. Other key regulatory organisations—the Financial Services Authority and the Office of Fair Trading, among others—have independent chairmen appointed by the Lord Chancellor or by other members of the Government. The funny thing is that when the appointment is made, the debate is always about whether the chairman will be independent, but once the person is appointed, the nature of the debate usually changes. We start hearing people complain, "Why don't the Government interfere in the decisions being taken by that independent organisation?" That is a reflection of the fact that the process is legitimate, robust and can be trusted.

I shall talk briefly about whether regulation should be light-touch or heavy-handed. In an ideal world, we would want light-touch regulation, and that is appropriate when there are regulatory organisations that function appropriately. However, if they are not functioning appropriately, light-touch regulation is no good. There has to be the capacity to be more intrusive if the regulatory bodies do not deliver according to their purpose. Although I certainly subscribe to the principle that regulation should be light-touch, it must also be appropriate. I hope that when the Under-Secretary of State for Justice, the hon. Member for Lewisham, East (Bridget Prentice), devises the regulations, there will be a process to make sure that the level of regulation is appropriate to the effectiveness of the organisation being regulated.

Another issue to consider is cost, which in turn is affected by competition. That brings me on to the so-called alternative business structures. I have never understood why only lawyers can employ other lawyers; that strikes me as the ultimate in restrictive practices. To take up and extend a point made by my hon. Friend the Member for North Durham (Mr. Jones), if that practice was applied in other contexts—for example, in relation to trade unions—there would be a reaction against it. It is quite possible for single practices, or groups of practices, comprising excellent lawyers to have a deficient business organisation. A practice that delivers a very good legal service might carry out that service in a far more cost-effective manner if it were organised differently and were subject to more business discipline—and that way, it would get far more public support.

I have listened to the objections to the alternative business structures, and they fall into a number of categories. One objection is that companies will cherry-pick cases. Looking back to the Carter review, and issues to do with the cost of legal aid, the argument for extending funding for legal aid, and against some of the Carter proposals, was that companies were cherry-picking and were no longer providing legal aid, and legal aid deserts were being created. These issues are by no means new. I would argue that opening up the profession to competition from other organisations will force companies to look again at their business practices and to deliver a service more effectively and cheaply, thereby possibly making legal aid more profitable. Of course, that would enable other organisations with tried and tested business practices to use them to deliver the same service more cheaply. The point need to be made that there are organisations, such as those in the co-operative movement, that have found a market niche through ethical trading and targeting communities that have hitherto been marginalised or excluded. If those organisations took part in providing legal services, it is hardly likely that they would adopt the practices that some hon. Members have criticised.

I agree that the change will have to be monitored. Obviously, whenever a market is opened up competitive advantages arise, but there is scope for abuse too, and there must be a monitoring process that ensures that we benefit from competition and do not lose out. However, on balance, I think that the change will be a force for good. It will act as a business discipline on a range of solicitors and lawyers who have hitherto never had to consider the issues that we are discussing.

Another objection concerns the conflict of interest between shareholder return and quality legal services. I do not understand how anybody working for a big corporation could have a more direct interest in enhancing shareholder value than a lawyer working on his or her own, or in a partnership, in terms of the profitability of the company. There is a far greater relationship between profitability and the individual for lawyers working on their own, or in a partnership, than there is for lawyers who work for a large organisation, which may be a public limited company. Under the current framework, there is far more incentive for individuals to maximise their profit at the expense of quality legal services.

I conclude by acknowledging the contribution that many good lawyers make, and I accept that many members of the profession are dedicated to the public good and work for a relatively low income on behalf of the public. However, there is a culture that prevails in the profession that is at odds with that dedication, and it fails to project the real value that some solicitors bring. The Bill, by enhancing the complaints procedure and reinforcing trust in the profession, will go an enormous way towards dealing with that. It should not only create more confidence, but enable more people to access legal services. As is the case with alternative business structures, legal services could well be provided by organisations that are skilled in developing markets, and which have access to constituencies that solicitors currently do not provide for. There is a real prospect that more people, with greater confidence in the profession, will use those services. If they do, they will enhance the industry, not just for themselves, but for the whole profession. When a complaints procedure that reinforces public confidence is combined with a business structure that gives people more options when selecting who provides their legal services, there will ultimately be a positive impact on the profession, and on the public.

6.9 pm

Mr. David Burrowes (Enfield, Southgate) (Con): I proudly declare an interest as a practising solicitor. I do not apologise for being a solicitor, even though some Labour Members seem to suggest that one should. Lawyers are an integral part of society. It is easy to criticise them until we need their services. For 12 years I have been a legal aid lawyer, defending those on benefits or on income levels below that—people on the margins of society. After those 12 years, I believe I have a useful contribution to make about the impact of the Bill on those consumers and others, and I shall impart that to the House.

John Mann: Given the hon. Gentleman's commendable introduction, does he agree that robust regulation of those who do not meet the standards to which he aspires and which, I am sure, he meets is required to protect the good name of solicitors like him?

Mr. Burrowes: I am grateful to the hon. Gentleman. The essence of the Bill, and the concern of the Opposition, is that any regulation which the hon. Gentleman might call robust is not so overbearing that it gets in the way and undermines the confidence of clients such as those whom I have represented in their battles with the state. I am sure the hon. Gentleman would be on their side, and they would not want a regulatory body under the influence of an overbearing state.

During the debate, references to the legal profession have conveyed the assumption, implied or explicit, that there is some overarching conflict of interest between lawyers and consumers. The Minister seemed to be pitting consumers against the legal profession. One should rise above that kind of debate. The Joint Committee was well served by lawyers, but in the limited time available had extensive consultation with consumer groups and the like. I hope not to make the same easy mistake.

The essence of the Bill, for consumers and lawyers alike, is independence and trust in public authorities, Ministers and politicians. When Ministers give assurances about independence, they should take heed of the latest opinion survey. On trustworthiness, Ministers were rated just above car salesmen, and lawyers were more highly rated than Ministers. It is worth noting that when one listens to what some lawyers say.

The theme of my remarks and of many representations is independence, which takes many forms. Provisions to safeguard independence were inserted in the Bill after strong representations from the Joint Committee. That raises suspicions in my mind and in the mind of others that the Government have begrudgingly recognised independence as the mark of the legal profession in our society. It is important that the legal services board should be demonstrably independent of Government. That matters less for lawyers than for the public. It also matters for professional confidence in the regulation of legal services.

Mr. Kevan Jones: I agree entirely that the legal services board should be independent of Government. Does the hon. Gentleman agree that it should also be independent of the legal profession?

Mr. Burrowes: The hon. Gentleman is correct that the issue is independence, but it depends how one defines "legal profession". I shall come on to the process of appointment.

We have heard references to the miners and to other individuals. Those citizens, those consumers, are dependent on lawyers when they are in conflict with the state, and they need the assurance and the confidence that they have a lawyer whom they can trust and who is ethically sound and competent. We have all heard of those who are not, but we must support and promote those who are ethical and competent, and they must be regulated by a body that is independent of the state. Such confidence is crucial for the litigation that takes place every day of the week.

This morning I was at Stevenage magistrates court, where a client was benefiting from confidence in the independence of his lawyer. It was of great significance to that person, who had been arrested for an offence and charged and was appearing in court. At a late stage of his trial it became apparent that the identification parade that formed the basis of the case against him was undermined by the fact that the photograph of him had been shown to a witness prior to the identification parade. In that case a diligent lawyer had

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been working hard up to the final hour of the trial to expose that point, which led to the case being discontinued. No doubt the defendant appreciated the independence of that lawyer in his contest with the state in the form of the Crown Prosecution Service.

Mr. Kevan Jones: If that individual had not got the good service that the hon. Gentleman describes and was dissatisfied with the service that he had received from his lawyer in that case, does the hon. Gentleman think that he would have a great deal of confidence if he knew that the body to which he could complain included solicitors or other legal professionals?

Mr. Burrowes: I support the Bill and the intention to establish a one-stop shop for legal complaints. That would provide integrity and ensure that complaints that had not been followed through correctly in the past—we have heard many stories about those—will be better dealt with. That is why I support many of the principles underlying the Bill. The independence of the legal profession is the cornerstone of the rule of law. That is worth repeating, even though the Minister was not keen to extol it.

When one considers the structures proposed in the Bill, one needs to see where that independence is guaranteed. First, the chair of the legal services board will be a lay person. If the defendant at Stevenage were aware of that, he would no doubt be pleased that the chairman was not a lawyer. It is a clear indication that lawyers will not dominate the regulatory structure.

John Mann: I am rather confused about the direction in which the hon. Gentleman is going by suggesting that the Bill is against the independence of solicitors acting in court. Could he assist me by giving an example of a legal appointment made by the Lord Chancellor that he regards as not independent?

Mr. Burrowes: If the hon. Gentleman will be patient, I shall come to the process and give some examples of the Government not handling lawyers in a different way from accountants and other professionals when they should do so.

Is the legal services board independent? I hope the hon. Gentleman and others would agree that the Government are not universally trusted in respect of the appointment process. A survey on whether the Government are trusted with appointments would reveal some reservations. It is not universally accepted that they are the appropriate authority. The Government should be primarily involved in legal appointments, but such appointments should be made with the concurrence of the Lord Chief Justice. Why should the Lord Chief Justice not be involved, to ensure a degree of independence? The criticism that is made is that he is just another lawyer.

Mr. Kevan Jones: That is a fair point, but will the hon. Gentleman comment on the fact that the legal services ombudsman, who is a lay person, is appointed by the Lord Chancellor? Is he saying that the profession has no confidence in that appointment?

Mr. Burrowes: Not at all. Far be it from me to speak on behalf of the legal profession—I am as much a consumer and as much a lawyer as others. However, an appointment as crucial as this, which involves a supervisory role—a real break from the past—must be dealt with uniquely, because it raises clear questions about independence that need to be dealt with satisfactorily.

John Mann: Will the hon. Gentleman give way?

Mr. Burrowes: I want to make some more progress.

In the other place, arguments were made about areas that I do not think can be advanced as equivalents. The question was asked, "Why should we do this? Is it not the same as the head of Ofcom being appointed by Rupert Murdoch or the chairman of the Competition Commission being the chairman of Tesco?" Those arguments are not well made. The independence of the legal profession is significant: it is a cornerstone of the rule of law and needs to be handled cautiously.

The Government seek to give assurance by saying that the appointment process will be conducted according to the Nolan principles and that it will be conducted diligently and transparently. The concern, though, is whether that is enough and whether the Government should have gone further in another place. There are legitimate questions and concerns. Is it significant that the Government resisted the amendment saying that the appointment should be made in accordance with the rules applicable at the relevant time? Why did they resist that amendment so vigorously? Surely a justified concern is properly dealt with by the Lord Chief Justice having the concurrent responsibility for an appointment.

The appointment process also raises other questions. The Government have not yet made clear how it should properly be carried out and where formal responsibility for appointment lies. It will be essential to ensure that the appointment panel is demonstrably independent of Government. Under the ordinary procedures for public appointments, the panel would no doubt have been chaired by a senior official in the Department for Constitutional Affairs, but that would not be satisfactory in a context in which independence from Government is paramount for consumers up and down this land.

The concern about independence goes further than the appointment process and relates, among other things, to the powers exercised by the legal services board. I urge the Minister to think again as the Bill proceeds to Committee and to take seriously the amendment and the supporting argument that those powers should be exercised only when there is a significant rather than a marginal adverse impact on the regulatory objectives. That amendment referred to the important point that, as all hon. Members have said, the legal services board should have a light-touch role—a supervisory role that could be properly enshrined in the amendment.

The regulatory structure proposed in the Bill cannot work unless the presumption is that the approved regulators carry out their responsibilities diligently and competently in the public interest. They are entitled to expect a degree of discretion to act on their analysis of what is needed. The front-line regulators need to be

distinct from the supervisory role of the legal services board. The board should not be able to exercise its powers simply because it would have reached a different decision on the matter concerned and has thus concluded that the regulatory objectives would be better served by a different decision. It is important that the board does not just second-guess the front-line regulators. It must see its role as an important supervisory one that should involve intervention only when it judges that there has been a significant adverse impact.

Further to the issue of independence, I look forward to the Minister's opinion on whether the undertaking given to the other place about the power of the Lord Chancellor to increase the size of the board, which could affect the decisions that are made, could give an impression of manipulation. Will there be an undertaking that the powers to increase the size of the board will be achieved by affirmative resolution rather than negative resolution?

Vera Baird: The hon. Gentleman raised that issue with the Under-Secretary, my hon. Friend the Member for Lewisham, East (Bridget Prentice), when she opened the debate. The Delegated Powers and Regulatory Reform Committee considered that a negative resolution was sufficient, and we are content to accept its advice.

Mr. Burrowes: I am not sure of the order of events relating to the Committee's advice, but certainly in the other place a clear undertaking was given that the issue would be decided by affirmative resolution if necessary, and that matter will need to be progressed.

I agree with the concern expressed by the Government in their response to the Joint Committee. They said:

"The Legal Services Board should exercise its powers only where approved regulators are clearly failing".

Unfortunately, that undertaking is not to be carried through, according to the Government's latest indication. The impact provision needs a qualifying adjective: "clearly failing" were the Government's words and that is what needs to go into the Bill. I urge the Government to review that aspect of it.

Independence covers other areas, including costs in relation to the legal services board. In making these comments, I am not just squeaking on behalf of members of the profession, who will have to pay more. I want to look beyond that to the important issue of independence. Is it reasonable to have no contribution from the Government in terms of the supervisory role of the legal services board? Its functions, which I hope we would all agree with, relate to public assurance. When hon. Members have expressed concerns about some activities of the legal profession, is it right that the legal profession should be depended on to be able to fund the supervisory role of the legal services board? Surely it is important to have the independence that is marked by not depending on the purse strings of the legal profession. Inevitably, the high initial costs—we heard the latest figures today and they may well rise—will fall on practitioners, but not only on them. They will not simply take a cut in their salaries. The costs will also fall inevitably on consumers. Consumers have an interest in whether the initial costs should be borne, at least in part, by the Government.

The Government say in response that those being regulated should bear the cost of regulation. Why, then, do they have a different approach to claims management and to the accountancy profession? It is important that while the legal profession recognises the full cost of the first tier of regulation, the supervisory tier has a distinct purpose. The supervisory tier of the legal services board guarantees for consumers as much as anyone else that there are ethically sound and competent lawyers who are independent of the state.

Let me use not my own words, but those of Sir David Clementi, whose work has been widely approved:

"The issue arises as to how the LSB should be paid for. At present a substantial part of the oversight function is paid for by the State: judicial oversight falls to the taxpayer, as does the cost of the oversight function carried out by Government departments. The arguments in favour of the Government contributing to the cost of oversight functions, beyond the fact that it does already, are...that the LSB, in pursuit of its objectives...such as 'access to justice', has a wider role in the public interest than the oversight of practitioners in the legal sector; and"—

this is a crucial argument by Sir David—

"that an element of payment by other than the bodies being regulated confirms that the regulator is independent of the regulatee."

Sir David went on to raise the interesting precedent in the proposed funding of the Financial Reporting Council. Its funding is to be split, with two thirds falling to the private sector and one third to the Government. How the split should be made between the private sector and the Government for the LSB would need to be covered in statute and no doubt subject to parliamentary scrutiny. Sir David points to that example of the Government meeting one third of the cost of the Financial Reporting Council. The Government also meet the full cost of the supervisory tier of health care regulation—the Council for Healthcare Regulatory Excellence. However, they have not provided an adequate explanation of why they consider it appropriate to meet part of the cost of the supervisory tier of regulation in the accountancy field, but not in respect of legal services. In the case of the CHRE, the Government say that it is appropriate for them to pay because it is important to demonstrate that the organisation is independent of the medical profession. Why can that argument apply to the CHRE but not to the legal profession? The legal services board should be demonstrably independent of the Government and the legal profession. Why is the argument good for the medical profession but not for the legal profession? Are the Government proposing a new constitutional settlement in which they value the independence of the medical profession but not that of the legal profession?

It is important to ensure that the legal profession is not expected to finance the element of regulation that focuses primarily on the public interest. The legal services board will not only deal with the regulation of legal services but consider the interests of legal service providers and others entering the field. That has significant public policy implications. Is it right to expect the legal profession to finance public policy considerations, which the Government currently fund?

The Government propose to transfer costs, which they currently fund, to the legal profession for the legal services ombudsman. They propose that the legal

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profession should pay the costs of the office for legal complaints, part of those of the Office of the Legal Services Complaints Commissioner, which the Bill abolishes, and those of the legal services consultative panel. The Government could continue with their current spending commitments, thus ensuring the preservation of the important principle of independence.

A continuing contribution from the Government may act as an important brake on the legal services board expanding its activities unjustifiably. One would hope that there was no greater brake or check on that than the public purse. The board should not be able to increase its activities and simply pass on the costs to the legal profession unchecked. Many want the board to operate as a light-touch supervisory body, and costs need to be taken on board in that context and in that of the debate on independence.

I cannot finish without mentioning access to justice, in which I have been involved as a solicitor for 12 years. The Government wish to reverse an amendment, and that means removing the guarantee that access to justice will be taken into account in decisions on licensing prospective alternative business structures. Concern was expressed in the Joint Committee and evidence was taken from the Legal Aid Practitioners Group, which stated:

> "Such changes are seen as a potentially catastrophic threat to the networks of high street solicitors, with the damage to access to justice for ordinary people that that would cause."

That may be overstating the case, and it is important that access to justice works both ways.

Mr. Kevan Jones: I agree with the hon. Gentleman about access to justice. However, does he agree that any method that keeps inefficient and poor solicitors in business does nothing to provide access to quality justice, which many of his constituents and mine should expect?

Mr. Burrowes: I am grateful for that intervention. I am the first to admit that I have seen and been frustrated and appalled by the bad practices that occur. However, there are many good local high street practitioners who provide an invaluable service. The baby should not be thrown out with the bathwater that has been stained by solicitors who cause problems. In some circumstances, access to justice can be promoted by lower costs and providing services away from high street premises. One should not simply wed the argument about access to justice to the number of offices on a high street.

Nevertheless, the Carter reforms pose a threat. As we speak, good quality solicitors' firms—not the bad ones—are going out of business. I can give the Under-Secretary a list of such colleagues and firms.

Vera Baird: The hon. Gentleman knows very well that approximately 95 per cent. of all solicitors signed the unified contract again, thus showing their willingness and, indeed, anxiety to continue working on legal aid. I do not believe that he can be right.

Mr. Burrowes: The Under-Secretary knows about the great concern about signing that contract. The fact that 95 per cent. of solicitors signed it does not constitute a ringing endorsement of the Government's approach to legal aid. One has to look beyond that at what is happening on the ground and the number of solicitors' firms that are worried about the future, even before the Carter reforms have been effected.

Although we should not be wedded to the principle that access to justice depends on having high street firms everywhere, we should at least take account of it. The amendment proposed that due weight should be given to that and that, when appropriate, investigations should be conducted.

I welcome the Bill for many reasons but especially because it simplifies matters. The Joint Committee helpfully provided a diagram in colour of the current regulatory maze. It could well be a design that my children did during half term. Over the page, the maze is transformed by the proposed reforms. That is welcome to the profession and consumers. Above all, the Government must ensure that they do not challenge and undermine the profession's independence.

6.36 pm

John Mann (Bassetlaw) (Lab): I declare an interest, which is different from most of the others that have been declared. I have initiated regulatory action against 45 firms of solicitors. To date, none of them has won. My constituents have won in every resolved case without exception. The numbers that the Law Society records are a tremendous underestimate because, being a moderate man, I have been prepared, when my constituents agreed, to conciliate. Many cases did not therefore go through the regulatory process for complaints. The 45 firms have been described as a small number of solicitors, but those against which I have taken action had approximately 80 per cent. of the business—the claims and the amount of money that they were paid for handling them—in relation to the coal miners' compensation scheme. Some battles have been small, marginal and easily won and others have been long and hard. Some are ongoing. However, 80 per cent. of the total is not a small matter.

Mr. Kevan Jones: Would my hon. Friend like to comment on a letter that I received this morning from Fiona Woolf, the president of the Law Society, following my Adjournment debate in Westminster Hall the week before last? The final paragraph states:

> "However I am determined not to allow all solicitors involved in the miners' compensation cases to be tarred with the same brush as a result of the mis-deeds of a minority."

John Mann: When I consider the solicitors in my area, one has to travel a significant distance to find a firm that I have been prepared to recommend to my constituents—or even to ask my constituents to contemplate—on the basis that it will not charge. The vast majority of complaints have come from my hon. Friend the Member for North Durham (Mr. Jones), my right hon. Friend the Member for Rother Valley (Mr. Barron) and me. What that says to me is not that our areas are particularly problem areas, but that the publicity in them has been such as to encourage people to come forward. What is really interesting is that not a single one of the 1,500 of my constituents who complained to me had any idea that they could take forward a complaint process.

Another interesting piece of research is in the Law Society's records and is waiting to be published. I had to fight some battles to get these questions asked, but the Law Society puts five questions to new complainants and one of them is, "What experience have you had of the legal profession before?" I have seen the answers of my constituents and I can say that the majority, and particularly the elderly, have the perception that people only go to a solicitor if they have been in some problems with the police and require defending. That is their perception—not their experience—of the legal profession. The younger generation have a slightly different perspective because more of them have had experience—not necessarily a pleasant one—of family law courts, for example. As to challenging the high and mighty—whether it be the Government, firms of solicitors or whatever—my constituents do not have much experience of it.

It may not be a term that is fashionable in this House these days, but class is major issue when it comes to access to justice. I find that the upper classes always have a family solicitor and always have had one. The middle classes have a mixed experience, but they know what questions to ask. They sometimes get into difficulties, but they come forward and demand justice, and they have some idea that there may be a complaints procedure to go through. The working classes, from my experience, work on the basis that a solicitor is a man or a woman who can be trusted. It is a bit like with a police officer or perhaps an accountant in some vague notion, but a solicitor is someone who can be trusted.

It seems to me to be rather good for a profession to imbue in people the idea that that profession can be trusted precisely because it is a profession, which is exactly why I break from the general consensus that only my hon. Friend the Member for West Bromwich, West (Mr. Bailey) has really broken with so far. That is why I say that the cosiness with which both Houses seem to want to go forward does not satisfy me or, I believe, the interests of my constituents. Regulation needs to be highly robust precisely because of the important traditional reputation of the legal profession, as people see it and wish to see it. That must be the case.

I commend the recent changes in how the Law Society has handled complaints with its new set-up and new name—though that confuses me, never mind my constituents. What we see is a far more rigorous and robust system in place, which is exactly the direction of travel that is needed. My fear in respect of some of the amendments from the other place is that they appear to rein in that direction of travel.

I volunteered to sit on the Joint Committee on pre-legislative scrutiny, but I was not successful in my application through the usual channels! The places were filled by those with far more knowledge of the workings of the law than myself. That is a fundamental weakness in terms of our debate and the debate in the other place, but not because it invalidates the points that others make. It is not a little point, however, to suggest that if this were a debate on building the resource base and legal parameters of co-operatives, and if the pre-legislative scrutiny committee were made up of 18 out of 20 members who were active co-operators earning a living previously, currently or—perhaps if the electorate no longer wants them—in the future in that profession, one might perceive that a vested interest was involved.

There have been two fascinating historic developments tonight—the first I welcome, the second I merely observe. The one I welcome is the rolling back of some of the misconceptions about Nolan. Under Nolan, the perception held among the trade unions was that if someone was a trade unionist, it was not possible to speak on issues that were directly related to trade unions. One could not advocate or move amendments and all the rest of it. Yet what we have seen here is the ability of members of the various legal trade unions or legal executives, solicitors and barristers to do precisely that, as they did in the House of Lords. Doubtless they wanted to move and support amendments either in Committee or on the Floor of the House. I welcome that, because under the Nolan principles the issue always was transparency, not putting restrictions on what people can do. I have not sought to challenge anyone's right to advocate on that basis and I will not do so as the Bill progresses.

Robert Neill (Bromley and Chislehurst) (Con): I apologise for not hearing the beginning of the hon. Gentleman's remarks, but I have just returned from a funeral in my constituency. I also declare my interest as a member of the Bar, though not a practising one. Perhaps the hon. Gentleman, who referred to the Law Society, would accept that exactly the same point about transparency has been met by the Bar Council in separating its regulatory role, by setting up a Bar standards board, from the work of the rest of the Bar Council in its representational, lobbying or, to use the hon. Gentleman's phrase, trade union role. The Bar Council and the Law Society have taken account of his point about transparency. Does it not also follow that, if we are talking about independence, things would be so much more robust if the Lord Chief Justice had to approve appointments to the legal services board? Is that not a double lock on independence?

John Mann: I thank the hon. Gentleman, who will be delighted to know that I am coming on to deal with barristers and the Bar Council later in my speech. To save him the trouble of having to read *Hansard* tomorrow, let me point out that his party's Front Benchers were rather more circumspect about self-regulation by trade unions than he was.

Mr. Burrowes: I am disappointed that the hon. Gentleman did not make it to the Joint Committee, as I would have enjoyed being part of the same Committee and exchanging views with him. He talks a good game about being robust, but can he be more specific in explaining why the amendments from the other place are not robust? Does his direction of travel mean a greater role for the Government?

John Mann: I intend to go through the amendments, not least because there is a whisper that the Opposition are not particularly perturbed about how many days are allocated to the Public Bill Committee. There seems to be a consensus on getting the Bill through quickly and smoothly. I offer to the usual channels my services on the Public Bill Committee. I understand that, even if I am not selected as a member of that Committee, I have the right to attend in order to ensure that my

[John Mann]

constituents' perspective is heard. My services are available in the next few weeks, should they be required.

My other observation is of an even more historic nature: the final decline of "Liberal" within the Liberal Democrats. I always disagreed with the Liberals' overemphasis on the individual as opposed to society. That was always my perspective on the history of the trade union movement's shift from the Liberals to the Labour party. Finally, the last vestiges of "Liberal" in the merged party have been put to rest. Given the extraordinary position of the hon. Member for North Southwark and Bermondsey (Simon Hughes) on the question of the rights of the individual consumer, the only appropriate name change I can suggest for the party is to "Whigs".

"Independent" cuts in different directions. As far as I am aware, there is currently an independent legal services ombudsman. I have here a report that appears to be written by the legal services ombudsman, "The special report by the legal services ombudsman for England and Wales on the miners' cases". I do not know whether the current post holder is a barrister or a solicitor, but that does not seem to me to be a relevant requirement for the supervisory role being fulfilled, despite the implicit suggestion that a legal professional is needed.

I shall have to study the Bill in greater detail, but a provision that the post should always be filled by a lay person who is not a legal professional might be a suitable way of ensuring the independence of the chair of the legal services board. Clearly, it is invidious for a legal professional to oversee his own profession without independent input. Many skills can be brought to bear, but having the view of a person from outside, who neither has, has had or intends in future to have a pecuniary interest in the profession being overseen, seems to be the essence of independence.

We can argue about the detail, and it is legitimate for hon. Members to put forward proposals, test the Government and go further in that regard. My requirement, however, is for an independence that is separate from the vested interests of the legal profession. I do not use the term "vested interests" in a derogatory way; I use it factually. It is perhaps no surprise that some of the improvements in the Law Society's robustness in dealing with problems have been due to bringing in expertise from outside to take a fresh view. In saying that, I cast no aspersions on anyone in the legal profession, now or previously. It would be similarly absurd were we to appoint a Member of the House—or an ex-Member—to oversee our behaviour. Were that suggested, it would, I hope, be ridiculed in the House, and I would vote against it were it ever proposed. It would also rightly be ridiculed outside the House.

Mr. Burrowes: Does not the Bill provide that the first chairman of the legal services board will be a lay person? Does not that provide the robustness that the hon. Gentleman wants? The concern is that there should be a joint appointment process involving the Lord Chancellor and the Lord Chief Justice.

John Mann: If it is good to have an independent person at the beginning, it is also good in the continuum. Let me answer the question that I posed to the hon. Gentleman, which he forgot to answer, about current appointments by the Lord Chancellor. I have not heard criticism of those appointments. In relation to the other side of Nolan, the robustness is therefore all to be seen. I am totally against the vested interests of the legal profession influencing such decisions. That would be an absurdity, and would let down the legal profession overall.

I have some other concerns about the Bill. On the maintenance and development of standards for the legal profession, does the Bill assist—and what does "assist" mean—or does it lead the way? The report took a lead—it could have gone further, and other reports might be needed, not just relating to miners, on the way in which the profession has handled itself. I would like to see a leadership role in maintaining and developing standards, not merely an assisting role.

The question of the legal services board's powers is fundamental—what it can and cannot do should perhaps be itemised. The auditing of regulatory services is also fundamental. Progress must be made on what lies underneath the problems.

Mr. Kevan Jones: Does my hon. Friend also agree that one of the problems with the current system is the closed shop operated by the Law Society, for example, in relation to Watson Burton solicitors in Newcastle? They were subject to disciplinary procedures, but the judgment was kept secret from the public. Does he agree that maximum transparency on disciplinary actions and criticism of law firms should be at the heart of the Bill?

John Mann: I agree totally with my hon. Friend. I would like the legal services board's powers over the approved regulators laid down in statute, so that the general public are protected. On the question that he asks about confidentiality, and allowing misconduct cases to go forward and then hiding them away, the Watson Burton case came to light only by accident—a copy of the ruling came into my hands, and I felt it appropriate to give him a copy too, as he had far more such cases in his area. Through that, the issue got into the wider arena, so people could see what was happening.

How many more slaps on the wrist, or worse, have there been against solicitors? The public have a right to know, in order to make an informed choice about whom to go to, whom not to go to, and whether a potential claim exists in relation to mismanagement. The Accident Group case, for example, involved enormous mismanagement. The public and legislators have a right to know, and that needs to be built in to ensure full openness. If solicitors have behaved badly, and decisions are made against them through regulation by their profession, those decisions should be made available to the general public, not kept quiet.

In a similar vein, there should be the power to enforce decisions. There should be an instruction to pay back—perhaps to pay back a dying miner, and perhaps the three dying miners in my constituency who died during the course of their claim. There was also the case of the miner's widow who wanted the money

for her husband's headstone and who died in the process of winning justice, after the ruling against the solicitor who had refused to give her the money to pay for her headstone and that of her husband.

What disrepute does that bring the profession into? Could a profession get any lower than that? When people say that there should not be robust regulation of the profession, I can provide case after case to show that there should be. I could spend the rest of the evening—although I will not, Mr. Deputy Speaker, you will be glad to know—tomorrow and the day after illustrating the need for robust regulation with individual cases just of my constituents. I have astonishing cases of people fighting for basic justice, in which the wrong done to them is obvious to anyone looking in from outside. They have never dealt with the legal profession before and need the money, although not as a good-will gesture of winning a case and thereby winning justice.

I have in mind the miner who is dying from emphysema and who needs the money for breathing equipment; those miners who go to solicitors who give them all the pat about how they should not have it back and, when they challenge the senior partner directly, face to face, still do not get the money paid back; and those who have been waiting three years—three years!—for justice after adjudication because the cases have not gone in front of the solicitors disciplinary tribunal. I have scores of those cases to deal with and many more in the pipeline. They are what the Bill needs to be about.

The other place has watered the Bill down, but the other place has vested interests—declared vested interests, according to *Hansard*—and it should not have watered it down, but beefed it up. Cases from my area are not reaching the Bar Council because I have a day job to do as well, but I can assure the House that plenty are in the pipeline. Perhaps I will push some of them slightly higher up the order following this debate. I have tonnes and tonnes more cases.

Let me illustrate those cases with an example that shows some of the weaknesses, and I hope that the Government will be wary of expanding the market too quickly—making it too open—without giving thought to the consequences. The example is the conditional fee agreements and the hearing loss cases, involving miners, textile workers, steel workers and engineering workers, and if it is happening in my area, it is happening across the country. There are two forms of funding for that, which is why we have a case against them. Often, a claims handler grabs hold of the case and sells it on to a solicitor, who sells it on to another solicitor, who gives it to a legal executive, who commissions a private health company to get in a GP, from which the solicitors' firm gets a bit of commission. They take a loan out and get commission from the loan for insurance. The claim goes to a barrister, who writes up the facts, which I could have written up in five minutes—I do not exaggerate—and then charges for writing an opinion, which becomes the case taken forward.

There is something very badly wrong if my constituent wins a case for industrial deafness but finds that the amount of money going to that plethora of vested interests is four, five, six, seven or eight—sometimes even 10—times what he is getting. That may well be something for the Bar Council to consider, but I want one body where I can take the whole job lot and say, "You sort it out," because I've had to fight each case individually. I spend more money on filing cabinets—that is true—than any other piece of office equipment to stick all the files in. There are hundreds of pages in each one, because legal defences arrive, written by counsel on behalf of a solicitor, trying to stop my constituents gaining access to justice—in other words, prolonging the misery when the solicitors know that they are wrong.

Those are the simple cases, not the complex ones that will take even longer. Where is the justice in that? I allege that tens of thousands of industrial deafness cases and tens of thousands of cases that have already been compensated for industrial deafness—in other words, people who are partially or largely deaf—have solely been handled over the telephone. Where is the justice in accessing justice for those people? There has been no face-to-face meeting, and key decisions have been made. That is a scandal that all the regulatory bodies, from the Bar Council through to the Law Society, should be dealing with. The whole profession has operated on the basis that that is perfectly acceptable because the people live in rural mining areas and are not always nearby. Therefore they can grab the case and deal with them over the telephone.

Strangely, a 91-year-old with a claim for industrial deafness might not always be able to hear. If I can manage to see my constituents face to face, why cannot the solicitor, who is being paid to represent them, do so? If they do not—this is endemic in the profession—who is going to do something about it? That needs to be part of the regulatory role. The LSB should be about ensuring that we have best practice. It comes as a shock to solicitors in other parts of the country who are used to dealing with more matter-of-course matters—although not more mundane matters—to learn about such scams and scandals, and it is a shock when they see the profit involved. Who are the highest paid solicitors? The legal profession, through its own journals, now advertises the fact that phenomenal amounts of money are being made out of those practices. Their powers are not a small side issue.

I have come across solicitors' firms that refuse to release the files of dying miners who want me to go through the files to see whether the full claim was put in. The legal service makes the claim, including additional things such as not being able to wash up or having to have someone come in to clean or cook. I find that the claims are often not done in full. Why? Incompetence. The solicitor has ticked a few boxes and sent the claim in but has not done the full job. The only way we know that is by looking at the file, and yet despite the fact that we have won more than £20,000 for several people by challenging those claims—although perhaps that is why—firms still refuse to hand over the files. That is another role for the legal services board: to get the profession's house in order.

Mr. Kevan Jones: Has my hon. Friend also come across another problem whereby constituents legally transfer their cases from unscrupulous firms to others so that they can be dealt with properly or reviewed, only to find that the original solicitors either refuse or delay the transfer for many months, or possibly years?

[Mr. Kevan Jones]

The Law Society has little control over forcing those solicitors to hand them over.

John Mann: Those solicitors think that some of the claims will not be worth a great deal and can be pushed to the back of the queue. I have cases, as I am sure my hon. Friend has, in which people have been waiting six or seven years for progress to be made. They ask to be transferred to a solicitor who might do something about it and are refused. Again, it is extraordinary, but we cannot think that it is a unique Bassetlaw, north Nottinghamshire experience, because the firms are dotted around the country, from Brighton up to the north-east. My hon. Friend the Member for North Durham, who represents an entirely different part of the country, has found exactly the same. What a surprise; what a coincidence. This is a national issue.

I am talking about people who are not used to dealing with the legal profession—about vulnerable clients. Access to justice, and the expansion of justice, should be aimed at such people, whether it involves large firms of solicitors or small local firms. I have no strong view in either direction, but if we are to expand the market, I want access to justice to mean access for those people and many more. I want access to justice for people who have been done over in a range of ways, not just through industrial injuries: people who feel that they cannot proceed further because solicitors and the legal profession are not for them—that they cannot afford such advocacy, and that it is for the middle class rather than the working class.

Those people should not have to come to me to challenge insurance companies that refuse to pay out, or house builders when houses fall down, or conveyancers when enormous subsidence holes suddenly appear in the middle of the garden and under the foundations. They should feel confident about going to solicitors to obtain legal remedy, but they do not feel comfortable about it. This debate is about expanding the market, and there is a market full of people with grievances who ought to be making a sensible, coherent, rational decision to use a solicitor, be it a large multinational, a one-man band or a small family company in a town.

As for the location of the Office for Legal Complaints, there has been argument about whether it should be so near to Leamington Spa. I have no strong objection, but I do think it would be unwise to limit a body to one base by statute. If the miners' scam were repeated, a base in Sheffield or Newcastle would make sense, pragmatically and in terms of cost. Hands should not be tied for the sake of ensuring that the organisation is up and running as soon as possible.

I hope that the Office of the Legal Services Ombudsman will not suddenly disappear in the next few weeks or months, because its supervisory role has proved extremely valuable in the miners' cases. Both its remit and its role need to be maintained: it should be both an overseeing body and what some might term a court of appeal. It should be a further resort if regulation and the complaints procedure have not worked, but it should also ensure that there is forward looking as well as retrospectivity when it comes to the regulatory regime.

Enhanced powers are essential. Of the top three powers that are needed, the most important is a power to deal with the inability to keep confidential misconduct action taken against solicitors. Next on the list are explicit powers to enforce decisions, including those relating to the payment of compensation awards. Finally, the £20,000 compensation level is much too low. We also need to ensure that the Solicitors Disciplinary Tribunal is made to work, so that solicitors cannot play games of cat and mouse with people who are literally dying while they wait for justice.

7.14 pm

Mr. Shailesh Vara (North-West Cambridgeshire) (Con): I begin by declaring an interest. I am a non-practising solicitor.

The principles behind the Bill should be applauded. There is widespread recognition, both in the legal profession and among consumer groups, that the provision of legal services is in need of reform and modernisation. Sir David Clementi's report highlighted several areas that are in urgent need of reform, and it is right for the Bill to take its suggestions on board.

Few would argue that increasing choice and trying to ensure more value for money for consumers of legal services are not desirable aims, or that when bad service is received the complaints process should not be more accountable, transparent and independent than it is now. The move away from allowing the same bodies to carry out both representation and regulation in the industry is also long overdue. The changes in the Bill will help to strengthen the reputation of an already excellent legal system. However, although there is room for improvement, let us not forget that the British legal system is believed by many to be the finest in the world. As we introduce these changes, it is vital that we do not, by accident or design, put that world-renowned reputation at risk.

The Bill is, on the whole, in a good state, having been improved considerably in the other place. The amendments made in the House of Lords are not wrecking amendments. They do not seek to change the Bill beyond recognition, and they do not seek to undermine its underlying principles. On the contrary, they seek to improve and clarify specific points, to elucidate where there is uncertainty, and in particular to ensure that the regulation of legal services not only remains but is seen to be independent from political interference. It is clear that the Government seek to overturn at least some of those amendments. That is a short-sighted approach, and I urge the Minister and other Labour Members to think again.

The Government are wrong to insist that the Lord Chancellor alone should appoint all members of the legal services board—that is, all members except the chief executive, who will be appointed by the board in any event. I am afraid I did not find the Minister very convincing when she argued that it was right for the Lord Chancellor to consult other bodies. If that is right, what is wrong with including it in the Bill?

Bridget Prentice: What has been included in the Bill is concurrence, not consultation.

Mr. Vara: I was referring to the Minister's opening comments. I shall deal with concurrence later, but I recall the Minister saying at the beginning of her speech that the Opposition should not be too worried about the fact that the Lord Chief Justice's concurrence would not be necessary, because before making any appointments the Lord Chancellor would take consultations from other sources. If that is the case, what is wrong with stating in the Bill that there will be such consultations, and also that there will be concurrence from the Lord Chief Justice?

Mr. Kevan Jones: The legal services ombudsman—who, as was demonstrated by my hon. Friend the Member for Bassetlaw (John Mann), has a great deal of power—is currently appointed by the Lord Chancellor, with no recourse to anyone else. What is the difference between that and what is proposed in the Bill?

Mr. Vara: The hon. Gentleman has raised that question on a number of occasions. He may not have entirely understood this, but the Bill that we want is different from the Bill that we have at present. I am not trying to perpetuate the present system; I am arguing in favour of amending it.

Mr. Jones: Is the hon. Gentleman saying that the current arrangement—under which the Lord Chancellor appoints the legal services ombudsman, as he has done for quite a few years—is wrong?

Mr. Vara: I am here to discuss the Legal Services Bill, which talks of the Lord Chancellor appointing the legal services board. If the hon. Gentleman wishes to make a constructive comment on that, rather than repeating the same point over and over again, I am sure that the House will be appreciative.

The independence of the legal system is a matter of serious concern. If the Lord Chancellor alone appoints the board, many will see that as political interference in the regulation of our legal services. That impacts on the independence of the profession and, from an international perspective, it seriously undermines our reputation as having truly independent legal services. To put matters into perspective, the overseas market for legal services contributes more than £2 billion a year to United Kingdom exports. That is a huge sum and we will put it at risk if the rest of the world feels that the British legal system is no longer independent. Moreover, in an increasingly global market, where there are multi-jurisdictional transactions, UK law is often chosen as the preferred legal basis. That, too, will be threatened if there is a question mark over the independence of our legal system.

Robert Neill: Is not my hon. Friend's important point reinforced by the precedent set when Hong Kong was returned to China? The then Government took great pains to ensure that there were significant safeguards to protect the independence of the existing Hong Kong judicial system, recognising that the integrity and international reputation of the Hong Kong judicial and legal system was important for Hong Kong's future economic viability. Does not the same consideration apply here? It is important that we do not risk having even the perception among the many international organisations that choose to have their contracts dealt with under English law, that there is political interference.

Mr. Vara: I agree and I am grateful to my hon. Friend for clarifying the point and for making that intervention.

John Mann: Why has it not happened already? On the hon. Gentleman's logic, we have political interference with the "political"—his word— appointment of the legal services ombudsman.

Mr. Vara: I am arguing about the Legal Services Bill. If the hon. Gentleman wishes to perpetuate the system and to argue that we should have a system that continues with political appointments, that is his call. The House took on board all that he had to say in his contribution, which lasted some 40 minutes. I sympathise with the dilemma of many of his constituents, but it would be more useful if he were to make constructive comments as to how the Bill could be improved or be beneficial to his constituents, rather than giving a history lesson about the legal system that the Bill seeks to modernise.

Mr. Kevan Jones: Are the hon. Gentleman and the hon. Member for Bromley and Chislehurst (Robert Neill) both saying that the Bill should be amended to take into account what, for example, Europe and others feel should be the way in which we regulate our services? If that is the case, I am sure that the former Member for Bromley and Chislehurst will be spinning in his grave.

Mr. Vara: The hon. Gentleman is not following what we are saying.

It is clear that Britain's legal services should not only be independent of politics but be seen to be independent. To that end, the noble Lords in another place amended the Bill so that the Lord Chief Justice also has a role in the appointment of the board. Specifically, as has been articulated earlier, the Lord Chancellor's appointments should have the concurrence of the Lord Chief Justice. That is not a wrecking amendment. It is anything but. As well as maintaining the independence of the legal system, the amendment reassures the overseas market that the board appointments are not political. Therefore, the amendment helps to safeguard that huge market of billions of pounds from which the UK economy benefits—nothing more, nothing less.

If the Lord Chief Justice alone were to make the appointments, consumers would rightly feel that the legal services were being looked after by their own. In like manner, appointments by the Lord Chancellor alone have an air of political involvement.

John Mann: So the hon. Gentleman does include the legal services ombudsman, then.

Mr. Vara: I refer the hon. Gentleman to my earlier comments. I am here to debate the Legal Services Bill. He may like to take that on board, as he has regularly interrupted many hon. Members who have spoken.

[Mr. Vara]

What the Lords amendment does, by asking that the board appointments have the concurrence of the Lord Chief Justice, is to reach a fair compromise. It tackles the issue of overt political control, but still allows the Lord Chancellor to take the lead in the process.

There is a contradiction in the Government's insistence that the Lord Chancellor should have an unchallenged right to make the appointments. The very first clause of the Bill rightly includes among the regulatory objectives the need for the independence of the legal profession. It is to be applauded that such a sound and clear statement is made so prominently. Why, then, risk undermining that welcome statement by allowing the Lord Chancellor unfettered powers of appointment to the board? Such an approach is in danger of sending out the opposite signal. I urge the Government to retain that sensible amendment.

I now turn to the provisions that allow for alternative business structures. ABSs will allow more flexibility in the market and that will be good for both consumers and the profession itself. I certainly know of many solicitors firms where the finance director is held in high regard by the firm, but he is not made a partner because he is an accountant rather than a solicitor. Allowing for ABSs will, I am sure, enable many such finance directors to become partners, rather than simply be employees of the firm. However, it is important to ensure that any changes made in trying to improve the system do not lead to unintended negative consequences. The debate on ABSs has been going on for years and as firms and practices from a variety of professions seek to cut their overheads, it is only natural that they should consider having multi-disciplinary practices. That is fine in principle, but with it will come new challenges, from which we must not shirk, but which must be closely monitored, in the public interest as well as for the benefit of the consumer.

For example, if there is a high street solicitor who merges with a high street surveyor, a consumer who requires the services of both professions should be free to go to two separate firms if he so wishes, rather than find himself under pressure to use only one firm. Moreover, with a multi-disciplinary practice, there should be vigilance to ensure that no unnecessary burdens are imposed upon a consumer if he wishes to bring a complaint against a firm where he has used the services of several professions within the same firm. For example, if a consumer has used the services of a lawyer, a surveyor and an accountant in the same firm and something goes wrong, the consumer should not suffer if the professionals decide to engage in a buck-passing exercise between themselves.

To conclude, although there are some areas of concern, I support the main thrust of the Bill. It is right that our legal system should modernise, be more transparent and be more flexible—fit for the 21st century global market. The amendments to which I referred earlier do not compromise the principles behind the Bill. Indeed they serve to strengthen the legislation. I hope that the Government will accept them. By doing so, they will not only protect the consumer and the public interest, but safeguard our international standing in the legal world.

7.28 pm

Mr. Kevan Jones (North Durham) (Lab): May I start by saying that I am not a solicitor or legally qualified, but I have a vested interest to declare: for the six years that I have been a Member of the House, along with my hon. Friend the Member for Bassetlaw (John Mann), I have been defending and trying to get justice for hundreds of poor and weak constituents who have been treated appallingly by the legal profession and who need the measures that are in this Bill to protect them from some of the sharp practices to which he referred.

I will come on to the Law Society in a minute. I congratulate it on cleaning up its act in terms of the legal complaints service. It has improved and is doing a good job in trying to get justice for many of my constituents, but there is still a sense of denial there. I will refer later to the letter from Fiona Woolf and to the view that a minority of solicitors are involved. It is interesting that the majority of hon. Members who have spoken have direct vested interests, being either solicitors or barristers, or connected in some way with the legal profession. The point has been made that a minority of solicitors are involved. I am sorry, but I do not agree. My hon. Friend the Member for Bassetlaw has mentioned the companies in his area that have been involved, and I do not think that there is a single solicitors' firm in the north-east which has not taken part in the feeding frenzy in respect of miners' compensation.

I was first alerted to this issue almost five years ago, when an 86-year-old woman came to see me. She walked into my surgery on crutches. She was a miner's widow; unfortunately, her husband had died some five years earlier. She had been to a firm of solicitors in Newcastle called Mark Gilbert Morse, which had touted for business by putting advertisements in newspapers and targeting vulnerable people such as my constituent. She had been awarded a claim for the injustice that her husband had suffered, and Mark Gilbert Morse had taken 25 per cent. of that compensation—some £8,000—even though every single penny of its costs was being paid for by the Government.

John Mann: Generously.

Mr. Jones: Yes—and very generously in some cases.

As a result, there was an avalanche of complaints not only about Mark Gilbert Morse but other firms as well, which were double-charging and therefore taking from people's compensation. The highest proportion was 25 per cent. and the lowest was 3 per cent. Those firms were already being paid for all their costs. A succession of firms were doing that. As a Conservative Front Bencher mentioned, Thompsons Solicitors was in league with the Durham National Union of Mineworkers.

As well as the scandal of double-charging, there is the scandal that poor advice was given to our constituents. There was poor advice not only in terms of how solicitor firms were dealing with their cases, but some companies were taking on claims and sausage-machining them, which is my term for doing nothing at all and not contacting their clients for long periods—

for many years in some instances—while as the cases plodded through the system they were taking their cut. The greedy individuals involved could not be content with the generous fees paid by the Department of Trade and Industry, but they had also to raid the victims' compensation.

Somebody asked me why I keep going on about this matter. I do so because I feel very angry about how the legal profession has dealt with many of my constituents. I challenge anybody—such as Fiona Woolf, president of the Law Society—to come and meet my constituents, and those of my hon. Friend the Member for Bassetlaw, who have put their faith in lawyers and have been cheated. I know that that is a strong word, but it is the only word that can be used to describe what has happened.

I congratulate the Government on introducing the Bill, and also on having brought forward the Compensation Act 2006, which regulates a different area—that of claims handling. Again however, the claims handling industry could not have exploited many thousands of people without the collusion of the lawyers involved. Let me give an example to illustrate my point. People ask whether the companies I mention are merely back-street companies. No, they are not. They are companies such as Watson Burton, a solicitor firm in Newcastle. It sells itself as a big commercial law firm; it has a big banner at Newcastle airport. It went in league with a claims handling company called P and R Associates, which did nothing at all apart from getting people to fill in an application and then passing it on to Watson Burton. Watson Burton then deducted £325,000 from victims' compensation and passed it to P and R Associates. I have challenged Watson Burton to explain the contractual relationship between the two companies, and it did not do so. Those companies should pay back that money, but they will not because they are adamant that somehow they were contractually obliged to do what they did. However, what they did not do was tell their clients that they did not have to go through middlemen in the first place.

John Mann: On the subject of Watson Burton, my hon. Friend and I have both got money back for those of our constituents whose cases we know about. Does he not think that there should be powers in the Bill to enable the regulator to force companies such as Watson Burton to pay back everybody?

Mr. Jones: I am about to get on to that important point. I am pleased that the Minister has stated—not only in her opening remarks today, but in other comments—that the consumer must be at the heart of the Bill. I will not accept any crocodile tears from members of the legal profession saying that it will compromise their independence; I will address that point shortly. It must be recognised that most people have very little or nothing at all to do with the legal profession. As my hon. Friend the Member for Bassetlaw has said, the only time that most clients involved in miners' compensation cases have contact with a solicitor is if they have done something wrong. Many of the clients are elderly and they trust the solicitor. People have said to me, "But I've signed that piece of paper. Doesn't that mean I have to pay the money?" I then have to explain that their solicitor should have told them that they should not pay it. That shows how those people have been misled.

An education exercise needs to take place. People should be told what different law firms do and what their rights are. The legal services board should undertake that as part of its remit; it should educate the public about the need to ask questions, and what those questions should be. Many constituents of mine have gone along to firms of solicitors and have not questioned what the solicitors have said.

The key point is that solicitors should act in the best interests of their clients, but it is clear that they are not doing so. I mentioned a good example of that in my Adjournment debate just over a week ago: the Durham NUM and Thompsons Solicitors. Thompsons is due a lot of credit for other work that it has done, but its relationship with Durham NUM has been nothing short of a scandal. Their roles have been mixed up. People go to the Durham NUM and are referred on to Thompsons Solicitors. Thompsons take the case, and a fee of 7.5 per cent. is paid back to the Durham NUM. We ask people why they are paying that 7.5 per cent. We also ask Thompsons why it has not advised its clients that they do not need to pay the money. It replies, "Because we're acting on behalf of the NUM." Thompsons should be acting in the best interests of its clients, and in these cases it is not doing so.

The legal services complaints service is doing a good job, but have any solicitors been struck off or been heavily censured? No, they have not, because the current system of self-regulation does not work. My hon. Friend the Member for West Bromwich, West (Mr. Bailey) rightly referred to it as the last vestige of the closed shop. It is interesting that although the Conservatives attacked the closed shop throughout the 1980s—rightly, some would say—they did nothing about this closed shop. Clearly, self-regulation has not worked.

How should we move forward? We need a simple system—a one-stop shop where people who have complaints about the legal profession can go. That one body should be the office for legal complaints. However, it must be independent; it must not have any connection with the legal profession. I have taken account of all tonight's crocodile tears about political interference, but the Law Society and the professional legal services have brought this on themselves by the cavalier way in which they have dealt with my constituents, and those of many other Members.

During the speech of the hon. Member for North Southwark and Bermondsey (Simon Hughes), I thought at one point that he was going to start crying about the wonderful job that he thought the House of Lords had done on the Bill. I am sorry, but I have to say that this is what the House of Lords has done to the Bill: the vested interests have gutted it; that is clear from the *Hansard* record. Apart from a few exceptions, there was little resistance to the idea that it is a great attack on the legal profession. I congratulate Lord Bach—who I understand is a barrister by profession—alone. He said clearly that

> "Critics should think carefully before attacking the Bill on the grounds that it threatens or removes the independence of the English legal system. In my view, it does no such thing."—[*Official Report, House of Lords*, 6 December 2006; Vol. 687, c. 1177.].

[Mr. Kevan Jones]

The only other person in the other place who comes out of this very well is Lord Whitty, who is chairman of the National Consumer Council. He said something with which I agree totally—that

"self-regulation does not work for the consumer"

and that

"the consumer has the right to demand that Government intervene".—[*Official Report, House of Lords*, 6 December 2006; Vol. 637, c. 1192.]

That is where we are. The Government are intervening, and although the legal profession might not like it, it has, as I have said, brought this upon itself. We have a duty to protect our weak and vulnerable citizens. That is one of the reasons why I went into politics, and one reason why I became a trade union officer was to protect the vulnerable at work.

We have also witnessed the use of a back-door argument. It has been suggested that the Bar should somehow be exempt, or be left to self-regulate. The issue is whether the Bar should be brought under the remit of the Bill, and all the arguments that we have heard today from barristers in this place were rehashes of those used in the other place. I do not agree with the idea of taking the Bar out of the system. We need a system that enables people to know where to go to make a complaint—be it about a solicitor or a barrister—and it should be dealt with, and seen to be dealt with, independently of the legal profession. A few weeks ago I had to deal with a complaint to the legal services body which, unusually, was about not miners' compensation but a divorce case. It was clear that the lady in question had been given very bad service by the local firm of solicitors, who had employed barristers who did not need to be employed. She wanted one point of contact, which is an important issue. Trying to separate the points of contact into two is not acceptable.

Robert Neill: I am not unsympathetic to all the points that the hon. Gentleman is making, but for the sake of fairness, will he concede that part 6 of the Bill does not seek to take the Bar out of the system, but to give some flexibility to the office for legal complaints? If the OCL is satisfied that the Bar, which attracts only some 3 per cent. of complaints, has a robust system of its own that works satisfactorily—both the Government and the legal services ombudsman, in whom the hon. Gentleman sets considerable store, repeatedly say that it does—dealing with such complaints could be delegated to those approved regulators. That is not exempting the Bar from the system, but trying to make it work sensibly.

Mr. Jones: That is a good try, and if I were attempting to protect my own profession, I too would probably try any last-ditch method that I could find. The situation was summed up well in the Lords debate by Lord Whitty, when he disagreed with his noble Friend Lord Borrie. On delegation back to the Bar Council, he said:

"Even though I recognise that its past performance has been somewhat better than that of the Law Society, I think that we are then back into the judge and jury territory."—[*Official Report, House of Lords*, 6 December 2006; Vol. 687, c. 1193.]

That is the point. The Bar cannot act as judge and jury, just as the Law Society has not managed that to date, and the Bill will help to increase the standing of the complaints that go before it. I do not agree with the argument of the hon. Member for Bromley and Chislehurst (Robert Neill).

A lot of rubbish has been spoken today about how the Bill is somehow an attack on the independence of the law. That is absolute nonsense. Currently, the legal services ombudsman is appointed directly by the Lord Chancellor, with no remit from any outside body. The hon. Member for North-West Cambridgeshire (Mr. Vara) dismissed that as irrelevant, but it is very relevant. As I said earlier, it is important that the proposed board be seen to be totally independent from any form of legal intervention. I support totally the Nolan commission recommendations in this regard, and I agree with Conservative Front Benchers that the issue should be depoliticised. However, if the board is to have credibility, it should not be tainted in any way by the legal profession.

Mr. Vara: For the record, I am not saying that the appointment of the legal ombudsman is an irrelevance. I am simply saying that for the purposes of this debate, I did not find his arguments particularly relevant.

Mr. Jones: The hon. Gentleman said in his earlier contribution that the proposal was somehow an attack on the fundamental independence of the law, and he refused to answer the question that my hon. Friend the Member for Bassetlaw and I put to him in that regard. The current body has a lot more powers—to fine, for example—than the legal services board will have, and the ombudsman is appointed by the Lord Chancellor, not the Lord Chief Justice. I am clear that the board must be independent, and be seen to be independent, if it is to have the credibility and teeth that it needs.

I would like to make one or two other points about the detail of the Bill. I want the legal services board to have more teeth, in terms of the fines that it can impose on solicitors firms. The figure proposed in the Bill is £20,000, but that is nowhere near enough, and I shall give an example that shows why. A woman, whom I shall call Mrs. X, from Stanley in my constituency, came to see me before Christmas. She had the misfortune of having gone to the law firm Mark Gilbert Morse. She was pursuing a miners' compensation case on behalf of her husband, and Mark Gilbert Morse was given a settlement figure of £42,000 for that case by the Department of Trade and Industry. The solicitors rejected it on her behalf, without even telling her. Lo and behold, some six months later they came back with an offer of some £23,000.

Under the Bill, the maximum compensation figure for that case would be £20,000. Here, I give credit to the Legal Complaints Service. Thanks to the shame that was felt, and how appalled the service was by this case, Mark Gilbert Morse paid the £42,000 that had originally been offered. If the new body is to have teeth, as my hon. Friend the Member for Bassetlaw said, it must be able to hit solicitors where it hurts—in the monetary award.

Another issue that I am concerned about, and which needs to be examined, is the idea of forcing claimants to pay costs for frivolous and vexatious cases. This is a

complete red herring, and I resist at all points the idea that anyone should be discouraged from bringing a case forward for fear of a compensation award against them. The hon. Member for North Southwark and Bermondsey said that that would not happen. Unfortunately, it does happen, and people will not come forward if they feel that costs will be awarded against them. In my experience, even the most brazen solicitors who have been taking money left, right and centre will use every means possible to frighten victims into withdrawing their complaint. To judge by my experience to date of the Legal Complaints Service, any complaint that is clearly frivolous and vexatious never gets off the ground. It is for the service to fillet out cases in which there is no case to answer, and that should not involve a threat against the individuals involved, because that would act as a disincentive to their coming forward.

The miners' compensation cases show that, as even the Legal Complaints Service recognises, we have merely touched the tip of the iceberg of this issue. Many people simply do not know that they have a complaint. They are in awe of solicitors. They sign a piece of paper, and having done so, they think that they are legally obliged to pay the amount in question. As a result, they are not coming forward with complaints.

John Mann: Does my hon. Friend not find that, invariably, the solicitors write to the individual saying that they have to pay because they have signed the paper—as if that were a legal document in itself?

Mr. Jones: They certainly do. Watson Burton's defence in Newcastle's *The Journal* last week was that it had a "legal obligation" to pass the money over to the other side—P and R Associates. That is part of my earlier point about education: we need education on this subject.

The legal services board must be seen to be independent, and it must be independent from the legal profession. I also welcome the creation of the consumer panel to ensure that the administration of consumer services is properly conducted. It is important that the Minister—in her opening remarks today and in her continuing rhetoric—says that the consumer must be at the heart of the matter. If that upsets the legal profession—tough. From my experience of the way in which it has handled many cases in my constituency, frankly, it does not give a damn. It has created much hardship and heartache for many individuals.

I turn to one final issue: the alternative business model. I welcome it, because I recognise that there are other ways of delivering legal services. However, although I, like my hon. Friend, will not oppose the provision, I think that we should tread very carefully to ensure that we do not maintain the vested interests of the legal profession, about which we have heard tonight. If high street solicitors go out of business—good. In my experience, they provide a second-rate and substandard service, and do not do what the hon. Member for North Southwark and Bermondsey says they do, and refer cases that they are not capable of dealing with. They do not do that; they take those cases on, give the impression that they know what they are talking about, and give people a substandard service.

However, we need to tread very carefully. We do not want the same situation as we had with the growth of claims handlers, with middlemen and spivs setting up organisations that claim to be solicitors when they clearly are not. I emphasise that if we have alternative business models, the individual consumer must be clear about who is legally qualified to give advice. In the cases that my hon. Friend and I have dealt with, claims-handling companies have knocked on people's doors and rung people up. If we ask people, "Are they solicitors?" they say, "Yes, they are." But if we look at their literature, does it say that they are solicitors? No, it does not. They use language that suggests that they could be legally qualified, when most of them are not. In the worst case that I have come across, their previous company sold double glazing.

With that caveat, if the alternative business model is properly set up, with organisations that my hon. Friend the Member for West Bromwich, West mentioned, such as the Co-op and others, it could provide added service to the consumer. However, we must tread carefully to ensure that it is clear to the consumer who is, and who is not, legally qualified to give advice.

I shall finish where I started, and say that I welcome the Bill. It is a great move forward in trying to give legal protection to some of the most vulnerable people in our society. The Law Society has blown hot and cold on the issue, however. I read the *Hansard* report of the evidence from the other place, in which Fiona Wolfe said that the Bill had been much improved, but it has not; it has been filleted. This is where the Law Society needs to come clean and say that the miners' compensation scheme has clearly demonstrated that huge numbers of its members have taken advantage of the poor and weak in society—but in many cases, the Law Society has stood by and done very little.

As my hon. Friend the Member for Bassetlaw has argued, the Law Society should argue for more robust controls over those rogue solicitors—the rotten apples in the barrel. Unfortunately, there are far too many, and I do not accept Fiona Wolfe's point that only a minority have become involved in the feeding frenzy. If the society did that, it would be doing a service to the consumer, and to its genuine members. Its attempts to weaken the Bill by lobbying in the other place for its vested interests has not brought it any credit.

Like my hon. Friend, I offer my services in Committee. I do not know whether I shall be chosen, but I would certainly enjoy some of the exchanges. I would also table some amendments that would not only improve the Bill, but make it more effective at protecting the weak and vulnerable who need to be protected from certain sections of the legal profession.

7.54 pm

Mr. Mike Weir (Angus) (SNP): I start by declaring my interest. I am a non-practising solicitor, although a Scottish solicitor, and a member of the Law Society of Scotland. It is many years since I have set foot in a court, and I hope that it will be many years before I have to do so again. Although the Bill is primarily concerned with England and Wales, two matters impact on Scotland, and it is to those that I confine my brief contribution. I shall not touch on the regulation of solicitors, because we have a separate system in

[Mr. Mike Weir]

Scotland, and I gently remind the hon. Member for North-West Cambridgeshire (Mr. Vara), who talked about a UK legal system, that there is no such thing. There are three separate legal systems within the United Kingdom.

The first point of concern is the proposals in part 5 to allow for the creation of alternative business structures. Much has been said about alternative ways of delivering legal services, but in effect, the Bill will allow multi-disciplinary partnerships to be formed, as the hon. Gentleman said. There has been a strong debate about that in Scotland, and from what I understand, in England for many years, and although the Bill affects only England and Wales, there is great concern in Scotland and other jurisdictions about the way in which the territoriality will be contained, because such entities are not allowed under the law of Scotland. There is a fair amount of cross-border activity between law firms and tie-ups between Scottish and English law firms. Some Scottish firms operate in England and some English firms operate in Scotland. Indeed, I am told that there are about 600 Scots lawyers working in London alone, many of them for the type of firms that are likely to be attracted to the alternative business structures. That does not include retired solicitors acting as MPs.

There is nothing unusual about that situation, as many of the large commercial firms, especially in London, operate in many other jurisdictions. Liberalisation of services has been touched upon, and it is one of the sticking points in the current Doha discussions. Those Members who sit on the Trade and Industry Committee will recall receiving evidence on the issue from one large firm of commercial solicitors in London about our reports on trade with India and with the Mercosur nations of South America. It is conceivable therefore that such a practice established in London could in fact operate in several different jurisdictions.

I am neutral on the question of multidisciplinary practices. The Front-Bench spokesmen from the Conservative and Liberal parties both rightly raised concerns about their local effect, but my concerns are about their cross-border implications. The Law Society of Scotland has raised concerns that the licensing provisions in clauses 71 to 111 and the relevant schedules are only framework provisions and that they lack detail.

There are concerns about the way in which the new business structures will be licensed, and in particular about the way in which they comply with the law, professional rules and statutory and non-statutory provisions that apply outside England and Wales. That is important, because many people working in those large firms are regulated by others. They could, for example, be subject even within the UK to the professional regulation of the Faculty of Advocates, the General Council of the Bar of Northern Ireland, the Law Society of Scotland or the Law Society of Northern Ireland. It is important that any non-authorised person who manages such a firm does not act in such a way as to cause professional difficulty to such employees. That detail—the way in which the measures will apply to those new entities—must be teased out.

Indeed, much more prosaic concerns could arise. If, for example, a multidisciplinary partnership includes solicitors, advocates or barristers, architects and surveyors, how will the various professional organisations fit into the structure of the legal services board in dealing with the other non-lawyer members? In Scotland, and I am sure in England, solicitors firms have to pay into a guarantee fund that pays out should a member be found to have had their fingers in the till—to put it succinctly. Firms also have their own professional indemnity insurance. How would such a fund come into play in the event of a non-solicitor member of a multidisciplinary practice default? Would it work in the same way?

Mr. Heald: I am following what the hon. Gentleman says. Will he tell us whether the Scottish National party, which now forms the minority Administration in Scotland, has any proposals on the overarching regulation of the legal profession in Scotland, or on any of the other points that he is discussing, which might interact with what the Government propose?

Mr. Weir: I shall come to that. The Legal Profession and Legal Aid (Scotland) Act 2007 that was passed earlier this year, and the Bill, touch on that point, but multidisciplinary partnerships are a new concept. There has been much discussion about the idea in Scotland, but the debate has not moved forward. Scottish law firms are expanding overseas in the same way as English legal firms. Unlike English common law, Scots law is based on the Roman law, so it is well placed to expand into continental systems that are also based on Roman law. I am sure that as Scotland prospers under the new SNP Administration, many more firms will take up the advantages of expanding into Europe, as Scotland takes a much greater interest in Europe without having to come to it through the UK.

When the Bill was debated in another place, an amendment was proposed that would have provided for those new entities to be monitored in the first few years of their existence. When the Minister introduced the debate, we discussed whether the provision is a sunrise or sunset clause, or something in between. The hon. Member for Stafford (Mr. Kidney) made a good point when he said that those organisations should be monitored in their first few years of existence to see how they prosper. I suspect that they are coming and that they will spread to other jurisdictions, and we need to have some information on them.

I appreciate that the Minister might not be able to respond to these matters in detail in her winding up, but I shall raise some of my concerns so that they can be given some other consideration. The Bill includes two clauses—196 and 197—and two schedules that will have a direct impact in Scotland. They make changes to the system of regulating Scottish practitioners in reserved areas such as financial services and immigration and asylum cases. I have no great points to make about them, as they come under the Legal Profession and Legal Aid (Scotland) Act 2007, but I note that those measures make several repeals of provisions in both the 2007 Act and the Solicitors

(Scotland) Act 1980. Will those repeals require the consent of the Scottish Parliament? If so, has such agreement been sought and obtained?

8.2 pm

Mr. Jonathan Djanogly (Huntingdon) (Con): This has been an interesting, albeit sometimes technical, debate on a matter that is certainly of constitutional importance. All hon. Members have made thoughtful contributions and, although there are significant differences in detail, the Bill has generally been welcomed by everyone who has spoken.

The report that Sir David Clementi produced on legal services was a visionary one, and we recognise, as do many hon. Members, that the Bill has come a long way since it was first introduced. I pay tribute both to the Joint Committee's work and its comprehensive review, and not least to its Chairman, Lord Hunt, as well as to the input of my hon. Friend the Member for Enfield, Southgate (Mr. Burrowes), who made a significant contribution to today's debate. In many ways, they moved the Bill back to the original Clementi vision. That was even before it went to the other place, where it was substantially improved by Conservative, Liberal Democrat and Cross-Bencher Lords, led frequently by my noble Friend Lord Kingsland.

We believe that the Bill is now pretty much there, and are not pleased, therefore, to hear from the Under-Secretary of State for Justice, the hon. Member for Lewisham, East (Bridget Prentice), how most of the improvements are to be reversed by the Government in Committee. The Minister and the hon. Members for Stafford (Mr. Kidney), for Bassetlaw (John Mann) and for North Durham (Mr. Jones) described the changing mechanical, technical and cultural issues that led to the need for the Bill. There is certainly no complacency among the Opposition about the need to improve legal services, not least given the polls saying that no more than 44 per cent. of consumers have a favourable opinion of lawyers, the evidence on miners' compensation given by the hon. Member for Bassetlaw and the current regulatory framework, which includes some 22 different regulators.

The Lord Chancellor identified the lack of consumer confidence in the way in which lawyers are regulated, and highlighted the potentially restrictive way in which the legal profession operates and how to enhance competition in the profession. He then spoke of the regulatory maze that baffles consumers and thwarts effective oversight and which even Sir David Clementi's report agreed was flawed. I shall examine each of those issues in the context of our debate, keeping in mind the fact that lawyers play an extremely important role as a thriving, independent profession in the life and economy of our nation, and we need an appropriate and modern regulator system that reflects that.

The Clementi report concluded that there was considerable concern about how consumer complaints were dealt with. There is no argument about the fact that solicitors in particular recognise the need for reform of the complaints-handling system. There are now no fewer than 118,000 solicitors practising which is itself a testament to the success of the profession—having grown from only 31,000 in 1976—and has enabled Britain to become a worldwide centre for legal excellence. By the way, all of that occurred despite the Government's attempt to wreck the infrastructure of our legal system by their swingeing cuts to the Court Service while squandering millions on a new so-called supreme courthouse, their attack on criminal and civil legal aid and their ham-fisted blundering into the new Ministry of Justice.

We share the concern of many, including the Bar Council, the Institute of Legal Executives, the Institute of Chartered Accountants, Which? and the Law Society to ensure that the legal services board operates with the light touch recommended by Clementi and in an appropriate way, rather than micro-managing the approved regulators. As my noble Friend Lord Hunt of Wirral put it, before the amendments were made in the other place:

> "There is nothing in the Bill to indicate that the Legal Services Board is intended to act as a supervisory regulator, which would leave day-to-day responsibility with the approved regulators and exercising its powers only when they are clearly failing."—[*Official Report, House of Lords*, 23 January 2007; Vol. 688, c. 1040.]

We hope that the Government will change their mind about removing the amendments that regulate the role of the board. Such moves will not in themselves help consumers—despite the Minister saying that they would—or keep costs down. We are all keen that the measure should not become an expensive rebadging exercise of the legal services ombudsman.

As my hon. Friend the Member for North-East Hertfordshire (Mr. Heald) said, the value of the new complaints arrangements for barristers is not as clear cut; the Bar Council has not come in for the same level of criticism and according to most commentators, including the ombudsman, is generally recognised for its responsive handling of complaints. The Minister said that the Bar Council is the only body that wants different treatment, but she did not mention the fact that the Law Society has accepted the Bar Council's position—for the Bar, albeit not for the Law Society itself. Even if a third of complaints currently dealt with by the Bar are referred back to the legal services ombudsman for reconsideration, two thirds are not, so the proposed changes might not improve consumer satisfaction in relation to such complaints. There are only 9,000 barristers, and their complaints are dealt with by a body made up of unpaid professionals and lay persons who operate the complaints board reasonably satisfactorily and certainly cheaply. Nevertheless, the Bar Council is also generally supportive of the Bill, as long as the amendments made by the Lords are not removed, especially those in respect of complaints delegation back to the approved regulators.

However, most of the current regulators are understandably concerned that without delegation back, the approach will be to bring everyone down to the lowest common denominator. After all, the Joint Committee considered that the cost of the new regulatory system was "speculative at best" and it is conceivable that the costs of reforming the system will spiral out of control with no corresponding improvement in quality. The Minister said that the costs would be £32 million, but is that because she separated start-up and first year running costs? We heard that start-up and first year running costs are estimated at about £57 million. Will she clarify what the costs will actually be by the time the Bill is passed?

[Mr. Jonathan Djanogly]

As my hon. Friend the Member for North-East Hertfordshire said, we hope that the Government will change their mind and move back to the polluter pays principle. As my noble Friend Lord Kingsland said in the other place:

"Those exonerated following investigation or litigation should not be penalised for being found blameless."—[*Official Report, House of Lords*, 8 May 2007; Vol. 691, c. 1277.]

We do not want an unjust system, which would have the effect of deterring practitioners from acting in certain fields of law, such as criminal or family law where unjustified complaints are disproportionately likely.

The whole exercise will be costly for smaller regulators, for whom it is very doubtful that it will increase consumer confidence. The Chartered Institute of Patent Attorneys typically receives fewer than 10 complaints a year, while the Institute of Trade Mark Attorneys has received only three complaints since 2001. The Institute of Legal Executives, which has a membership of 22,000, received only 19 complaints against its members in 2004-05. All those practitioners considered it extremely rare for their claims not to be settled amicably through conciliation.

Mr. Kevan Jones: I am interested in the hon. Gentleman's comments on legal executives, but is not the reason for that low number the fact that solicitors' clients rarely know that legal executives carry out most of the work?

Mr. Djanogly: As the hon. Gentleman knows, if a complaint is made, it is firstly made against the law firm, and most complaints are sorted out at that stage. If a complaint goes further, the regulators come into play. That is a pretty telling figure. The Institute of Paralegals and the Council for Licensed Conveyancers also have similar concerns. So a one-size-fits-all approach is not necessarily suitable.

Finally on consumer complaints, the Government have referred to Which? and the National Consumer Council, but other consumers should also be represented, not least the corporate consumers—the thousands of in-house lawyers. The Government are not giving enough thought to those consumers, not least in respect of giving them a voice on the LSB. Will the Minister reconsider that? In that vein, the line of the hon. Member for West Bromwich, West (Mr. Bailey) that this is a Bill for lawyers, run by lawyers and against the consumer is somewhat undermined.

Moving on to alternative business structures, we believe that, subject to safeguards and the continued consideration of the impact on access to justice, entities should be able to participate in law firms and to provide multidisciplinary services to the public. The influx of external capital is likely to change the market for the better, by providing greater competition. That point was expressed strongly by my hon. Friend the Member for North-West Cambridgeshire (Mr. Vara). Which? and the National Consumer Council believe that proposals to make the legal services market more competitive will bring significant benefits for consumers, including more choice and higher standards. However, we remain concerned that, once the Bill is passed into law, the ABS proposals should not be rushed into practice without adequate care and thought. The hon. Member for Angus (Mr. Weir) noted his caution over the possible pitfalls, although I am not sure to what extent he sees the reality of the marketplace. However, the retention of professional values is key, as is how that relates to actual or potential conflicts of interest that might arise in ABSs.

As my hon. Friend the Member for North-East Hertfordshire identified and as was very well expressed by my hon. Friend the Member for North-West Cambridgeshire, borrowing from his significant experience, London is now the international legal centre and City lawyers are at the forefront of the boom, earning some £2 billion a year for this country. As a peer recognised, we are the best international lawyers in the world and people come to us and our courts because of our quality. That profit to this country could be put at risk if the images given by the Bill are ones of interference with the independence that leads to our getting so much work from abroad. That is one reason why we should be concerned to ensure that the independence of the LSB remains a priority in the Bill. That point was made very well by my hon. Friend the Member for Enfield, Southgate, whose comments were supported by his extensive legal experience. The Minister replied to an intervention from, I believe, the hon. Member for Wolverhampton, South-West (Rob Marris) by saying that the views of foreign Governments were not relevant. That goes somewhat against what we understood to be the case, and we will wish to look into that further in Committee.

We agree with the recommendation that the Government adopt a careful approach to the ABS system, with a staged plan for implementation. On the basis of the Clementi report, the Joint Committee recommended starting with structures whereby lawyers and barristers could form partnerships and followed by a gradual move to a system of multidisciplinary practices and free-market ownership. Practically speaking, the Government have said that it is not likely that we will see multidisciplinary practices much before 2011. That date was provided by Baroness Ashton in February. Is it still the date? Will the Minister please identify the current timetable and the format envisaged for rolling out ABSs? We might wish to return to that in more detail in Committee.

The hon. Member for Stafford made a good point on ABSs in suggesting that other regulated professionals, such as patent agents and chartered accountants, should possibly be dealt with using a more open stance than a non-regulated third party—for example, a non-legal investor in a law firm. I think that was the basis of what he was saying, and I agree that that is worth exploring in Committee.

We had concerns that, under the original Bill, ABSs could limit access to justice. Those concerns gave rise to the successful amendment from my noble Friends in the other place. We are therefore truly sorry to hear that the Government intend to go soft on access to justice, by overturning that amendment. However, we also recognise that this should not turn into a case of the Government hindering the development of the legal profession or making it protectionist. As a *Financial Times* article pointed out,

"Familiar brands have nothing to gain from offering substandard legal services".

In other words, if a high street brand company were to offer legal services, its systems and rigorous product, services and brand management could provide a better service. However, we maintain that that should be managed in the wider pubic interest, as much as in the consumer interest. There is a balance to be had, and we will wish to ensure that the Bill is capable of delivering it.

The key to resolving the regulatory maze is how to make an oversight regulator an effective partner of front-line regulators. It is therefore important, as was made clear by my hon. Friend the Member for North-East Hertfordshire, that the policy statement amendment should remain, so that we end up with light-touch regulation, and that the thresholds that govern when the LSB can intervene are kept sufficiently high. If the intention behind simplifying such relationships was to build consumer confidence, it would be logical if it also allowed lawyers to make appeals against regulatory decisions. Currently, the provisions only allow for judicial review. That is particularly relevant since the Government have stated that they have no intention of paying the costs of setting up or running either the LSB or the OLC. We should ask ourselves who will end up footing the bill. Let us make no mistake that, as things stand, it will be the consumer, as was quite well set out by my hon. Friend the Member for Enfield, Southgate. I should have thought that that sits somewhat uncomfortably with the Government's stated intention to put the consumer first.

There are the Government lawyers to consider. To echo Lord Thomas in the other place,

"I would like the Minister to tell us who we complain to about government lawyers if they do not come within the proposed regulatory regime."—[*Official Report, House of Lords*, 6 December 2006; Vol. 687, c. 1172.]

Will they contribute to the levy? We will wish to review that issue. Can the Minister tell us how the Government lawyers will be regulated?

The response of the Under-Secretary of State for Justice on how unions will be regulated, considering her stated attempt to exempt them from part 3, was confused and will need careful review in Committee.

I want to end on the regulatory issue by returning to something that the Lord Chancellor said on Second Reading in the other place. He argued that people

"can have no confidence in a system where complaints are dealt with by a lawyer's own professional body."

He continued:

"These public perceptions can have a corrosive effect on the reputation of the sector more generally."—[*Official Report, House of Lords*, 6 December 2006; Vol. 687, c. 1162.]

The Conservative party believes that that is too narrow an interpretation. As my hon. Friend the Member for North-East Hertfordshire and the hon. Member for North Southwark and Bermondsey (Simon Hughes) made quite clear, we feel that the preservation of justice and the constitutional importance of the independence of lawyers are more important than the individual consumer's interests or their perceptions, and we should be under no illusion that, in any event, the Bill in itself will not somehow make people like lawyers any more or any less than they do now. So we believe that we must take a stand for an independent and well-regulated profession.

We have listened to the Government's arguments and still have grave concerns that the Government will undermine the experience and expertise of the other place, which could turn the further stages of the Bill in this place into a rather negative and destructive process. This is a once-in-a-generation opportunity to reform the legal services sector. Given our support for the Bill in its current form at this stage, we therefore hope that the Government will take a more positive and constructive approach in the later stages than they have indicated that they will do today.

8.18 pm

The Parliamentary Under-Secretary of State for Justice (Vera Baird): I thank both Opposition parties for the support that they have broadly given to the Bill. I thank all those hon. Members who have contributed to a good if polarised debate. One could say that people either love lawyers or they hate them, but I sometimes think that people either are one or they hate them, and that is the way the world goes.

Since the principles are broadly agreed—I hope that I do not claim too much in that—there is much more to be done in Committee than in this closing speech. So I hope that no one will take offence if I propose to take new points and then only to address the amendments that have been discussed. I know that the hon. Members for North-East Hertfordshire (Mr. Heald) and for Huntingdon (Mr. Djanogly) will not be offended if I wrap up their comments in dealing with the amendments. However, for the benefit of the hon. Member for Huntingdon, I can say that the calendar about which he specifically asked has not changed since my noble Friend Baroness Ashton set it out. It is likely that 2011 will be the right date, but of course legal disciplinary partnerships, as opposed to multidisciplinary partnerships, will be available from the time of Royal Assent. I hope that the distinction is clear. The hon. Gentleman was wrong to say that there would be no burden on the public purse. The Ministry of Justice has said clearly that it will pay at least £2.4 million for the set-up costs of the new complaints system.

Let me deal with the new points that were made. My hon. Friend the Member for Stafford (Mr. Kidney), a man of considerable perspicacity, raised the question of the solicitors regulatory authority's wish to fine and publish rebukes. Schedule 22 will allow such an amendment to existing legislation during the transition period. We accept in principle that that should be available and we hope to deal with that matter during the Bill's passage.

My hon. Friend and the hon. Member for Enfield, Southgate (Mr. Burrowes), who is in the Chamber, referred to the costs of the system. I have already said that the Ministry of Justice will pay £2.4 million. The set-up costs will be phased, rather than chargeable all at once. There is the question of whether this is fair. I understand that when the new regime is brought together, it will cost less overall than the existing system. Professionals, in addition to getting a bargain, will get the benefit of the consumer confidence that comes from a good complaints system, the opposite of which has been discussed today. There will thus probably be a double bargain.

The hon. Member for North Southwark and Bermondsey (Simon Hughes) talked about will writers,

[Vera Baird]

as did the hon. Member for North-East Hertfordshire. As yet, there is no evidence that we need to regulate them. Clause 24 will allow the legal services board to recommend to the Lord Chancellor that there should be more broad regulation. If that proves to be necessary, it can be introduced.

The hon. Member for North Southwark and Bermondsey also talked about vexatious litigants. Following my intervention, I was glad that he agreed that it should be sufficient for the LSB to have the discretion to decide in such a case whether the victim solicitor should pay the costs. We agree that that is the right way forward and we will reverse the amendment made in the other place that would put an absolute bar on orders for costs from being put forward in some cases. Such a provision is utterly unnecessary and over-rigid.

The hon. Gentleman and the hon. Member for Huntingdon raised the question of appeals. This is a matter of judicial review. We think that the whole process must go through a firm's practices before it even gets to the Office for Legal Complaints. There must be a way to end complaints at some point, so judicial review it is.

My hon. Friend the Member for West Bromwich, West (Mr. Bailey) talked interestingly about a meeting regarding the Carter proposals that was full of lawyers, saying that the most important issue in his constituency was the absence of legal aid. I got an impression of the tone of that meeting—I have been there—and it was not atypical. Having withstood that meeting, it is a great tribute to my hon. Friend that his welcome to the Bill was carefully thought through and balanced. We heard a typical piece of fair mindedness from him.

My hon. Friend the Member for Bassetlaw (John Mann) was right that lawyers must speak in the House about issues that concern them and their livelihoods. He must speak, as he does powerfully, for the working-class lay people whom he and I represent. His idea of a permanent lay chair of the LSB was interesting. However, an interesting point of debate is the question of whether we should fix that for ever, or just establish the culture of the body by ensuring that its first chair is a lay person. The Under-Secretary of State for Justice, my hon. Friend the Member for Lewisham, East (Bridget Prentice), would not mind at all if my hon. Friends the Members for Bassetlaw and for North Durham (Mr. Jones) were members of the Public Bill Committee. I am sure that they would not want the Committee to sit until Christmas, but they would be very welcome.

Let me say briefly to my hon. Friend the Member for Bassetlaw that poorer people sometimes have a better guarantee of quality from lawyers than richer people. If people are on legal aid, the Legal Services Commission, which contracts with them, has powers. For example, the commission can issue a specialist quality mark which people need to carry out certain legal aid work. It also has a system of peer review. That system involves other lawyers reviewing the way in which people conduct their business, so I admit that it might not be perfection incarnate, but it is a pretty potent tool that guarantees some quality. When a person is outside legal aid, none of those mechanisms are available. In addition, for complex cases, case management is available on legal aid through the LSC, so lawyers cannot send a case on legal aid to an expert who is not needed. Standard cases are carried out for a fixed fee, so there is nothing to be gained by prolonging a case unnecessarily in the way in which his constituents have experienced.

My hon. Friend dealt pretty effectively with Liberal Democrat Members' cosy point that local solicitors are universally good and always act in the interests of their communities. Sometimes that is the case, but small firms must not be preferred at all costs. Such firms are not universally bad either, but they cannot possibly have the range of expertise that is needed in this modern world. Larger community legal advice networks are essential, whether they are actual or virtual. Firms in the not-for-profit sector can work together through such networks to ensure that the poor using legal aid can go through one door for advice, rather than going to the only firm available—although it knows nothing about debt because it spends its life conveyancing and dealing with crime—and thus getting let down. Such a system also means that people do not need to work out what kind of advice they need so that they can decide where to go. If they have a community legal advice network or centre, they can walk through a door and just ask.

I was privileged to open the first community legal advice centre about a week ago in Gateshead. I ask all hon. Members in the Chamber to request that their local authorities enter at once into negotiations with the LSC so that the local authority cash that is available for welfare advice and our cash from the LSC that is available for legal advice can be pooled, to ensure that people who need good legal advice can literally walk through a door of a community legal advice centre and just ask for it.

My last point about the speech made by my hon. Friend the Member for Bassetlaw is that the lawyers complaints system has got significantly better, as even my hon. Friend the Member for North Durham said.

If the hon. Member for North-West Cambridgeshire (Mr. Vara) thinks that measures that say that alternative business structures should not be introduced until endless research has been completed, and which would delegate the power of the office for legal complaints back to the Bar Standards Board, are not wrecking amendments, I am afraid that he is a lost cause.

The hon. Member for Angus (Mr. Weir) rightly perceived that he would need to get some correspondence from me in connection with the points raised in his speech. However, he asked a specific question that I can answer. If an ABS body operates in England and Scotland, it will have to comply with each jurisdiction's regulatory rules, unless the rules apply to where the work is being done. If alternative business structures are not permitted in a jurisdiction, a firm will have to create a different entity to work there.

The hon. Gentleman asked about the crossover of regulators when multidisciplinary partnerships come into being. The LSB will regulate the economic entity that supplies the legal services, while individuals from different profession will remain regulated by their profession.

My hon. Friend the Member for North Durham champions outstandingly his hard pressed, ill treated, often suffering miner constituents. He makes powerful points but essentially says that the amendments made in the other place weaken the Bill. We agree, and we will not accept them.

The question of appointments has taken a lot of airspace tonight. To speak as the hon. Member for North-East Hertfordshire did of Government controlling lawyers or the Lord Chancellor appointing his friends is silly. Of course the Nolan principles apply, as he knows very well. Appointments will be made in accordance with best practice and they will be scrutinised by the Office of the Commissioner for Public Appointments. The appointments will therefore be made on merit, independently scrutinised by the OCPA and subject to equal opportunities requirements and to the test of probity. That method of ministerial appointment is the norm for all public appointments. There is no reason to distinguish between appointments made in connection with the Bill and any others.

Mr. Heald: Will the Minister give way?

Vera Baird: Yes, but let me first make one more point. Perhaps the hon. Gentleman will respond when he intervenes.

A number of people have asked why the Lord Chief Justice should not co-decide the matter. The answer is that if an appointment is a ministerial appointment, there is both parliamentary oversight and scrutiny by the OCPA. What if an appointment were proposed by the Lord Chancellor and passed all the Nolan criteria of merit, equal opportunities and probity, but were then vetoed by the Lord Chief Justice? Who would be accountable then?

Mr. Heald: Does the hon. and learned Lady not recognise that we are in a different world, with new roles for the Lord Chancellor and the Lord Chief Justice? Each represents an important pillar of our constitution—the Executive on the one hand and the judiciary on the other. Given that the appointment is about the independence of the legal profession and given that it goes to the profession that provides the judges and, therefore, that pillar of our constitution, how can she say that this is not a serious matter, or argue that there should not be consultation with the Lord Chief Justice? Of course there should be.

Vera Baird: Ah—I sense a wee shifting of ground here. We are talking about consultation, are we? That is not the word that was inserted by Conservatives in the other place. Consultation? Let us think about that in Committee.

I hope that the hon. Gentleman has taken and digested the point that I made a minute ago, to which he simply failed to respond. If a proper appointment made by a Minister accountable to this House and according to Nolan principles is vetoed by the Lord Chief Justice, there is no route of accountability. That is the fatal flaw in the rather superficial arguments that have been advanced. If we followed the path advocated by Conservative Members, we would weaken the independence of the legal profession.

Mr. Heald: The Minister may not yet have fully appreciated the significance of the change to the Lord Chancellor's role, or that the Lord Chief Justice now has part of the Lord Chancellor's former role. Is she saying that she would agree to an amendment that required the Lord Chancellor to consult the Lord Chief Justice, or is that just a red herring?

Vera Baird: The hon. Gentleman, running backwards as fast as he can without quite falling over, ignores the code that allows the flexibility now for Ministers to consult relevant persons. What is the problem with that? It suffices for every other public appointment. Clementi does not want the Lord Chief Justice to make a co-decision; consumers overwhelmingly do not want it. The availability of consultation is present. The hon. Gentleman has run back up a dead end.

Let me deal with the question of thresholds for the exercise of the LSB's powers, to which the hon. Member for Enfield, Southgate referred. It is essential that the board be able to exercise appropriate powers where the acts or omissions of an approved regulator damage the regulatory objectives, but to amend the threshold so that the board can act only where there is a significant adverse impact on the whole of the regulatory objectives is to tie its hands. The board must not stand by and watch while a significant or serious event happens before it can act; that is not in the consumer interest. We will overturn that amendment.

We have discussed the sunrise clause and researching before we introduce ABS activity in England and Wales. If part 5, which brings in ABS, cannot commence until some research has been conducted on ABS, there will be no ABS to research, and the process of bringing it into force will be very circular. The amendment to that effect made in the other place is about delaying unreasonably the positive benefits that ABS will bring to consumers and providers alike.

The hon. Member for North Southwark and Bermondsey, among others, raised issues of providers cherry-picking, undercutting, wiping out the competition and not providing services in rural areas because of the power of the open market, and the hon. Member for Somerton and Frome (Mr. Heath), who is no longer in his place, talked about virtuous local solicitors using conveyancing to subsidise criminal work. Theirs is simply not a realistic position. The most dynamic firms in my constituency, where there are small towns, only do criminal work and they do not subsidise it from anything. The hon. Member for Enfield, Southgate spoke with pride of being a solicitor who had done legal aid criminal work for the poor on benefits for the past 12 years, and he has a decent quality suit on tonight, so I think that he is managing without subsidising that work from anywhere else.

The licensing authorities will have a clear duty to consider the effect on all the regulatory objectives, including access to justice, when carrying out the licensing functions. That is in clause 28, which covers all licensing functions, not just decisions on applications for alternative business structure licences. That duty is reinforced by the requirements in clause 82 for licensing authorities to issue policy statements about how they will comply with their duty to consider the regulatory objectives when carrying out their functions. Again, that is about access to justice.

[Vera Baird]

Licensing authorities will be held to those duties through monitoring by the legal services board. Those duties will fully protect access to justice.

Mr. Burrowes: To go back to the Minister's categorisation of those who want a sunrise clause as people employing a delaying tactic, would she say that Sir David Clementi and the Joint Committee on the Draft Legal Services Bill were guilty of using delaying tactics? They all urged a cautionary approach to the ABS systems.

Vera Baird: Caution is the Government's watchword, and we will proceed with monitoring as we go along, but silly research that is intended to support a wrecking amendment will not be tolerated; the Bill will make progress at the appropriate rate.

Let me turn to the issue of trade unions. My noble Friend the Lord Chancellor has made it clear that we in no way intend the Bill to regulate lay trade union representation in the workplace, whether full-time or part-time. Nor do we intend it to put additional burdens on unions that provide legal advice to their members. However, contrary to what was suggested, that does not mean that union members will have no protection, for a number of reasons. First, any reserved legal activities that a union undertakes will have to be carried out by lawyers and will be subject to regulation. We are talking about not regulating the union as an entity, rather than not regulating the lawyers who work within it. In addition, the exemption applies only where the union is providing legal services deriving from its membership. If the union wanted to provide legal services to the public at large, it would have to be regulated as an entity and would have to get an ABS licence.

The Royal Automobile Club, the Automobile Association or any other members' organisation would be in the same position; as long as it provided services only for its own members, and as long as its membership was not so wide that it amounted to a section of the public under clause 15(6), it, too, would not have to be regulated. It is common for members of unions to be referred to outside firms with which the union has arrangements, but where trade unionists have a complaint about the way in which they have been represented, they can of course go to the certification officer, if there is a breach of the rulebook; that remedy is not available to somebody who is being represented by a citizens advice bureau.

The issue of not delegating complaints-handling to the Bar Standards Board is central to our policy of creating a single, independent complaints body. The office for legal complaints should deal with all complaints of up to £20,000, although that limit can be increased. My hon. Friend the Member for Bassetlaw talked about the need for it to be higher. The Law Society's current ceiling is £15,000, so the provision is better than that, but we will certainly consider the points that he made. The OLC will be free to seek advice or assistance from anybody, including approved regulators; that is important, and it means that the much lauded expertise of the Bar Standards Board will not be lost. It is imperative that the OLC be independent. It is a new redress system; it is not the Bar Standards Board. There must not be the impression that the profession is judging itself, and there will be no delegation of complaints-handling down to the Bar Standards Board. This important legislation will put in place a regulatory framework that puts the consumer at its heart.

Mr. Heald: The hon. and learned Lady seems to suggest that she fully accepts the comments made by the hon. Members for North Durham (Mr. Jones) and for Bassetlaw (John Mann) to the effect that all lawyers are chisellers and not to be trusted, and that we are in effect talking about an outlaw profession. She has been an honourable member of the profession for a long time; is she just accepting those remarks? Is she not prepared to stand up for a profession full of hard-working, honest people who are trying to do a good job, and who believe that they are following a vocation? Is she not prepared to defend her profession at all?

Vera Baird: The hon. Gentleman does not listen to what my hon. Friends the Members for North Durham and for Bassetlaw are talking about. They have laid a large number of legitimate complaints that have been upheld by disciplinary bodies. They have both made it clear that so far none of those concerned have been found not culpable in those cases. That is entirely right, and I do not understand why the hon. Member for North-East Hertfordshire wants to make the point that my hon. Friends are misguided in their criticism of those wrong solicitors who shame him, the hon. Member for Enfield, Southgate and me as members of what should be an honourable profession. Bad lawyers must be dealt with severely, and they will be dealt with severely. The hon. Gentleman must not let vested interests stand in the way of his usually fair judgment.

This important piece of legislation will put in place a regulatory framework that puts the consumer at its heart. It will encourage competition, innovation and transparency in the provision of legal services. It will address consumers' bad experience with poorly handled complaints. It will ensure that the regulatory structure within which the legal services operate is flexible and modern. It will strengthen the position and standing of legal services in England and Wales to secure greater public and consumer confidence at home, bring greater independence to the regulation of legal services and retain the sector's long established and respected international position.

All these are the purposes behind the Bill, and it will achieve them. We look forward to careful scrutiny and good debate in Committee in case this good Bill can still be improved, but we will resist totally its purposes being undermined by specious amendments. I commend the Bill to the House.

Question put and agreed to.

Bill accordingly read a Second time.

LEGAL SERVICES BILL [*LORDS*] (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A (6) (Programme motions),

That the following provisions shall apply to the Legal Services Bill [Lords]:

Committal

1. The Bill shall be committed to a Public Bill Committee.

Proceedings in Public Bill Committee

2. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 28th June 2007.

3. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of any message from the Lords) may be programmed.—*[Jonathan Shaw.]*

Question agreed to.

LEGAL SERVICES BILL [*LORDS*] [MONEY]

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and ways and means resolutions in connection with bills).

That, for the purposes of any Act resulting from the Legal Services Bill [Lords], it is expedient to authorise the payment out of money provided by Parliament of—

(1) payments by the Lord Chancellor to the Legal Services Board and the Office for Legal Complaints,

(2) any other expenditure incurred by the Lord Chancellor under or by virtue of the Act, and

(3) any increase attributable to the Act in the sums payable under or by virtue of any other Act out of money so provided.—*[Jonathan Shaw.]*

Question agreed to.

LEGAL SERVICES BILL [*LORDS*] [WAYS AND MEANS]

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and ways and means resolutions in connection with bills).

That, for the purposes of any Act resulting from the Legal Services Bill [Lords], it is expedient to authorise—

(1) the imposition of a levy by the Legal Services Board,

(2) the charging of certain fees by the Legal Services Board in its capacity as an approved regulator or a licensing authority under the Act,

(3) the imposition of charges by the Office for Legal Complaints in connection with complaints made under the scheme under Part 6 of the Act, and

(4) the payment of sums into the Consolidated Fund.—*[Jonathan Shaw.]*

Question agreed to.

DELEGATED LEGISLATION

Ordered,

That the Smoke-free (Signs) Regulations 2007 (S.I., 2007, No. 923), dated 19th March 2007, be referred to a Delegated Legislation Committee.—*[Jonathan Shaw.]*

COMMITTEES

Madam Deputy Speaker (Sylvia Heal): With permission, I shall put together motions 6, 7 and 8.

Ordered,

TREASURY

That Kerry McCarthy be discharged from the Treasury Committee and Mr. Siôn Simon be added.

WELSH AFFAIRS

That Jessica Morden be discharged from the Welsh Affairs Committee and Mr. Wayne David be added.

PUBLIC ACCOUNTS

That Helen Goodman and Mr. Sadiq Khan be discharged from the Committee of Public Accounts and Chris Bryant and Ian Lucas be added.—*[Tony Cunningham, on behalf of the Committee of Selection.]*

Economy of Central Scotland

Motion made, and Question proposed, That this House do now adjourn.—*[Jonathan Shaw.]*

8.42 pm

Mr. Eric Joyce (Falkirk) (Lab): I see that we have a little more time than usual, so I look forward to my usual one-hour speech, followed by a fabulous response from my hon. Friend the Minister. I am struggling slightly with my voice, so I may speak a little more quietly than usual although the Boots product which is the equivalent of Strepsils seems to be doing a pretty good job.

I shall briefly present a picture of the economy in central Scotland. From my perspective the essence of the central region is the old Falkirk, Stirling and Clackmannanshire. It all sounds rather parochial but it is a big chunk of the UK economy. Not unreasonably from my perspective as the MP for Falkirk, I see central Scotland as an area that works outwards from Falkirk as the hub, through a series of spokes which include places such as Stirling and parts of Lanarkshire and Clackmannanshire. It includes businesses of all sizes, which will be affected by trade unions and other interests. I hope that my hon. Friend will be able to convince me that the economy of Falkirk and central Scotland is a high priority for him and his colleagues in government.

When I entered the House and prepared my maiden speech, I reread the maiden speech of my predecessor but one, Harry Ewing—Lord Ewing of Kirkford. It contained much that was of great value. He had a hugely successful career and is still regarded locally in Falkirk, Grangemouth and Stirlingshire as a man who interpreted the political landscape with great intelligence and had a fine political career. In his maiden speech—I think that he would be comfortable with my saying this—he said, to paraphrase over a series of paragraphs, that Falkirk is, always has been and always will be an iron town. In fact, within about five years, pretty much all of the iron foundries that served the shipbuilding industry of the Clyde had closed and the economy of Scotland—more to the point, as a local representative, the economy of central Scotland and Falkirk—had changed beyond imagination, even beyond the imagination of Lord Ewing, who was well qualified to try to project a dozen years into the future.

Yet, in the economy of my area now, we have manufacturing still: it would not be true to say that it has disappeared. In reality, the economy of central Scotland remains extremely mixed. We have a successful and famous tertiary manufacturing bus factory, which is now called Alexander Dennis. It has always had "Alexander" in its name. Two or three years ago, following the collapse of the parent company, Mayflower, it looked as though we could lose 1,000 jobs and that would be the end of it. Historically, that would have been pretty tragic given the bus building industry's links to the iron foundries, metal industries and shipbuilding further down the Clyde. All the iron foundries have gone—most of them are now well-appointed houses—but the bus manufacturing company still exists.

There has been an enormous turnaround in the past two or three years. There are more jobs now than existed before. Many are highly skilled and some are less skilled—there is a great deal of metal bashing—but a lot of it is good, solid, practical, skilled, tradesman-like activity. That, to some degree, is what marks out the Falkirk economy from the economies in parts of central Scotland that are some way out from the main metropolitan bases. There is a great story of survival and success. Alexander Dennis now manufactures buses that are sold, sometimes in kit form, all over the world. It still employs 800 or 900 people. Symbolically, that is almost—obviously, not equally—as important as the jobs themselves.

The Falkirk economy, like every regional or local economy in the UK, requires a strong UK economy. It is fair to say that for the past 10 years we have had a very stable economy; the Minister will know more about that than me and will be able to say more about it in due course. The UK economy has not only been extremely stable and well managed but has created an environment where companies such as my local companies in Falkirk can do extremely well. They can compete with the best, not only in Scotland but in the UK and across the rest of the world. Alexander Dennis is a good indication of that.

A strong economy means opportunities for everyone. We do not want economies to consist only of low-skill, service-based sectors where people do not receive sufficient training, are paid at the bottom end of the scale, and so forth. In my area, we have, to a large degree, a correlation between good employment levels and significant social justice. Falkirk has unemployment levels of just over 3 per cent., as against 7.5 per cent. before 1997.

I declare an interest in the jobcentre in Falkirk because I opened it—and got a plaque on the wall—two years ago when we went through some pain in closing down one or two small jobcentres. The Department for Work and Pensions has done a fabulous job. Other organisations, such as the Shaw Trust, with which we have had a good relationship in the past few years, had a great effect on placing those who are furthest from the job market in employment.

I have been Member of Parliament for Falkirk for the past six years. In the first couple of years, people would come to me and say, "I've just failed my medical. What shall I do about incapacity benefit?" In fact, they had passed their medical and could now work. It has been an education to me to see organisations such as the Shaw Trust and Jobcentre Plus picking up those people, who are now in employment. The relationship between unemployment and employment is more complex because people who were formerly on incapacity benefit are now in employment. That enormously increases the affluence—if I may put it that way; the affluence is not huge—of families who were among the least well off. They can never be raised above the most modest way of life until they are in employment.

Two or three years ago, there was a strong correlation between a man being unemployed and his partner being unemployed. That may have been due to social or domestic pressure, but it was a fact. We are beginning to break the correlation. That is enormously important.

In my constituency, we have several successful local companies, which have worked alongside Jobcentre

Plus and the Shaw Trust. I met the great chief executive of Lomond plant hire, which is a medium-sized company that employs between 200 and 250 people. It trains people to operate plant, so the work is not unskilled. The company is entirely organic—it came out of the Falkirk economy. It is based on an industrial estate and, although I had seen the odd vehicle driving around, since such companies are mostly located in the places where they operate forklift trucks, JCBs and so on, one does not have a sense of their public or practical presence in, for example, the building industry. However, when one visits the location and meets the people who run the organisation, it is striking how enormously successful it has been in the past 10 years under an effective, strong and competitive UK economy.

Another company, Applied Sweepers, is just around the back. That sounds like parochial stuff to the House, but those companies are multi-million-pound businesses, which effectively came from nowhere and out of the imagination and hard work of the people who created them. They are organic and Falkirk based. Applied Sweepers is famous for the green machine that sweeps our streets throughout the UK and, indeed, the world. It is an enormously successful company, and it is a source of pride that companies such as Lomond plant hire and Applied Sweepers have managed to achieve that success in Falkirk. They are run by Falkirk and central region people.

Another famous local company is called Mathieson's. It makes my sandwiches and those of many other people in Falkirk. It is a hugely successful bakery, which recently bought fabulous premises, helped by Scottish Enterprise. Of course, that is devolved to the Scottish Executive, but it is fair to praise it in this place. The new factory that Mathieson's operates in Falkirk has made a step change, which means that it can serve major companies such as Asda and Tesco. They have an excellent policy of taking on local produce and using it throughout the region. In the case of Mathieson's, that means sandwiches, cakes and so on, but there are local providers throughout the country whose products are taken on. We should show Asda and Tesco respect for having the sense to realise that people want to buy local products from places such as Falkirk.

There is another angle to which I would not have given much thought in the past. Sometimes people who run thriving companies operate out of industrial estates. On some such estates, one or two people could perhaps be categorised as behaving antisocially. They are not on a housing estate or in a house—they are behaving badly not where they live but where they operate their business. It is not unknown—I have checked it with colleagues across central Scotland—to have enormously successful local ventures on industrial estates, but to see people at the margins who are, or are bordering on, being antisocial in carrying out their activities. Ultimately, I suppose it is a matter for the police, but it is interesting from a business perspective. If colleagues with constituencies in central Scotland or perhaps even the Minister visited a local industrial estate in the area, they might find germs of companies that they had not even heard of before. They are profitable, turning over a great profit and treating their staff extremely well by training and paying them well—miles above the national minimum wage. There is aspiration all around, but sometimes these companies are plagued by a couple of people or a couple of businesses at the margins on those estates, which we really should be taking a very close look at because it can affect the way that business is done—parochial point now made, Madam Deputy Speaker.

It is true to say that Falkirk is in a pretty unique position and location when it comes to business. We have three motorways surrounding us: the M876, which is the wee one that takes us up to Kincardine bridge; the M8, which takes us down to Glasgow; and the M9 up to Edinburgh. There are five stations in the constituency and it takes about 25 minutes to get to Edinburgh or Glasgow. Most people go to Edinburgh, but a good chunk go to Glasgow. Anyone standing at Falkirk, High in the morning will see a great welter of people travelling to jobs, perhaps to the Royal Bank and the financial institutions in Edinburgh, or perhaps to Glasgow council and many other businesses in the Glasgow area. When I stand there at Falkirk, High—perhaps the best place to get a perspective on all this—it seems to me that central Scotland and the Scottish economy are really part of what I like to think of as Glasburgh, which I view as a big metropolis extending from Glasgow to Edinburgh, taking in the peripheral areas and acting as the economic driving force of Scotland to a very large degree.

Scotland is particularly interesting in respect of its outlying economies and cultures, but the area between Edinburgh and Glasgow—with Falkirk right in the middle—is also particularly interesting. To some degree it is for the UK Government and to some degree for the Scottish Executive to work out what should be done. I am not always absolutely optimistic about the ability of the new Scottish Executive to do that, but let us wait and see.

It seems to me that an important role should be played by Government generally, and particularly the UK Government, in the context of ensuring a strong economy. The Government should ensure that fledging companies, which can become the Lomond plant hires and Applied Sweepers of tomorrow, are properly encouraged and brought on. Many areas in Falkirk and the central region of Scotland can be developed, yet it seems strange that many attempts to develop are still awaiting success, if I can put it in the most benign way. As a modest Member of Parliament, I do not quite understand why, but the reality is that despite the short journey time to Edinburgh or Glasgow, it is difficult to attract Scottish non-governmental organisations, which seem to prefer Stirling, Perth and Inverness. I do not know whether it is because they are more posh or because people prefer to live there or what, but the operating costs should be less in the central region. These are mainly decisions for the Scottish Executive, but not exclusively so, because some matters are decisions for the UK Government—my hon. Friend the Minister and his colleagues.

Fundamentally, from my perspective, there seems to be an odd economic dysfunction. Falkirk is, as I said, very close to Edinburgh and Glasgow, right in the middle of a motorway system and has five stations. If we spoke to a foreign national, he would say that it sounds like one big metropolis or one big city—and yet there is a big space right next to the motorway in Falkirk, which for some reason is very difficult to sell. I am not exactly sure why that is.

[Mr. Eric Joyce]

As I look up at the clock, Madam Deputy Speaker, I suspect that the Minister may be getting worried that I am going to take up all the allotted time for the Adjournment, so fair enough. I shall cut my comments slightly short, but, if I may, I should like to quote briefly a couple of excellent local agencies, one of which is Falkirk council, which used a consultancy called DTZ Pieda to say:

"The loss of traditional and more recently high technology manufacturing capacity, and the growth of a service oriented economy, has been the key feature of economic change since the 1970s."

That relates to my earlier reference to Lord Ewing. It continued:

"Nevertheless, by 2003, Falkirk still retained a substantial proportion of manufacturing—18 per cent. of employment and 25 per cent. of gross value added—in its industrial structure."

The consultancy went on to say that there was a dichotomy between the petrochemical industry—BP Grangemouth, which happens to lie outside my constituency—and the rest of the economy. In point of fact, however, we have a mixed economy, with a productive local work force. A bit of imagination needs to be applied to the question of why that dichotomy exists in spite of the substantial rise in employment. I will not go on at great length about the figures that show that if the petrochemical sector is included, mean average earnings are much higher than if we extract the petrochemical sector from the figures. It makes no sense to take the petrochemical sector out of the economy of central Scotland, because its existence is real.

If we take the petrochemical sector out, however, it tells us a little about what is going on elsewhere in the local economy in central Scotland. There may be a story about local skill levels. Forth Valley college, which is expanding and dominates education provision in central Scotland, is taking the bit between its teeth and now focuses, under Linda Mackay, its excellent principal, on the vocational. Although it also provides degree courses, art and so on—all of which I know to be good—the reality is that getting people into good, medium to high-skilled jobs is key. Stewart Hogg at Scottish Enterprise Forth Valley puts a great deal of time and effort into developing businesses in Falkirk, as the dominant part of Scotland in population terms.

As to development and land use in central Scotland, the great space at the edge of the motorway, which seems eminently useable, has, for the past six years since I have been the local Member, been the subject of a great deal of hype. Perhaps some of it is not hype, but a realistic projection of the area's potential. One good thing that has happened is that a new football stadium has been built for Falkirk football club, which has been really successful. My area has three professional football clubs.

Macdonald estates, which has been involved in that, has for the past few years had a number of ideas and plans, which sometimes seem different from the actuality on the ground. I once asked a question of Dan Macdonald, who is the chief executive of what is apparently a public company—although it seems to me more like a family company. At a public meeting, I asked, "Who will move into the many offices and hotels you are going to build? You don't have to tell me their names, as it might be a matter of commercial confidentiality, and I will take your word for it. Can you just tell me that there are one or two interested parties for the space that Macdonald and Falkirk council were creating in the important and useful gateway project for Falkirk?" He said, "I cannot answer that." He put up someone junior to tell me why he could not answer it. He wrote me a letter, which, uniquely in my parliamentary experience, should have been written in green ink—he had typed it, or someone had typed it for him. It more or less said that it was outrageous of me to ask him that question. He said that there is all this space, and people will come and use it—if we build it, they will come—and I merely asked him to convince me that one or two people might come to use it.

The Falkirk Helix is a £500 million project. It is described by what is in part MacDonald Estates and in part Falkirk council before the election, so by a previous administration, as "Manhattan on the Forth". An article says:

"A vision of Manhattan on the Forth with a power to stimulate the wider Scottish economy"

is in place now.

"It will cost £500 million, create £5,000 jobs and take eight years to complete".

As a minor detail, we are told:

"There will be a marina near the Falkirk Wheel"—

a truly fabulous part of Scotland—

"and streets of offices, not dissimilar to"

New York. It continues:

"These streets will have squares and public places, fronting boulevards",

and so forth.

If we use that space intelligently, with a bit of vision and realism we will generate jobs, but not if people are concerned about their vested interests. I am a big fan of productivity and good companies, and there are many good companies in Scotland, such as the Royal Bank of Scotland, and as far as I know MacDonald Estates does a good job elsewhere, but people are a bit mad about what is happening: If people from MacDonald Estates turn up to meetings in two-door Rolls-Royces that cost £200,000 and everyone else is earning £12,000, they will alienate themselves from the local community. I am concerned that MacDonald Estates may not be interested in the well-being of the people of Falkirk, but I could be wrong about that and could revise my opinion.

My concern is for the economy of Scotland as a whole and central Scotland in particular—what I would call Glasburgh, by which I mean back offices in Falkirk and front offices and front-facing organisations in Edinburgh and Glasgow. If those services properly come together, Falkirk could be even more affluent. To a degree, that has to be directed by the Scottish Executive, but my hon. Friend the Minister has a significant say in that. I ask him to take full responsibility for the high employment in Falkirk—I am going to challenge him on that—and to convince me that the interests of the people of Falkirk and central Scotland are high on his agenda.

9.7 pm

The Parliamentary Under-Secretary of State for Scotland (David Cairns): I congratulate my hon. Friend the Member for Falkirk (Mr. Joyce) on securing the

debate. Since he was elected, he has always been an outspoken advocate for, and tireless champion of, central Scotland, in particular the Falkirk area that he proudly represents. I also congratulate him on his magnificent struggle with failing health. He managed to get through his speech without his voice giving way, although he had me worried when he declared an interest in Jobcentre Plus. I was not sure what he was going on to say, but he assures me that he is interested in it because he opened it, and there is a plaque on the wall to confirm that.

This is an important debate and it is important to have it at this time. The performance of the economy is always crucial, but at this time, in a period of political flux, it is essential to recognise just how well the economy of central Scotland is doing, and how important it is not to take any decisions or pursue any policy paths that will put the state of the economy at risk.

As my hon. Friend properly outlined, the central Scotland economy makes a vital contribution to the overall Scottish economy. If one widens it out from the central region to what he called "Glasburgh", we are talking somewhere in excess of 70 per cent. of the value of the entire Scottish economy. I take issue with him on one thing, however: I gently remind him that central Scotland extends west of Glasgow—indeed, some of the most dynamic, exciting and beautiful parts lie there. However, I will not chide him any further. I think he takes my point.

With the area making such a large contribution to the overall Scottish economy, it is reassuring to remind ourselves that as recently as April this year, no less an authority than the chief economist of the RBS Group, Dr. Andrew McLaughlin, said that the

"Scottish Economy is in fine fettle".

How right he was. The latest growth figures show Scottish output rising by 2.6 per cent. over the year, well above the long-term growth rate of 1.8 per cent. That is the highest calendar-year increase in GDP since 1997. It also marks the 10th consecutive quarter of greater-than-trend GDP growth.

As my hon. Friend said, dynamic sectors such as the financial services sector are creating a prosperous Scotland. Over 2006, financial services grew at the staggering rate of 8.1 per cent. Manufacturing, which played an important part in my hon. Friend's speech, experienced a 0.9 per cent. quarterly increase in output, meaning that the sector—which, as we all know, has struggled, as it has done throughout the western and the developed world—is no longer in recession. Gross value added per head in Scotland exceeds that in Wales, Northern Ireland and all the English regions except London and the south-east and east of England.

Not only is the Scottish economy performing strongly at the moment, but the predictions are also encouraging. Independent forecasters such as the Fraser of Allandar Institute and the Ernst and Young ITEM Club suggest that the economy will continue to grow at above its long-term rate into 2008.

In the past the economy has done well, but growth has often come without jobs attached to it. That does not apply to the strong Scottish economy at present. The Scottish labour market is experiencing a period of unprecedented strength. There have never been more Scots in work, and the economic activity level and rate are at record highs. The latest statistics show that unemployment is falling, and is currently near an historic low.

As my hon. Friend said, stability generated by the United Kingdom's strong macro-economic framework has delivered the strongest Scottish labour market for decades. Much as I should like to take credit for that, I think my hon. Friend will agree that much of the credit must go to the excellent stewardship of the economy achieved by my right hon. Friend the Chancellor of the Exchequer. I think everyone in Scotland will recognise that just as he has delivered an outstanding economy overall, he is well placed to take over leadership of the United Kingdom on the basis of his outstanding track record in delivering a strong Scottish economy, with record low inflation, record investment in our public services, and record numbers of people in work. That is the legacy of my right hon. Friend the Chancellor of the Exchequer, and it gets his premiership off to an outstanding start.

More jobs are available than ever before. Over 250,000 more people are in work than in 1997. The Scottish employment rate exceeds the United Kingdom average and that of almost all other countries in the European Union, and, as I have said, unemployment is near an historic low.

It is not only politicians who are making these claims. It might be seen as entirely self-serving if I merely read out a list of statistics, so let us examine what independent sources are saying. On 14 May the senior economist at the Royal Bank of Scotland, David Fenton, said:

"Growth in new business fell on the month, but has been so strong over the past year that order books are now brimming over, with the index of unfinished work also at a record high."

On 24 April Iain McMillan, director of CBI Scotland, said:

"Scotland's manufacturers are confident they can match the best in the world. Optimism regarding the business situation continues at a high level with export optimism at its highest level since February 1968."

On 29 March Professor Donald MacRae, chief economist at Lloyds TSB Scotland, said:

"The Scottish economy continues to grow above its trend rate whilst expectations for future growth have risen to their second-highest level in nine years...Consumer confidence remains high, reinforced by record levels of employment."

In March Dr. Peter Hughes, chief executive of Scottish Engineering, said,

"the Scottish manufacturing engineering sector continues to have an optimistic outlook with overall improvements in total orders and output volumes continuing."

As my hon. Friend says, central Scotland is rightly seen as a driver for growth in the Scottish economy. Although all parts of Scotland are making their contribution, tonight we are focusing particularly on the contribution made in central Scotland. In terms of gross value added per head, both Edinburgh and Glasgow easily exceed the UK average and are continuing to grow at a quicker rate than the national average. I have already mentioned the tremendous success of the financial sector in Scotland. Long may that continue. It now employs directly 110,000 people, and a similar number indirectly. New jobs are being created there all the time.

My hon. Friend apologised for being parochial. He has no need to apologise for that. He does what constituency

[David Cairns]

MPs are entitled and supposed to do, which is to make a case on behalf of their constituency on the Floor of the House. His constituency is a prime illustration of the success of the central Scotland economy. In the past year alone, unemployment has fallen by 9 per cent. in Falkirk and now sits below the Scottish average. I am sure that his predecessors would have liked to have been able to come to the House when unemployment in Falkirk was below the Scottish average. In his constituency and mine, unemployment was into double figures, where it stayed for many years. He can now boast that he is an MP at a time when unemployment in Falkirk is below the Scottish average. That does not happen often. He must take some credit for that, too.

My hon. Friend mentioned Alexander Dennis, the coach builder, which is renowned not just throughout Scotland but throughout the world. On a trip to Shanghai, he and I spotted some buses that were made in Falkirk trundling through the streets, so they are clearly well known and well regarded throughout the world. We congratulate Alexander Dennis on winning in March a contract from Stagecoach worth £55 million, for another 393 buses and, just last week, on being awarded a contract by the National Express Group worth £26 million for 119 double-decker buses. In addition, it is making great strides forward. My right hon. Friend the Secretary of State for Scotland saw that when he visited the company recently: he saw the "eco-warrior", the environmentally friendly double-decker.

My hon. Friend invited me to reflect on the situation of some industrial estates throughout Scotland, including in my constituency. I have an industrial estate in my constituency that closely mirrors the one that he described. In Port Glasgow, the Devol industrial estate does not employ people in the vast numbers of years gone by, but it still makes an important contribution to the local economy in Inverclyde. I can think of several companies there that are still employing many of my constituents in well-paid, well-trained jobs. We lose those jobs at our peril, and we minimise the importance of that at our peril.

I have had a lot of dealings with—I will pick just one of the companies—McLaren Packaging Ltd, which has gone from fairly standard manufacturing of boxes for television sets to sophisticated manufacturing of those cardboard presentation tubes that Scotch whisky now comes in. It is a very skilled job. Many millions of pounds have been invested in the necessary capital, equipment and training of the work force. The Scotch whisky industry is thriving. It is worth a huge amount to the Scottish economy. Companies such as McLaren Packaging Ltd play an important part in allowing Scotch whisky to expand into markets where it is seen more as a niche product. The company will soon be employing upwards of 100 people, and has plans to expand even further. It is making a tremendous contribution to the economy of Inverclyde, and by extension to the economy of central Scotland.

Such industrial estates are not without their problems, as my hon. Friend outlined, but we give them up at our peril. We allow them to be sold off for housing at our peril. They may not be what they once were, but they are still important. We must not minimise the importance of that.

On the broader front, the success of the economy in central Scotland has allowed the Government to make available to the Scottish Executive record sums of money to invest in our vital public services. In Falkirk alone, we have 23 more consultants, 88 more nurses, more midwives, 24 more dentists, and 162 more teachers. That is directly related to the strength of the economy. If it were not for the strength of the UK economy at macro level, and the strength of the central Scotland economy benefiting from that, we would not have the resources to allow us to invest in the college that my hon. Friend mentioned, in the schools and in the hospitals. It is important that we continue with the policies that have given us that strong macro-economic growth, if the new Executive are to continue to have the money that we have made available to the Executive to invest in vital public services.

Tourism in Scotland has increased. The success of the magnificent Falkirk wheel has helped in that. I visited it last year, and it is an astonishing feat of engineering. It is distinctly Scottish, and a triumph of engineering skill. It has taken Falkirk from being an also-ran as a tourist destination to the 12th most visited tourist destination in Scotland, and that ranking will only continue to improve. The wheel has played a tremendous part in that, and I am sure that the local economy near the wheel is benefiting from it. That stands as a great tribute to the people who had the foresight to come up with the idea for the venture, and who then implemented it.

As well as successes in tourism, manufacturing and the financial sector, there is also in the wider central Scotland area a blossoming of a relatively new industry: the life science research industry. Cognia, a US specialist life science database company, has expanded its Edinburgh operations by recruiting 75 new staff. Many life science research companies are locating to Scotland. There is a cluster in and around central Scotland that rivals—and is secondly only to—that of Cambridge in the whole of the UK. That is an exciting development. We must make the right macroeconomic choices to foster and encourage those companies, which will in due course employ my hon. Friend's constituents.

My hon. Friend made a strong case for the continued success of the central Scotland economy. It is doing well, but he is right to highlight the fact that we must continue to make the right policy choices for it to continue to flourish. Solid economic growth and success does not happen by accident. It happens because tough decisions are made, because the Government have the foresight to put in place the proper macro-economic policies, and because we have over the past eight years worked very closely with the Scottish Executive to ensure that in places such as Falkirk and Grangemouth the benefits of it are enjoyed by our constituents. I hope that that close co-operation on behalf of our constituents flourishes in years to come, and I know that as long as the people of Falkirk have as vociferous an advocate as my hon. Friend, they will continue to enjoy the economic success that they are enjoying today.

Question put and agreed to.

Adjourned accordingly at twenty-two minutes past Nine o'clock.

House of Commons

Tuesday 5 June 2007

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

PRIVATE BUSINESS

NATIONAL TRUST (NORTHERN IRELAND) BILL

Read the Third time, and passed.

Oral Answers to Questions

FOREIGN AND COMMONWEALTH OFFICE

The Secretary of State was asked—

EU Constitution

1. **Daniel Kawczynski** (Shrewsbury and Atcham) (Con): If she will make a statement on recent progress towards further negotiations on an EU constitution. [140309]

2. **Andrew Selous** (South-West Bedfordshire) (Con): What recent progress has been made on negotiations on a European constitutional treaty. [140310]

The Secretary of State for Foreign and Commonwealth Affairs (Margaret Beckett): EU institutional reform will be discussed at the European Council later this month. We expect the presidency to issue a report on the way forward before, but quite possibly only just before, the Council meets. We have made clear to partners our belief that the EU should return to the model of an amending treaty that makes the EU more effective and better able to deliver benefits to EU citizens.

Daniel Kawczynski: The Foreign Secretary will know that a group of countries within the EU—most notably the Czech Republic, the Netherlands and, to a certain extent, Poland—still have deep reservations about any revived form of the EU constitution.

Mr. Desmond Swayne (New Forest, West) (Con): And they are right!

Daniel Kawczynski: Of course. Those countries look to Great Britain for strong leadership. I very much hope that the Foreign Secretary can give them some assurance from the Chamber today.

Margaret Beckett: I can certainly assure the hon. Gentleman and any of our allies who are looking for a lead that it remains very strongly our view that the only way forward that makes sense for the EU is indeed the pursuit of an amending treaty that does not have the characteristics of a constitution. It is not quite clear to me that all of the member states that he lists have exactly the same concerns as we do, but it is certainly true that they have concerns and that we, of course, have ours.

Andrew Selous: Will the Foreign Secretary help the House by letting us know whether it is the Government's view that criminal justice should continue to be administered on an intergovernmental basis with national vetoes, and whether the Government will seek a referendum of the British people if there should be any change to that position?

Margaret Beckett: We are some considerable distance from knowing what will be on the table with regard to the treaty and, therefore, whether acceptance of anything proposed would be likely to trigger a referendum in the UK. But I can certainly assure the hon. Gentleman and the House that there is strong understanding on the part of the Government of the concerns that there would be about the area that he highlights in particular. That is certainly something at which we will look carefully to see where Britain's national interest lies.

Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): Do not the bellicose language coming out of Russia on the one hand and the failed foreign policies of the USA on the other underline the need for politicians across Europe to stop vacillating on the question of European reforms and to make sure we get the amending treaty agreed as soon as possible, so that we can act in a more unified way to meet the world challenges that we face?

Margaret Beckett: My hon. Friend makes an interesting point. It would be helpful if we got the right kind of amending treaty, but the EU is not paralysed. It is continuing to work; useful decisions on, for example, climate change continue to be made. But it would be good to get a good agreement.

Mary Creagh (Wakefield) (Lab): Does my right hon. Friend agree that we need to persevere with certain parts of the original treaty, such as capping the numbers in the European Parliament and ending the rotating six-month presidency? This would contribute to a reduction in the bureaucracy of the EU, and by enhancing the decision-making powers of the Council, we could get on with discussing the real issues that Europe faces, such as climate change and security.

Margaret Beckett: My hon. Friend is right that there are proposals that could improve the effective and efficient working of the EU. It is to such proposals that we are primarily directing our attention.

Mr. William Cash (Stone) (Con): Will the Secretary of State indicate the extent to which there have been discussions between herself, the present Chancellor of the Exchequer—soon to be Prime Minister—and the

Prime Minister himself on the basis upon which any treaty might be signed? I asked the Prime Minister about this issue the other day and got no answer. Perhaps the Foreign Secretary will enlighten us.

Margaret Beckett: All these issues are discussed among all members of the Government at all times.

Mr. Wayne David (Caerphilly) (Lab): Does the Foreign Secretary agree that modest change is required to European treaties? We now have an EU of 27 states and we need changes to make it function effectively.

Margaret Beckett: My hon. Friend is right; there are practical proposals of the kind to which he and my hon. Friend the Member for Wakefield (Mary Creagh) referred that could make the working of an EU of 27 more effective and efficient. Those are the kinds of changes that we hope our colleagues will wish to seek.

Angus Robertson (Moray) (SNP): No doubt the constitution and EU matters were discussed this morning at the joint ministerial committee between UK Government Ministers, the new SNP Scottish Minister for Europe, Linda Fabiani, and other devolved Ministers. Could the Secretary of State update the House on the matters that were discussed and inform us of which issues proposed by the devolved Administrations she will take forward?

Margaret Beckett: No, I cannot do that as it is not the practice to discuss the issues aired and the debates that take place at such meetings. However, the mechanism that exists for ensuring that everyone is aware of the different concerns of different players, including the devolved Administrations, has worked well in the past, and I trust that it will continue to do so in the future.

Keith Vaz (Leicester, East) (Lab): Is it not right that we should be at the forefront of the European Union reform agenda? I wish the Foreign Secretary well in the discussions that are to take place. Will she reject the scaremongering of Opposition Members who only seek to damage our position in Europe, and does she agree that it is right that in a Europe of 27 we should reform the institutions to make sure that they are better placed, in order that we can protect British interests?

Margaret Beckett: I agree with my right hon. Friend. The European Union is an important fact of today's political life, and the United Kingdom is a major and important player within it. The more effectively the EU works together, the more that is in our national interest as well as our international interests.

Mr. Nicholas Soames (Mid-Sussex) (Con): I hope that the right hon. Lady accepts that there are no Conservative Members who are not greatly in favour of the EU reform agenda. Does she not think that it would have been helpful to her and the Prime Minister if we had had a proper set-aside debate to discuss fully the future of the EU and the position that they should take in Brussels?

Margaret Beckett: I am not familiar with the term "set-aside debate", but I take on board the hon. Gentleman's point that there is a need for discussion. However, there has been quite a lot of discussion, and there will be more in future. There are a number of Select Committee hearings and there will be a debate in this House before the Council meets. There is an issue that has not been fully appreciated in the House; that is not a criticism, as I understand why it is so. Colleagues have, perhaps, not fully appreciated that the debate on this matter has not moved on in recent weeks. We talk about frozen conflicts, but this has almost been a frozen debate; there has been very little change.

Chris Bryant (Rhondda) (Lab): I very much hope that there will be an amending treaty. I urge the Foreign Secretary to look at an element of the way in which the EU currently works which is utter folly: the caravanserai every six weeks from Brussels to Strasbourg. That is a complete waste of time and money. Does she agree that it is the consequence of a political fix of many years ago which is now long outdated?

Margaret Beckett: I have a good deal of sympathy with that point. However, as I am sure my hon. Friend knows, this issue has been examined and reconsidered repeatedly under different Governments without a different decision having been reached.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): I remind the Secretary of State that the previous draft treaty met considerable resistance in fishing communities because of its insistence that the conservation of marine biological resources should be a sole competence of the EU. Does she accept that that was an inappropriate extension of EU powers, and will she give us some undertaking to resist its inclusion if we are to have another EU draft?

Margaret Beckett: To that I simply say, with some caution, that I am well aware that there are many issues about which various people have reservations and which they would like the opportunity to re-examine, and I hope that the hon. Gentleman will forgive me for stating that I hope that something of that level of detail will not be in the amending treaty.

David Taylor (North-West Leicestershire) (Lab/Co-op): Is it not part of the EU modus operandi that major changes in political power and democratic accountability are slid through piece by piece, with each piece portrayed as being of relative insignificance? Is there not a risk that the growing gap between what political leaders do and what electorates want will lead to a shrivelling of support for the whole political process and the European project?

Hon. Members: Hear, hear!

Margaret Beckett: To a certain extent, I take on board my hon. Friend's point. However, I view with some irony the cheers of encouragement he receives from those on the Opposition Benches, since no Government in our history did more to slide through incrementally—bit by bit—changes in our relationship with the European Union than that represented by the Opposition party.

Mr. William Hague (Richmond, Yorks) (Con): Does the Foreign Secretary recognise that there is huge dissatisfaction across this House at the Government's

persistent refusal to give their views and to express their goals for the forthcoming EU summit? The Chairman of the Foreign Affairs Select Committee wrote to her saying that

"the Committee regards the refusal of the FCO to provide a Minister to give oral evidence during this crucial phase of the discussions on the future of Europe as a failure of accountability to Parliament."

The Chairman of the Home Affairs Committee, on the vital question of the veto on criminal law, said

"It has not been easy for us to discover what the Government's position is...We don't know what it is."

Is that because Ministers do not want Parliament to know what their position is, or because they are in a state of paralysis and do not themselves know what their position is?

Margaret Beckett: I of course understand the concern and dissatisfaction of the Foreign Affairs Select Committee. It is unfortunate that it was not possible for us to reach the kind of agreement that it wished to see according to the timing that it had in mind. However, the Minister for Europe, my right hon. Friend the Member for Ashfield (Mr. Hoon), has just confirmed to me that he was able to go, and would have been prepared to go, before the Committee this week, last week or the week before. In May, when the Select Committee had hoped to take evidence from both of us, it was again not possible to find a mutually agreed date, so there is no unwillingness. As it happens, my right hon. Friend will be giving evidence, and I will be giving evidence to the Scrutiny Committee and to the Foreign Affairs Committee, and there will be a debate in this House, so we are very willing to make our views known. However, I repeat to the right hon. Gentleman what I said a moment or two ago: there are perfectly understandable anxieties that the Government's position has in some way changed without the House being informed, but the fact is that it has not changed.

Mr. Hague: If the Government's position has not changed, the Foreign Secretary will recall that they were elected on a manifesto that promised a referendum on the EU constitution. Does she also recall that the Prime Minister said, when he finally agreed to hold a referendum,

"what you can't do is have a situation where you get a rejection of the treaty and then you just bring it back with a few amendments and say we will have another go"?

So should the Foreign Secretary not honour the Government's pledge by guaranteeing now that if the new treaty transfers competencies from Britain to the EU by incorporating parts of the rejected EU constitution, the British people will have their say in the referendum that they were promised?

Margaret Beckett: First, there is no suggestion of bringing back the constitutional treaty in its previous form. Secondly, the right hon. Gentleman talks about transferring competencies, but I am sure that he will recall that there is much in the constitutional treaty, which was drawn together from a whole range of sources, that is already in the existing treaties. The notion that there will be some huge transfer of competencies is not well founded. We will assess the position once the negotiations have taken place, but is certainly not the intention of this Government that a treaty that has the characteristics of a constitution is one that we would wish to see agreed.

Iran

3. **Mr. David Jones** (Clwyd, West) (Con): If she will make a statement on Iran's nuclear programme. [140311]

The Secretary of State for Foreign and Commonwealth Affairs (Margaret Beckett): We remain very concerned about Iran's nuclear programme. The International Atomic Energy Agency director general, Dr. Mohamed el-Baradei, reported on 23 May that Iran had not complied with Security Council resolution 1747. The Security Council is, as envisaged in that resolution, considering further measures to persuade Iran to suspend its proliferation-sensitive activities and to return to negotiations.

Mr. Jones: The Secretary of State will of course be aware that the extent of Iran's nuclear programme became apparent largely as a result of a series of disclosures made by an associate of the People's Mujaheddin of Iran. Given the obvious value and importance of that information not only to Britain but to the rest of the world, could the Secretary of State please explain why that organisation continues to be branded a terrorist organisation and to be proscribed not only by the EU, but by the British Government under the provisions of the Terrorism Act 2006?

Margaret Beckett: I am sure that the hon. Gentleman is aware that it is not the habit of any Government to discuss details of concern about terrorist issues and organisations. However, it is the view of this Government and of the European Union that this is a proscribed organisation and should remain one; that has been explored on many occasions and has been reaffirmed on an equal number of occasions.

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): A couple of weeks ago, a delegation of members of the Iranian Parliament, together with Iranian trade unionists, visited this House and met with Opposition and Government Members to discuss issues of mutual interest between Iran and Britain. There were clear disagreements, but there was also a strong feeling that the dialogue was valuable and useful to both sides. I urge the Foreign Secretary, while maintaining the primacy of the need for Iran to comply with international treaties, nevertheless to pursue every avenue to maintain a dialogue at all levels between our two countries.

Margaret Beckett: As my hon. Friend may know, I met the Iranian Foreign Minister at the meeting in Sharm el Sheikh a couple of weeks ago. We do maintain a dialogue with the Government of Iran, not least because we think that it is important to encourage them to recognise the benefits to Iran, as well as to the rest of the international community, of a greater understanding and appreciation on the part of that Government of the importance of pursuing peaceful negotiations on their perceived nuclear programme and on several other issues. We do maintain that dialogue, but it occurs within some very firm parameters.

Mr. David Ruffley (Bury St. Edmunds) (Con): Given that the EU is Iran's largest single trade partner, can the Foreign Secretary tell us whether she has urged her EU colleagues to agree to restrict EU export credit guarantees to Iran?

Margaret Beckett: The issue has been touched on, but not yet discussed in depth. It is, of course, very much one of the issues that may well be pursued when we come again—as we are likely to do in the near future—to consider whether there is scope for further sanctions against Iran, given that it appears not to be willing to comply with the existing resolutions.

Jeremy Corbyn (Islington, North) (Lab): Does the Foreign Secretary agree that it is essential that we ensure that Iran remains a member of the non-proliferation treaty system, that dialogue be continued with it, and that we do our best to persuade all neighbouring countries in the region, including Israel, also to sign the non-proliferation treaty so as to try to bring about the dream of a nuclear-free region?

Margaret Beckett: I can say something that I do not say very often, which is that I entirely agree with my hon. Friend. I hope that that is not a source of dismay to him. We do believe that Iran should remain in the non-proliferation treaty. Indeed, we would like to see Iran observing its provisions, which is even more important than staying within it. We have consistently urged on the Government of Israel that they should sign the non-proliferation treaty and it is very much our policy that we would like to see a nuclear weapons-free zone in the middle east.

Mr. Michael Moore (Berwickshire, Roxburgh and Selkirk) (LD): Iran's continued flouting of its nuclear obligations is worrying and unacceptable, and the international community must be clear and united in delivering that message. Does the Foreign Secretary agree that the diplomatic initiatives by Condoleezza Rice have been consistent with those of Europe and others in efforts to make Iran comply with United Nations resolutions? If so, does the Foreign Secretary agree that Vice-President Cheney's recent speech, in which he threatened the use of naval power against Iran, delivered as it was while he stood on the deck of one of the two American aircraft carriers just off the coast of Iran, undermined that diplomatic approach and was counter-productive?

Margaret Beckett: It is not for me to answer questions about the policy of the Government of the United States. I will say only therefore that it is indeed the case that the United States has been a major partner in the discussions and negotiations with Iran about its use of nuclear power and that that has been a useful and constructive role.

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Given the growing concern about Iran's nuclear capacity, how does my right hon. Friend regard the statement made last Sunday by President Ahmedinejad that the Lebanese war had pressed the button for Israel's destruction?

Margaret Beckett: I am afraid that I view those remarks in much the same spirit as I view many of President Ahmedinejad's comments, which is that they are not helpful to the wider international community or to the reputation of Iran.

Mr. Ben Wallace (Lancaster and Wyre) (Con): The Foreign Secretary will know that Iran's ballistic missile programme is intertwined with its nuclear programme. What estimates have the Government made of when Iran will be capable of deploying missiles outside the region?

Margaret Beckett: Assessments of that kind continue to be made. We are concerned about Iran's intentions. While pursuit of civil nuclear power is perfectly acceptable, we are anxious to ensure that nuclear weapons are not something that Iran pursues. That is a major concern on its own. The question of a delivery mechanism is, if I may say so, at present somewhat secondary, and long may it remain so.

Jane Kennedy (Liverpool, Wavertree) (Lab): While I encourage my right hon. Friend's and the British Government's commitment to dialogue, what is her response to the comments by Mohamed el-Baradei, the head of the International Atomic Energy Agency, that Iran should be permitted limited uranium enrichment under strict supervision? Are not those comments in the current circumstances hardly helpful and possibly reckless in the extreme?

Margaret Beckett: My right hon. Friend highlights some of the observations made recently by Dr. el-Baradei, who has also indicated his view that perhaps Iran has already succeeded in mastering the technology that is required for the enrichment of uranium. That is not a view that we share; nor indeed am I aware of any evidence that sustains that view. We remain strongly of the view that it is in the interests of everyone who wishes to see sustained peace in the middle east for Iran not to continue to pursue a programme that calls the security of that peace into question. I certainly urge anyone, no matter what their role or responsibilities, to avoid saying things that might give a different impression.

Mr. Keith Simpson (Mid-Norfolk) (Con): The Foreign Secretary has rightly expressed her frustration at failing to persuade the Iranians to comply with the international community and the feeling across the House that they are playing for time. Will she come back to the question raised by my hon. Friend the Member for Bury St. Edmunds (Mr. Ruffley)? Does she agree that the EU should use its leverage as Iran's largest trading partner to increase the pressure on Iran by saying that it is prepared to limit the access of Iranian banks to the European financial system, progressively to restrict new export credit guarantees to Iran, and to begin targeted action to restrict European investment in Iranian oil and gas fields? There is a feeling on both sides of the House that some of our European partners are dragging their feet on this.

Margaret Beckett: I am not sure that that is entirely justified, although I understand the anxiety. Of course we are keeping all the options and possibilities under review. The hon. Gentleman will recall that when we reached agreement in Vienna almost a year ago, part of the decision was that if we were driven to sanctions,

which no one wished to have to implement, they would be incrementally increased if the necessity arose, with the possibility of reversal because the offer of negotiations remained on the table. That remains the position. So any and all of the measures that the hon. Gentleman raises are not outside the bounds of consideration. We are merely taking things step by step to see what is most effective at that moment in time.

UK/Brazil Economic and Trade Committee

4. **Mr. Bob Blizzard** (Waveney) (Lab): If she will make a statement on the progress of the joint economic and trade committee with Brazil. [140312]

The Minister for Europe (Mr. Geoffrey Hoon): There has been a good deal of progress under the UK-Brazil joint economic and trade committee. It is an excellent initiative for developing our strategic economic relationship with Brazil. Good relationships have been established at both Government and private sector level. The Confederation of British Industry is delivering a comprehensive programme aimed at improving the business environment with Brazil. A full programme of activities is under way for the UK-Brazil year of science.

Mr. Blizzard: I thank my right hon. Friend for that answer. I welcome the establishment of the Jetco because Brazil is one of the world's four really big emerging economies and probably the one on which we have focused less than the other three. I am advised that there are real opportunities for British companies in Brazil's high-quality expanding aerospace industry and in its programme of developing energy infrastructure and tourism infrastructure. What encouragement and support is my right hon. Friend giving to British companies so that they do not leave those opportunities to the French, Germans and Italians?

Mr. Hoon: I am grateful to my hon. Friend both for his question and for his interest. UK Trade and Investment has transferred more than £5 million of its resources from existing mature markets to focus on emerging markets, including Brazil. As a result, six additional offices have been added to UKTI's network in Brazil. So undoubtedly there is a determination at government level to assist British companies in increasing their exports to Brazil. I am delighted to be able to say that exports from the United Kingdom to Brazil increased by some 9.5 per cent. in 2006 over 2005.

Mr. Robert Goodwill (Scarborough and Whitby) (Con): Brazil is developing a market in biofuels, although some people refer to it as deforestation diesel. May we have an assurance that, although we are keen to develop such markets with Brazil, it will not be at the expense of environmental concerns?

Mr. Hoon: Sustainability is an important principle in the way in which major British companies operate in countries such as Brazil, and it is certainly something they will take into account.

Mr. Nick Hurd (Ruislip-Northwood) (Con): Brazil is an enormously important strategic partner for the UK in the battle against climate change, as my hon. Friend the Member for Scarborough and Whitby (Mr. Goodwill) pointed out. May I press the Minister to be more specific about how we should measure the success of the Jetco initiative and when we should expect it to bear fruit?

Mr. Hoon: I have indicated one measure—the level of economic activity by British companies in Brazil, which has increased over the past 12 months. We want to put in place arrangements that will allow continuing exports while equally ensuring that there is a two-way exchange of ideas, information, science, knowledge and understanding, which is something the Jetco initiative will foster.

Iraq

5. **Mrs. Sharon Hodgson** (Gateshead, East and Washington, West) (Lab): If she will make a statement on the position of trade unions in Iraq. [140313]

The Minister for the Middle East (Dr. Kim Howells): The Iraqi Government should recognise the importance of free and democratic trade unions. Currently, the finances and membership of Iraq's trade unions continue to be restricted by decree 8750 passed by Iraq's Interim Government in 2005, and law 150 passed by Saddam Hussein's Government in 1987. We have encouraged the Iraqi Government to ensure that free and comprehensive elections can take place among members of the General Federation of Iraqi Workers, so that legislation can be introduced to allow properly constituted trade unions to operate freely in the country.

Mrs. Hodgson: I thank the Minister for that reply. Does he agree that the Iraqi trade union movement seeks to unite working people of whatever religion, and even no religion? That requires the support of democrats everywhere to build a democratic, civil society, whatever their view about the invasion might have been.

Dr. Howells: Yes, I agree entirely. Through the Department for International Development, we are providing funding for the International Centre for Trade Union Rights and have co-funded union training with Unison. The aim is to provide core training on the role of trade unions in the workplace and society, negotiating collective agreements, union organisation and, importantly, women's involvement in trade unions.

Dr. Vincent Cable (Twickenham) (LD): Are the Government helping the Iraqi Government to meet one of the main concerns of Iraqi trade unions? Oil revenue that should be channelled into raising living standards is actually being siphoned off in large volumes to rich Gulf states as reparation for the first—not the second—Gulf war, including payments to companies that claim missed business opportunities at that time.

Dr. Howells: The hon. Gentleman will know that measures were taken and decisions reached at the United Nations on the payment of reparations and on other forms of payment to account for the loss of property and profits and damage during the first Gulf war period and the invasion of Kuwait. I am sure he agrees that we should see an end to those payments, which have been going on for a long time and are

draining revenue that should be used to build Iraq. The Government are doing everything they can to persuade Iraq's neighbours in the Gulf to forgo those reparations so that reconstruction can take place.

Ann Clwyd (Cynon Valley) (Lab): Given that I have spent a considerable amount of time talking to Iraqi trade unions on my several visits to Iraq, I agree that it is important that laws that militate against them be repealed as quickly as possible. I would like to press our diplomats in Baghdad to make more efforts to pressurise the Iraqi Government to repeal those laws. Secondly, does my hon. Friend agree that as the Iraqi trade unions are mainly non-sectarian they have an important role to play in the future reconciliation programme in Iraq, and that we should not underestimate the power of their membership to achieve what others, seemingly, are failing to achieve?

Dr. Howells: Yes, I agree with my right hon. Friend's assessment of the role of trade unions in Iraq and their character. I pay tribute to the work that she has done over very many years in defence of free Iraqi trade unions. She will know, as well as I do, that trade unions were sometimes used under Saddam Hussein as intelligence-gathering operations for his secret police and for the repression that they exercised. I certainly agree that we—our diplomats and everyone else—must do everything possible to try to convince the Iraqi Government that it is a priority that they should take seriously.

Uganda

6. **Ann McKechin** (Glasgow, North) (Lab): If she will make a statement on negotiations to secure peace in northern Uganda. [140314]

The Secretary of State for Foreign and Commonwealth Affairs (Margaret Beckett): We are encouraged that the Juba peace talks between the Government of Uganda and the Lord's Resistance Army resumed on 1 June and that the cessation of hostilities agreement has been extended. We believe that the Juba talks offer the best chance for many years to achieve peace. We call on all parties to remain focused on finding a peaceful resolution to this long-running conflict and to implement their commitments.

Ann McKechin: I thank my right hon. Friend for her response. However, she will be aware that there have been criticisms by the International Crisis Group, among others, about the level of representation at those talks and the structure of those talks. Does she agree that it is important for all members of the international community, including the United Kingdom, to support the talks process fully and to commit themselves, along with the Governments of Sudan and Uganda, to a much fuller redevelopment and reconciliation programme in northern Uganda, so that we can secure the lasting peace that everyone wants?

Margaret Beckett: I take the point that my hon. Friend makes, and I can certainly assure her that we keep those matters under consideration. We have, of course, already provided £250,000 to a UN fund that was set up to support the talks process. We are supporting the work of local civil society groups, as well as the deployment of police to the northern districts. We are active, and officials from our high commission and other representatives from the international community remain active in trying to work with and to help to support the talks. We will, of course, continue to keep under review the scale and nature of the representation and will make changes if they seem to be required.

Paul Rowen (Rochdale) (LD): Does the Secretary of State not accept that a major stumbling block to peace is the fact that the leaders of the Lord's Resistance Army are still indicted by the International Criminal Court? Does she not agree that it would be far better if they were dealt with by Acholi justice, rather than by pursuing them through the ICC?

Margaret Beckett: No, I am afraid that I do not accept that for two reasons. First, of course I understand the concern that the hon. Gentleman raises and that it could be a factor, but I simply say that, if it were not for the existence of those ICC warrants, I doubt whether members of the Lord's Resistance Army would consider coming to those talks anyway. I accept that it is a matter of concern, but there are pros and cons, so I do not take the view that those warrants are inevitably damaging. Secondly, whether or not they remain in place is, of course, not a matter for us, but for the ICC itself.

China

7. **Martin Horwood** (Cheltenham) (LD): What recent discussions she has had with her Chinese counterpart on China's human rights record; and if she will make a statement. [140315]

The Minister for the Middle East (Dr. Kim Howells): We raise human rights regularly with the Chinese Government, including at the highest levels. My right hon. Friend the Foreign Secretary raised a number of human rights concerns during her visit to China in May, when she again met Chinese Premier Wen and the newly appointed Foreign Minister Yang. The Minister for Trade also raised human rights concerns during his introductory meeting with the new Chinese ambassador at the end of May.

Martin Horwood: I thank the Minister for his reply and, indeed, for the Government's willingness to raise human rights issues during their visit to China, but do they now plan to send any specific signals on the unacceptability of continuing infringements on the grounds of personal belief—whether for Christian house churches or the Falun Gong movement—and continuing violations of the rights of Tibetans, such as the shootings at Nangpa La in September last year, or the arrest and imprisonment for 12 years of Sonam Gyalpo for possession of a video of the Dalai Lama? Could the frequency of the talks that the Minister mentioned be increased? For instance, the UK-China human rights dialogue could be increased to three or four times a year, instead of the present two sessions.

Dr. Howells: I can certainly give the hon. Gentleman the assurance that we push very hard on human rights, and my right hon. Friend the Minister for Trade, who has responsibility for human rights, has certainly never been backward in pressing the Chinese on this crucial issue. At the moment, we are fighting very hard to hold the number of meetings with China on human rights to which they agreed, and it will be very difficult to get them to agree to a larger number of meetings, very important though that aim might be.

Mr. Henry Bellingham (North-West Norfolk) (Con): Does the Minister agree that China's record on the death penalty is quite atrocious? What is worse still is its policy of using without permission the vital body organs of condemned prisoners. When was that specific point raised by Ministers with their Chinese counterparts?

Dr. Howells: Those points were certainly raised by my right hon. Friend the human rights Minister during his meeting in May. The hon. Gentleman is quite right to highlight those two important issues. Any civilised Government will be shocked that somewhere between 6,000 and 10,000 people a year are executed in China. We have been working hard to persuade the Chinese to review that situation. I am sure that he will agree that it is good news and a real step forward that the high court in China has once again gained the right to review all death sentences passed in China.

Iran

9. **Michael Fabricant** (Lichfield) (Con): What discussions she has had with the Government of the Islamic Republic of Iran on the security situation in Iraq; and if she will make a statement. [140317]

The Secretary of State for Foreign and Commonwealth Affairs (Margaret Beckett): I discussed Iraq with Foreign Minister Mottaki on 3 May at the margins of the Sharm el Sheikh meetings on Iraq. All Iraq's neighbours have a stake in a secure and stable Iraq. We have consistently made it clear to the Government of Iran that the training, equipping and funding of illegal armed groups by agencies of the Iranian state is unacceptable.

Michael Fabricant: I thank the Foreign Secretary for her very helpful answer. Given that there was an eight-year war between Iran and Iraq, she will be aware that it is almost certain that Iran has good intelligence bases in Iraq and that, just as it did during the Iran-Iraq war, it would have used insurgents against the Saddam Hussein regime. What is her assessment of the present situation regarding Iran's intelligence operations in Iraq?

Margaret Beckett: I find myself in difficulty because of course it is our policy not to discuss intelligence operations. I simply say to the hon. Gentleman that I am sure that there are many ways in which Iran has perfectly legitimate links with, and relationships in, Iraq, as will have been the case over many years for a variety of reasons, as he says. We continue to urge Iran to use whatever links and contacts it has positively in support of a stable and secure future for Iraq, which, in the end, is in the interests of not only the country itself, but all its neighbours.

Mr. Edward Leigh (Gainsborough) (Con): Is it not ironic that one of the many evil consequences of our invasion of Iraq is that we have merely served to increase massively the power and influence of a fundamentalist Islamic regime in the region? Is it not even more ironic that to provide a fig leaf of respectability to get us out of this mess, we have to cut a deal with people who are fundamentally opposed to our national interests?

Margaret Beckett: Sadly, in many parts of the world, cutting deals with people who are not necessarily in favour of our national interests is part of the business of conducting foreign policy.

Mr. Michael Ancram (Devizes) (Con): Four years ago, we went into southern Iraq to liberate the local Shi'ites from the vicious oppression of Saddam Hussein. Four years later, apparently with the backing of Iran, those same Shi'ites are fighting and killing our forces and celebrating our every setback on the streets. Why are we still there?

Margaret Beckett: The right hon. and learned Gentleman is perfectly well aware of why we are still there. We are still there because there is a contribution that we can make to trying to establish better armed forces and police forces in Iraq in a way that will enable them securely and peacefully to maintain their own state. It is not the case that all of those whom he describes are opposed to the presence of the multinational forces in quite the way in which he says. Although it is easy to find people in Iraq who say that they look forward to the day when the multinational forces will leave, if the next question that they are asked is whether they would like the forces to leave now, almost invariably the answer is, "No, certainly not."

Human Rights

10. **Barbara Keeley** (Worsley) (Lab): What recent representations she has received on human rights; and if she will make a statement. [140318]

The Minister for the Middle East (Dr. Kim Howells): We receive letters regularly from members of the public, Members of Parliament and Tibetan support groups on the human rights situation in Tibet. My right hon. Friend the Minister for Trade met the Foreign Affairs Committee in May to discuss its concerns about Tibet in more detail. We continue to raise Tibet-related issues with the Chinese Government, and we did so most recently in the UK-China human rights dialogue in February.

Barbara Keeley: Recently, a world Tibet support conference took place in Brussels, and his holiness the Dalai Lama had planned to attend. I understand that the Chinese Government put pressure on the Belgian Government, and so the Dalai Lama was effectively blocked from attending that conference. Given the pivotal role that he plays in protecting human rights and seeking a negotiated settlement for Tibet, will the Government show his holiness a better welcome when he visits the UK in May next year?

Dr. Howells: The Government have been informed that the Dalai Lama wishes to visit the United Kingdom in May 2008. When specific requests are received for meetings with Government Ministers, we will consider them carefully and sympathetically. I will respond to the Dalai Lama's international office in the usual way and he will be received as a distinguished religious leader.

Mr. Jeremy Hunt (South-West Surrey) (Con): What representations has the Minister received recently on the human rights situation in Syria? Last week, its President, like the Chancellor of the Exchequer, was elected unopposed, with the support of a ruthless political machine. Will the Minister review his policy on engagement with Syria?

Dr. Howells: As my right hon. Friend the Secretary of State said a few moments ago, we have to deal with all manner of difficult regimes, and sometimes with regimes that do not have a trace of democracy about them. We take seriously Syria's role as a major player in the middle east, especially as regards Iraq and Lebanon.

Dr. Brian Iddon (Bolton, South-East) (Lab): On the 40th anniversary of the six-day war and the consequent occupation of Palestinian territory, may I ask my hon. Friend whether he has had any recent discussions with the Israeli Government about them holding so many Palestinian prisoners without charge, including those who were elected, and children?

Dr. Howells: Yes, we have, and we will continue to do so. We have, on a number of occasions, both through our ambassador and through ministerial contact, pressed the Israelis either to charge those individuals or to release them.

Mr. Graham Brady (Altrincham and Sale, West) (Con): One of the most important human rights is the right to a fair trial. I have been in correspondence with the Minister for Europe about my constituent, Nick Morley, who faces trial in Macedonia in relation to a possible driving offence. The judge has made it clear that evidence put forward by expert witnesses on behalf of the defence will not be admitted; evidence will be accepted only from the prosecution. May I urge Ministers to make representations to the Macedonian Government to make sure that a fair trial is secured?

Dr. Howells: I understand that my right hon. Friend the Minister for Europe has encouraged the hon. Gentleman to write at the end of the trial, because we cannot interfere during the course of it, but we will certainly be prepared to review the situation when he contacts my right hon. Friend.

Mr. Ian Austin (Dudley, North) (Lab): On the issue of human rights, will the Minister join me in condemning the decision taken by the University and College Union last week to call for a boycott of academic institutions in Israel?

Dr. Howells: We are aware of the proposed boycott, and I have to say to my hon. Friend that I do not think that it would be at all helpful. What we need is more discussion, more reconciliation and fewer threats, wherever they happen to come from.

John Bercow (Buckingham) (Con): Given that the brutal military dictatorship in Burma commits some of the most egregious human rights abuses to be found anywhere in the world, and that only last month the tyrannical Government of that country, in defiance of international opinion, renewed the house arrest of Aung San Suu Kyi, does the Minister share my horror, and more particularly that of Human Rights Watch, at the fact that the Government of Burma were invited to the Asia-Europe meeting in Hamburg on 28 and 29 May? Ought not the international community be prepared to exert pressure on India, China and Russia to force the Government of Burma to stop killing their people, and to start respecting and liberating them?

Dr. Howells: Yes, I agree with every word that the hon. Gentleman said. It is a great shame that commercial considerations are often put far above humanitarian ones when it comes to dealing with the Burmese Government.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): With regard to human rights, is my hon. Friend aware that when I visited Israel as the emissary of the then Prime Minister a few days after the end of the six-day war 40 years ago, I begged the then Israeli Prime Minister, Levi Eshkol, to have regard for the human rights of the Palestinians who, even at that early stage, were being oppressed. After 40 years, is it not time that that terrible cancer, which has afflicted Israelis, Lebanese, Palestinians and everyone else in the region, should be brought to an end? The only way to do so is to secure a settlement that brings human rights to the Palestinians and ends those terrible encroachments on Palestinian territories.

Dr. Howells: My right hon. Friend will know that the Government's policy is to construct a two-state solution. That means that on Israel's border there must be a viable Palestinian state with an economy that works and is capable of sustaining employment and wealth in that country. It ought to happen, as that is a very, very small part of the world. Geographically, it is something that the international community ought to be able to handle. I quite agree with my right hon. Friend: we draw back from making difficult decisions at our peril, because this will remain the most difficult and intractable problem for a very long time to come. Wherever I go, it is the problem that is always quoted as the chief symbol of injustice. We need an Israel and a Palestine living alongside each other in peace and harmony, and that is what we must aim for.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): May I congratulate the Minister on his foresight in being able to answer the question from the hon. Member for Worsley (Barbara Keeley) before she had even put it to the House? Does he agree that the work of the new Human Rights Council is critical to improving human rights in the world, so it is important that individual council members examine critically their own human rights record? For example, countries such as Cuba should do so. Does he therefore agree that the universal peer review mechanism should be implemented as soon as possible, and that it is important that the British Government make representations to Mexico, which chairs the committee of the council and, indeed, any other committee members that have influence, to ensure that that review mechanism is put in place?

Dr. Howells: Yes, as I am sure the hon. Gentleman knows, we worked hard to ensure that those who were elected to the council have a good human rights record in their home territory. That was not always the case, and it was a great disappointment to us that some countries with repressive regimes were elected. It is therefore extremely important that the review take place and that the Mexican Government are proactive on this. I am afraid that for far too many years the way in which human rights were handled in the United Nations meant that very little was done and that there was great reluctance to become involved, even in the worst human rights situations in individual states. This is an opportunity for the world to move on and for the United Nations to play a much more proactive and useful role than it has previously done.

Mr. Denis MacShane (Rotherham) (Lab): We saw an egregious assault on human rights on television the other weekend, with the beating-up of Mr. Peter Tatchell in Moscow in a Gay Pride demonstration. Added to the denial of human rights to Mr. Litvenenko's widow by the contemptuous refusal to co-operate with judicial and legal authorities in the UK on the extradition of a suspect, and the contempt shown by Russians for the murder of Anna Politkovskya, the investigative journalist whose death has still not been explained, as well as Mr. Putin's threat two days ago to aim his missiles at our cities, is it not time to say to Russia, "If you want to be friends with Britain and Europe, get your human rights in order and drop this aggressive, hate-filled language against the values of Europe and of western democracies"?

Dr. Howells: We try on every occasion to stress to the Russians the importance of improving and maintaining human rights. It is a key value, and if the Russians are to extend their undoubted economic influence, they must understand that. The world is looking for improvements in human rights in Russia, and the Government certainly are.

EU Constitution

11. **Bob Spink** (Castle Point) (Con): What recent representations she has received on an EU constitution. [140319]

12. **Mr. Andrew Mackay** (Bracknell) (Con): If she will make a statement on the development of the EU constitutional arrangements. [140320]

The Minister for Europe (Mr. Geoffrey Hoon): Following an extended period of reflection, EU institutional reform will be discussed at the forthcoming European Council. As part of the continuing negotiations in the run-up to that meeting, we have made it clear to our partners that the EU should agree an amending treaty that makes the European Union more effective and better able to deliver practical benefits for EU citizens. Such an approach would be consistent with the way in which treaty change has been agreed in the past.

Bob Spink: Will the Minister undertake not to bring back any items from the constitutional treaty without a referendum, including any tinkering with the criminal justice system? Does he understand that that is a matter of trust for the British people, and that the public perception of the Government's trustworthiness is as crucial as it is fragile?

Mr. Hoon: I have made clear and I have repeated on a number of occasions from the Dispatch Box the fact that if the constitutional treaty returns in its present form, there would be a referendum. My right hon. Friend the Prime Minister has made that clear. However, if the hon. Gentleman is suggesting a referendum if any dot or comma reappears in any subsequent treaty, that is a matter for discussion and negotiation, and ultimately a matter for decision by the House.

Mr. Mackay: May I try to help the Minister to clear up the confusion over a referendum? On 20 March, he told the House that there would be a referendum if there was a new treaty. The Foreign Secretary, replying to a question earlier this afternoon, said that it depended what was on the table. Can the right hon. Gentleman give me some indication of what on the table might lead to a referendum, or are we to be kept completely in the dark for ever more?

Mr. Hoon: I have made clear on a number of occasions the position of the Government. If the constitutional treaty returns in its present form, there would be a referendum. On any other question, it depends on what is agreed at the European Council. I am delighted that the right hon. Gentleman has raised the issue, because it allows me to remind the House that in the course of his distinguished service as a Whip on the Government Benches between 1992 and 1997, he whipped Conservative Members of Parliament against a referendum on the Maastricht treaty.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): But my right hon. Friend will be aware that not everyone is as violently in love with the constant imposition of unworkable systems from the EU as some Opposition Members. It might be helpful if we were clear that at present, even in matters such as transport, there are constant impositions that are costing the United Kingdom not only vast amounts of money, but vast amounts of efficiency in very difficult areas. Will my right hon. Friend give an undertaking that nothing will be brought in, even by the back door, that will lumber this country with even more rubbishy and unworkable legislation?

Mr. Hoon: I made it clear in my answer a few moments ago that it is important that we recognise the practical benefits that the European Union can deliver in transport and in a range of other matters, where international co-operation through the mechanisms of the European Union provides real benefits for EU citizens and for citizens in the United Kingdom. That is a perfectly proper test of the way in which we should approach the negotiations.

Mr. Mark Francois (Rayleigh) (Con): It is a pleasure to follow the hon. Member for Crewe and Nantwich (Mrs. Dunwoody). Having heard that question, I wish her the best of luck in the forthcoming reshuffle. If the Minister will not answer questions from the respected Labour Chairman of the Home Affairs Committee, will he perhaps do me the courtesy of answering one

from me instead? Is it the policy of the Government that criminal justice matters within the EU should remain subject to national veto, or are the Government countenancing downgrading that critical issue to qualified majority voting?

Mr. Hoon: I begin by welcoming the hon. Gentleman to his new responsibilities. I note that his predecessor, the hon. Member for Altrincham and Sale, West (Mr. Brady), is sitting a few rows behind him. In giving him advice about the conduct of his new responsibilities, I am sure that his hon. Friend will encourage him to keep in step not only with the grass roots of the Conservative party but with the hokey cokey of the leadership too. I hope that he is able to do that while maintaining his vigorously anti-European sentiments.

On the question about the Home Affairs Committee, may I make clear to the House that I was not invited by that Committee to give evidence? Had it invited me, I would have been delighted to respond positively, as I did to the Foreign Affairs Committee when it invited me to give evidence. For the sake of historical accuracy, may I remind the House again that it was a Conservative Government who introduced the European competence in respect of home affairs and justice? Indeed, the right hon. Member for Richmond, Yorks (Mr. Hague) voted against a referendum on that issue. Obviously, the matter will have to be negotiated at the European Council.

BILL PRESENTED

CHILD MAINTENANCE AND OTHER PAYMENTS

Mr. Secretary Hutton, supported by the Prime Minister, Mr. Secretary Prescott, Mr. Chancellor of the Exchequer, Secretary John Reid, Mr. Secretary Hain, Secretary Alan Johnson and Mr. Secretary Alexander, presented a Bill to establish the Child Maintenance and Enforcement Commission; to amend the law relating to child support; to make provision about lump sum payments to or in respect of persons with diffuse mesothelioma; and for connected purposes: And the same was read the First time; and ordered to be read a Second time tomorrow, and to be printed. Explanatory notes to be printed. [Bill 118].

Termination of Pregnancy (Counselling and Miscellaneous Provisions)

3.32 pm

Ann Winterton (Congleton) (Con): I beg to move,

That leave be given to bring in a Bill to require counselling of a pregnant woman as a condition of her consent to termination of her pregnancy; to require the pregnant woman to see a registered medical practitioner prior to receiving counselling; to introduce a minimum period of 7 days following counselling before registered medical practitioners may certify an opinion referred to in section 1(1) of the Abortion Act 1967; to require the forms used for certifying and giving notice of the reason for termination of a pregnancy to state risk to the physical and mental health of the pregnant woman as separate grounds for abortion; and for connected purposes.

Whenever an attempt is made to change the law on abortion, MPs and the press are inundated with ludicrous claims from abortion groups. One such claim is that women are being kept waiting for abortions, and that any amendment, however minor, will cause that wait to be even longer. In fact, the latest figures show that 67 per cent. of abortions are carried out before the 10th week of pregnancy, and 89 per cent. are undertaken before 12 weeks. One young woman said recently:

"I had the pregnancy test on Monday, had a scan on Tuesday and the abortion on Wednesday, and no one asked me if I was sure."

What is the reason for pressurising a young woman into making a major decision affecting her future without providing her with the full facts and a short period of reflection to give her time to consider her future?

This ten-minute Bill does not aim to tighten the law on abortion. Its primary purpose is to ensure that women are properly informed of the possible effects on their physical or mental health following abortion. It seeks to inform women what grants and help are available, to which they are entitled should they decide to exercise their right to proceed with their pregnancy. Such women also need to be made aware of any groups to which they can turn for help and which will provide support, both during their pregnancy and thereafter. Let us be clear: such groups still operate, despite attempts by pro-abortionists to blacken their reputation and to prevent them from continuing their valuable work. Rather than welcoming assistance for their peer group, however, the abortion sisterhood do everything that they can to obscure and block it.

The second aim of the Bill is simply to ensure that proper records are kept of the reasons for abortion. At present, abortion on demand is carried out on the catch-all ground of risk of injury to the physical or mental health of the woman. Members will be interested to learn that of 186,416 abortions on resident women in 2005, 178,341 were carried out on that ground—96 per cent. in total under that criterion.

An increasing number of doctors are becoming seriously concerned about the possible effects of abortion on women involved in this destructive form of medicine. Even the Royal College of Obstetricians and Gynaecologists has been forced to admit that increasing numbers of the younger generation of their members are refusing to have anything to do with the operation, which is causing considerable anxiety and is probably the reason why so many NHS abortions are

[Ann Winterton]

carried out in clinics and paid for by the NHS. We are finding the same development among general practitioners, who are refusing to refer girls for abortion—and believe me, it will not stop there. Younger doctors are showing a great deal more mettle than their forebears on any number of issues. They are certainly willing to counsel those seeking abortion, but they are not willing to send them off for an operation which can, in the long term, do them a great deal more harm than good.

The general public, too, are unhappy with the present situation, as a recent survey of opinion by CommunicateResearch has shown. Seventy-eight per cent. of women would like a compulsory cooling-off period between diagnosis of pregnancy and abortion, 85 per cent. want more help to be given to those who want to keep their baby, 87 per cent. think that public funds should go to charities offering alternatives, and 96 per cent. want a right to be fully informed about the health risks involved in abortion.

One of the factors in the abortion lobby which I find most difficult to understand is the manner in which it sets out to destroy any evidence that does not fit its aims. To understand this, we have to remember that the abortion-on-demand lobby was established by people like Margaret Sanger—an elitist who quite openly called for abortion for the poor, for people who had been in prison, and for any of those she regarded as second-class citizens. Margaret Sanger was not interested in women's rights, and that ethos is still basic to the abortion movement. That is why it sets out to destroy the reputation of people doing genuine research in this field.

The latest piece of major research on the possible effects of abortion on women's mental health was carried out in New Zealand and was led by a scientist who supports abortion on demand. Evidently, however, he also supports a woman's right to know what she is choosing, and he was in no way hesitant about publishing the results of his work. He is to be commended for that. The results appeared in *The Journal of Child Psychology and Psychiatry* in January 2006. The research made more psychiatrists and doctors aware of the possible dangers to their patients of abortion and resulted in the American Psychological Association withdrawing an official statement denying a link between abortion and psychological harm. It also resulted in a group of leading psychiatrists and psychologists writing to *The Times* and calling on the Royal College of Obstetricians and Gynaecologists and the Royal College of Psychiatrists to change their guidelines on abortion—guidelines which an increasing number of people regard as shameful.

However, we have to face the fact that we are dealing with a hardcore group of doctors who have built their careers on the acceptance of abortion. Not only that, but a considerable number of them were involved or remained silent—*[Interruption.]*

Mr. Speaker: Order. Let the hon. Lady speak, because another hon. Lady is going to have an opportunity to rebut the case.

Ann Winterton: A considerable number of those involved remained silent in bullying campaigns against colleagues who refused to support their total denial of any human rights for pre-born infants. Fortunately, a younger generation of more enlightened doctors will see them out.

In the meantime, we have the question of women's rights to consider. We can ensure that women receive adequate information by making independent counselling mandatory. By that, I do not mean simply therapeutic counselling but rather crisis management and the provision of relevant information. No woman would be forced to have counselling but, if she refused, she would have to sign a document indicating that she had done so. That would ensure that doctors did not get away with claiming that the woman had had counselling when, in practice, it had not even been offered.

In addition, we must also ensure that clear information on the grounds for abortion is available to doctors or scientists who carry out research. Even pro-abortionists admit that women who have suffered any kind of psychiatric illness should not have abortions. However, the New Zealand study showed that even women without past mental health problems are at risk of psychological ill effects after abortion. It showed that women who had abortions had twice the amount of mental health problems and three times the risk of major depressive illness of those who had given birth or never been pregnant.

In December 2005, Finland's National Research and Development Centre for Welfare and Health published a three-year study of the entire population of women in Finland. It found that, compared with women who had not been pregnant in the previous year, deaths from suicide, accidents and homicide were 248 per cent. higher in the year following an abortion. The study showed that the suicide rate among women who had had abortions was six times higher than that of women who had given birth in the previous year, and double that of women who had suffered miscarriages.

Whatever I feel personally about abortion, the Bill does not seek to tighten the grounds. I simply ask the House to support the measure to ensure that women who present for abortion consider carefully what they are choosing, that they are fully informed of the health risks and the available alternatives—

Mr. Speaker: Order.

3.41 pm

Laura Moffatt (Crawley) (Lab): I understand that people have deeply held views on the subject of the debate. On the 40th anniversary of the Abortion Act 1967, I am gravely concerned about the motivation behind the Bill and the measure's impact on women. I believe that I speak on behalf of the silent majority who value the 1967 Act and understand that it has saved hundreds of women's lives.

The Bill will lead to delays for women seeking an abortion. Inevitably, the more socially deprived and excluded women would be the most affected. They would have to travel several times to see a doctor, attend counselling, revisit the doctor and then turn up for the procedure. That is a requirement of the Bill.

When a woman faces an unwanted pregnancy, she is already under great stress. In my view, creating further obstacles is unethical.

As we have heard, of women who have abortions, 89 per cent. have one in the first trimester and 67 per cent. have one under 10 weeks. That allows for the procedure to be medical or early surgical, thus offering women greater choice. The Bill will push more women into having later abortion, which is more invasive and more expensive to the NHS and women.

Despite the widely held belief, women in Great Britain do not have abortion on demand. All women who currently seek an abortion must go through their pregnancy options with two medical practitioners before they are granted permission to have an abortion. They must qualify under the conditions of the 1967 Act and prove to the doctors that they meet the criteria, as outlined by Parliament.

Women do not make such a decision lightly. Those who seek an abortion from a medical practitioner tend to have made up their minds for themselves long before they turn up for the procedure. Of course, counselling should be—and is—available to those who want it. The British Pregnancy Advisory Service has an excellent scheme to train counsellors in non-directional counselling, if it is required. That is the important point: counselling should be non-directional and voluntary. Making counselling a requirement for access to abortion goes against the principles of counselling. Unregulated counselling can be distressing and misleading. It would also be costly to provide and, if many women do not want it, a waste of resources.

I ask the House what would be the purpose of such compulsory counselling. The Royal College of Obstetricians and Gynaecologists states in its 2004 guidelines that abortion is not directly attributable to psychological trauma and that few women suffer long-term distress. Why put women through extra delays? In some states in America, misleading information is given to women through this counselling and with the clear intention of deterring them from choosing an abortion. My question is whether that is the purpose of this Bill, too.

The Bill also proposes that women wait a minimum period of seven days following the counselling before an abortion is granted. That could mean that women could be seriously disadvantaged and pushed into later abortions that would not have been necessary without the imposed delay. Cooling-off periods prolong the anguish of women who have decided that they cannot continue with their pregnancy. They effectively reduce the time limit further and may prevent a woman from getting an abortion, even if she presents before 12 weeks, as there is restricted access to post-12-week abortions in some areas. The earlier an abortion takes place, the less invasive it will be for the woman and the possibility of complications will be reduced.

In 2005, the Family Planning Association published research by Newcastle university, which found that reducing the waiting time for an abortion by 10 days permits more abortions to take place at an earlier stage of pregnancy, using less invasive measures, and at a lesser cost to the NHS. A delay in treatment results in abortion taking place later and at greater emotional and financial cost. It would undoubtedly force some women to continue a pregnancy against their wish, but the best way to reduce the numbers of unintended pregnancies is to improve women's access to contraception, as well as educating women—and men—about sexual health.

This Bill is an attack on women's reproductive rights. It would without question force a small number of vulnerable women to continue with a pregnancy against their will and it would deny every woman seeking an abortion the ability to make her choice within the time scale that is appropriate for her. I urge this House to reject the Bill today, to stand by the rights of women and to ensure that, in this anniversary year of the 1967 Act, we protect the rights of women and safeguard the Act itself.

Question put, pursuant to Standing Order No. 23 (Motions for leave to bring in Bills and nomination of Select Committees at commencement of public business):—

The House divided: Ayes 107, Noes 182.

Division No. 131] **[3.48 pm**

AYES

Amess, Mr. David
Ancram, rh Mr. Michael
Atkinson, Mr. Peter
Bacon, Mr. Richard
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benton, Mr. Joe
Berry on, Mr. Richard
Binley, Mr. Brian
Bone, Mr. Peter
Brady, Mr. Graham
Brazier, Mr. Julian
Brokenshire, James
Burns, Mr. Simon
Burrowes, Mr. David
Carswell, Mr. Douglas
Cash, Mr. William
Chapman, Ben
Conway, Derek
Cooper, Rosie
Cummings, John
Curtis-Thomas, Mrs. Claire
Davies, Mr. Dai
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davis, rh David *(Haltemprice and Howden)*
Dorries, Mrs. Nadine
Duncan, Alan
Duncan Smith, rh Mr. Iain
Evennett, Mr. David
Fallon, Mr. Michael
Farron, Tim
Field, rh Mr. Frank
Field, Mr. Mark
Foster, Mr. Don
Francois, Mr. Mark
Gale, Mr. Roger
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Green, Damian
Grieve, Mr. Dominic
Hague, rh Mr. William
Hammond, Stephen
Harris, Mr. Greg
Hayes, Mr. John
Heath, Mr. David
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Hughes, Simon
Hunt, Mr. Jeremy
Jackson, Mr. Stewart
Kawczynski, Daniel
Kilfoyle, Mr. Peter
Knight, rh Mr. Greg
Laing, Mrs. Eleanor
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lidington, Mr. David
Lilley, rh Mr. Peter
Luff, Peter
MacNeil, Mr. Angus
Main, Anne
McFall, rh John
McGovern, Mr. Jim
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Murphy, Mr. Denis
Neill, Robert
Newmark, Mr. Brooks
Paterson, Mr. Owen
Pelling, Mr. Andrew
Pickles, Mr. Eric
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Robertson, Hugh
Robertson, Mr. Laurence
Rosindell, Andrew
Rowen, Paul
Russell, Bob
Scott, Mr. Lee
Selous, Andrew
Spicer, Sir Michael
Spring, Mr. Richard
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Swayne, Mr. Desmond
Syms, Mr. Robert
Taylor, Ms Dari

Taylor, David
Taylor, Dr. Richard
Walker, Mr. Charles
Waterson, Mr. Nigel
Watkinson, Angela
Weir, Mr. Mike
Widdecombe, rh Miss Ann
Willis, Mr. Phil
Wilson, Mr. Rob
Wilson, Sammy
Winterton, Ann
Winterton, Sir Nicholas
Wright, Jeremy

Tellers for the Ayes:
Mike Penning and Jim Dobbin

NOES

Alexander, Danny
Anderson, Mr. David
Anderson, Janet
Atkins, Charlotte
Bailey, Mr. Adrian
Banks, Gordon
Barrett, John
Barron, rh Mr. Kevin
Bayley, Hugh
Bercow, John
Berry, Roger
Betts, Mr. Clive
Blackman-Woods, Dr. Roberta
Blunt, Mr. Crispin
Brake, Tom
Brown, Lyn
Bruce, rh Malcolm
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burt, Lorely
Cable, Dr. Vincent
Carmichael, Mr. Alistair
Challen, Colin
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clarke, rh Mr. Charles
Clarke, rh Mr. Kenneth
Clwyd, rh Ann
Connarty, Michael
Corbyn, Jeremy
Creagh, Mary
Cryer, Mrs. Ann
Darling, rh Mr. Alistair
Davey, Mr. Edward
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobson, rh Frank
Doran, Mr. Frank
Dowd, Jim
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Ellman, Mrs. Louise
Ennis, Jeff
Fabricant, Michael
Fisher, Mark
Francis, Dr. Hywel
Garnier, Mr. Edward
George, Andrew
Gerrard, Mr. Neil
Gibson, Dr. Ian
Goldsworthy, Julia
Goodman, Helen
Griffith, Nia
Gwynne, Andrew
Hall, Mr. Mike
Hall, Patrick
Harman, rh Ms Harriet
Harris, Dr. Evan
Harvey, Nick
Hewitt, rh Ms Patricia
Heyes, David
Hodge, rh Margaret
Hogg, rh Mr. Douglas
Holmes, Paul
Horwood, Martin
Hosie, Stewart
Howarth, David
Howarth, rh Mr. George
Huhne, Chris
Hunter, Mark
Iddon, Dr. Brian
Illsley, Mr. Eric
Jackson, Glenda
James, Mrs. Siân C.
Johnson, Ms Diana R.
Jones, Mr. Kevan
Jones, Lynne
Joyce, Mr. Eric
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Key, Robert
Khan, Mr. Sadiq
Kirkbride, Miss Julie
Kramer, Susan
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Leech, Mr. John
Levitt, Tom
Lloyd, Tony
Love, Mr. Andrew
Mackay, rh Mr. Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mallaber, Judy
Marris, Rob
Marshall-Andrews, Mr.Robert
Martlew, Mr. Eric
McCarthy, Kerry
McCarthy-Fry, Sarah
McIsaac, Shona
Meacher, rh Mr. Michael
Milburn, rh Mr. Alan
Miller, Andrew
Mitchell, Mr. Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moore, Mr. Michael
Morden, Jessica
Morley, rh Mr. Elliot
Mullin, Mr. Chris
Naysmith, Dr. Doug
Norris, Dan
Oiner, Mr. Bill
Osborne, Sandra
Ottaway, Richard
Palmer, Dr. Nick
Plaskitt, Mr. James
Prentice, Mr. Gordon
Price, Adam
Prosser, Gwyn
Raynsford, rh Mr. Nick
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, Angus
Robertson, John
Robinson, Mr. Geoffrey
Rogerson, Mr. Dan
Ruddock, Joan
Salter, Martin
Seabeck, Alison
Sheridan, Jim
Short, rh Clare
Simmonds, Mark
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andy
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Sir Robert
Snelgrove, Anne
Soulsby, Sir Peter
Starkey, Dr. Phyllis
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stringer, Graham
Swinson, Jo
Swire, Mr. Hugo
Tami, Mark
Taylor, Matthew
Thornberry, Emily
Thurso, John
Trickett, Jon
Turner, Mr. Neil
Tyrie, Mr. Andrew
Wallace, Mr. Ben
Waltho, Lynda
Watson, Mr. Tom
Whitehead, Dr. Alan
Williams, rh Mr. Alan
Williams, Mark
Williams, Stephen
Winnick, Mr. David
Wishart, Pete
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony

Tellers for the Noes:
Barbara Follett and Mrs. Sharon Hodgson

Question accordingly negatived.

Corporate Manslaughter and Corporate Homicide Bill

Lords Reasons for insisting on their amendments to which the Commons have disagreed and for disagreeing to the Commons amendments to the Bill in lieu, considered.

Lords Reasons: Nos. 2A, 3A, 5A, 6A and 10B.

4 pm

The Parliamentary Under-Secretary of State for Justice (Mr. Gerry Sutcliffe): I beg to move,

That this House insists on its disagreement with the Lords in their amendments Nos. 2, 3, 5, 6 and 10 but does not insist on its amendment 10A in lieu thereof, and proposes amendments (a) and (b) in lieu of the Lords amendments.

Last month, the Bill returned to this House from the other place with a number of amendments. The House was happy to accept the majority of them, many of which address matters first raised and debated in this House. On the remaining issue—the extension of the offence to custody—the Government took a different view. None the less, after listening to the strong views expressed on that both here and in the other place, the Government sought to respond positively and offered a significant concession in the Bill: a power to extend the new offence to custody in the future. We also announced other measures to tackle this important issue. That compromise has been rejected in the other place, which has asked us to consider the issue again. The Government believe that they have gone as far as they are able on this matter.

Mr. David Heath (Somerton and Frome) (LD): I wish to explore the compromise issue. If the compromise is only in terms of commencement and the Minister now accepts the principle that the offence will extend to custody, why does he not accept the amendments from another place and simply deal with the commencement issue? On the other hand, if he does not accept the principle and if what is being proposed is merely window dressing, why does he expect the other place or this House to accept it as a compromise?

Mr. Sutcliffe: This is not window dressing. This is a serious movement by the Government, from a position of not accepting the principle to accepting it. The issue is to do with time scale. I want to make clear what the Government's arguments are.

Mr. Dominic Grieve (Beaconsfield) (Con): If the Government have now accepted the principle, they must be able to estimate how long it will take to prepare the Prison Service and the police for this change. I am sure that this House would be helpful and indulgent if the Minister were to come forward with a generous time estimate. However, does he not accept that at present we have nothing on offer at all, and that the Government have the power to decide on whether they ever wish to implement the statutory instrument in question?

Mr. Sutcliffe: I am grateful to the hon. Gentleman for raising that point. I expected him to do so, and I expect other Members to do so, too. They want the Government to go further and we are not prepared to go that far.

Mr. Douglas Hogg (Sleaford and North Hykeham) (Con): Does the Minister accept that this is not only about the timetable? In proposed new subsection (5B) in amendment No. 10A, the Government give themselves the power to make exceptions to any of the liability provisions—exceptions over which this House will have no say. Therefore, this is not only about timetable, but about the nature of the liability itself.

Mr. Sutcliffe: I know that the right hon. and learned Gentleman takes a great interest in these matters. I hope during the course of my speech to explain the Government's position and why we have taken it. The Government have moved a great deal on this matter; that has not been acknowledged in all parts of the House.

Mr. Edward Davey (Kingston and Surbiton) (LD): The Minister keeps on telling the House that the Government have accepted this in principle. However, when we last discussed this matter he said:

"Whether and when the power is to be exercised will need to be considered in light of the other steps that we are taking."—[*Official Report*, 16 May 2007; Vol. 460, c. 669.]

So the Government say that they have conceded in principle but they are reserving the option not to go forward with this power. Why did the Minister say that?

Mr. Sutcliffe: If the hon. Gentleman will allow me to make my speech, he will hear why I am pursuing the arguments that I am pursuing. It was clear from his contributions last time round that he does not think the Government have gone far enough. I certainly accept the proposal in principle, but if he bears with me he will hear my reasoning.

The central issue that divides the Government's position from that set out in the amendments made in the other place is whether, as has been said, the new offence ought now to extend to custody or whether that is an issue for the future. As I have explained on previous occasions, the Bill's genesis lies in the difficulties that have arisen when prosecuting large organisations for manslaughter in cases where there have been very real concerns about their management of health and safety—in providing safe working systems for their employees or in the workplace, or when performing activities in the services sector. It was never about holding the Government or public bodies to account for the way in which they discharge public or statutory responsibilities. That point has been recognised in all parts of the House during the Bill's passage, and the operation of various public services is exempt.

However, the Government also recognised from the outset that the logic of the position in respect of health and safety cut the other way, too, which is why we took the step of also applying the new offence to Crown bodies. We have been very clear that, as an employer and an occupier, there is no reason—other than in a very few limited circumstances—why Government Departments and public authorities should not also be open to prosecution for the new offence.

Mr. John Redwood (Wokingham) (Con): Can the Minister not see that as far as the public are concerned, if the 5,890 people who died of methicillin-resistant

[Mr. John Redwood]

Staphylococcus aureus and Clostridium difficile are excluded, and if the 174 people who died in custody in 2005 are excluded—those figures are for a single year—the Bill is a nonsense?

Mr. Sutcliffe: I am grateful for the right hon. Gentleman's intervention, but I reject the idea that the Bill is a nonsense. As far as I am concerned, it is the missing part of health and safety legislation in respect of corporate manslaughter; indeed, that was the reasoning behind the Bill's genesis. The whole purpose of removing Crown immunity where the Crown acts as an employer and occupier was to put ourselves in the same position as many of the private sector companies that will be subject to the Bill.

Lifting Crown immunity brings with it difficulties in drawing the line between which public activities should be subject to the new offence and which should not, as well as considerable uncertainty about the consequences of making Government Departments liable to prosecution for the first time. It is simplistic to say that all activities should be subject to the new offence, and it is to the credit of the House that Members were not tempted down that route in our debates on exemptions; the real difficulties in that regard were recognised.

One of those difficulties is that applying the criminal law to the carrying out of public functions could have wider impacts on the way in which those activities are carried out that might not be desirable or in the overall public interest. It might make those services risk-averse—and by that I do not mean managing risks by making sensible judgments, but taking an over-cautious approach that seeks unrealistically to eliminate risk. It might also affect the way in which resources are allocated between competing policy objectives, which I believe is a judgment for Ministers to make.

It is not enough to say that this is about poor management, not matters of policy. There may well be management issues but, when looking at how public services operate, it will frequently be difficult to disentangle management issues from the wider policy context. It is also not good enough to say that policy might be affected by the courts in other ways. It is of course true that public authorities are required under public law to act reasonably and must respect the obligations imposed by the European convention on human rights. That has always been the case, but the new offence will draw the criminal courts into an examination of how and why particular courses of action were followed, and that will represent a step change. In our view, this means that we must adopt a cautious approach to extending the new offence to the discharge of public responsibilities.

Mr. Edward Garnier (Harborough) (Con): If those arguments are of any value, why do they not apply to railway companies, for example?

Mr. Sutcliffe: We all agreed that, although this was a Bill that all of us wanted to see enacted, it would provide a good opportunity for corporate and public bodies to get their health and safety activities into a reasonable state so that people are not killed by such bodies. The exemptions are applied in a very open way; indeed, we have tried to be very generous in terms of the Bill's application.

The House will also recognise the pressures that the Prison Service faces both in managing a very difficult environment and a challenging set of individuals at the best of times, and the immediate pressures on the prison estate. It is not our case that these arguments mean that custody must always be beyond the reach of the new offence, but it does mean that the prudent approach is to see how the new offence beds in across the public sector more widely; to see how the courts approach the interaction in these cases of policy and management in areas such as employer and occupier responsibilities; and to provide time to discuss with the Prison Service and others how implementation can be sensibly managed.

I cannot offer a timetable to the House for exactly when and how those issues can be resolved. Because the position may need to be reviewed more than once, and the issues worked through, the more honest course is to include an order-making power in the Bill rather than simply delay implementation.

Mr. Hogg: I am sorry to return to the point that I made earlier, but the Minister says that he is putting a compromise to the House. He has focused on timetables, but should he not focus more precisely on Government amendment (b), which would allow the Secretary of State to exempt whole classes of liability from any order that he may seek to admit? The debate is not only about the timetable, but about the Government's ability to limit liability as and when the Secretary of State chooses to make the initiating order.

Mr. Sutcliffe: The right hon. and learned Gentleman will find, as we progress, that the Government's amendment on the relevant duties of care, and the drafting amendment, will take care of that point. The issue is about timetabling, and that point has been raised by Members on both sides of the House. I am trying to offer a compromise and a way forward on the Prison Service and deaths in custody, and I agree that we need to consider how we would bring that forward. Given the Government's original position, the proper way is to do as I have outlined. I know that that does not meet with Opposition Members' favour, but I understand their position.

Stewart Hosie (Dundee, East) (SNP): Is the Government's logic not back to front? I understand the Minister's argument that he wants time for the provisions to bed in and to consider the special circumstances in relation to custody, but if the provisions apply in a hotel bedroom or a sleeper carriage on a train, they should apply even more in a prison, because it is not only an issue of custody but of the enhanced duty of care that the state owes to the individual in that position.

Mr. Sutcliffe: I understand where the hon. Gentleman is coming from. He has followed the debates and he will know that there are existing routes for the examination of deaths in prison, including through the coroners' courts or the prisons and probation ombudsman. The Government's feeling is that those routes are sufficient to deal with the issues, and to address the issue of

prevention. The Government have come a long way and now accept the order-making power. Our original position was that there was no need for that. I make the reasonable argument that we should be cautious about how we apply the power and at what time. It is important that we do not lose sight of the wider context, both in terms of the power itself and the movement the Government have made.

The hon. Member for Beaconsfield (Mr. Grieve) suggested in our previous debate that the Government's compromise offered very little other than a short cut to extending the offence to custody in the future, but in fact it represents much more than that. It recognises that it is right in principle for the offence to be capable of going wider than the traditional remit of health and safety issues and encompass the management of custody. Providing for the future extension of the offence in that way is a very significant step, making it explicitly clear that that possibility was specifically foreseen by this House and the other place in passing this legislation.

We would not have gone down that route if it was our intention that the power should never be exercised, but I am also clear that the new offence must be allowed to bed in, in its application to Crown bodies and the wider public sector, and the other measures we are taking must also be allowed to settle in, before we consider applying the new offence more widely.

Mr. Davey: The Minister's remarks are slightly different from those he made when we last debated a similar amendment from the Government. Is he saying now that the Government are definitely, certainly and unequivocally going to use the power in the future or not?

Mr. Sutcliffe: I am saying that the Government have accepted the principle. We are putting in place the two other concessions that we have made to develop a route through that will help in dealing with deaths in custody. That issue was not raised in the wider genesis of this Bill by anyone in this House, but was certainly raised in the other place.

4.15 pm

Mr. Chris Mullin (Sunderland, South) (Lab): I acknowledge that my hon. Friend the Minister has moved a considerable way during the proceedings on the Bill, and I am most grateful for the way in which he personally has handled the Bill, but I would not want him to sit down thinking that the only objections on the issue of a timetable come from those on the Opposition Benches. There are those of us on the Labour Benches, too, who think that some hint of a timetable needs to be offered.

Mr. Sutcliffe: I am grateful to my hon. Friend for his intervention. I certainly know of his track record of wanting to see the Government move forward. I am grateful that he accepts that the Government have moved a tremendous distance.

Mr. John Denham (Southampton, Itchen) (Lab): I thought my hon. Friend the Minister said before he took the previous intervention that the issue of custody had not been raised in the genesis of the Bill. May I gently remind him that the joint committee of the Home Affairs Committee and the Work and Pensions Committee, which scrutinised the Bill, explicitly made a recommendation on this issue. We could see no reason in principle why it should be excluded. We are grateful to the Government for accepting that principle, but it has been around for quite a long time in the discussions.

Mr. Sutcliffe: Mr. Speaker, I am admonished. I accept my responsibility. I do now recall the joint committee's recommendation.

Mr. Andrew Dismore (Hendon) (Lab): Just to complete the picture, the Joint Committee on Human Rights made such a recommendation before the joint scrutiny committee debated it and subsequently.

Mr. Sutcliffe: I am grateful for my hon. Friend's intervention and his involvement in this issue. I am grateful for the discussion that we have had to enable us to move the Bill forward. I think that everyone recognises that the Bill is necessary; it is an important part of health and safety and it has agreement across the House. I have accepted the principle.

The other two aspects of death in custody need to be looked at and bedded in. We need to discuss the arrangements for independent investigation of deaths in custody. Further steps need to be taken to prevent such deaths from occurring in the first place. Strong practical steps need to be taken to prevent deaths in custody.

Mr. Redwood: Can the Minister give the House an idea of how many deaths last year would have been covered by the provisions and would have led to a prosecution?

Mr. Sutcliffe: The right hon. Gentleman may have read the explanatory notes and seen that we expect 10 or 11 cases. We are talking about corporate manslaughter and gross negligence. The point that he makes about deaths is important. We have to prevent deaths wherever they occur and in whatever way we can. The forum for preventing deaths in custody is an important tool that we need to look at again. We need to consider how we give people support. The issue of the prisons and probation ombudsman and whether he should have statutory powers is also important. We have to allow the measures that will help us to tackle deaths in custody to bed in.

Deaths in custody are a crucial issue. The Government are not saying, "We do not have to do anything about deaths in custody." Clearly, we do, but we have to consider how the Bill developed and the motivation for it.

Mr. Grieve: The Minister keeps on talking about the motivation for the Bill. I have no idea what the discussions were with the trade unions when the matter started up, but the Minister has to acknowledge that, once he starts a ball rolling, it is perfectly proper for Parliament to look at every aspect of where the law should bite. It started doing so at an early stage, so to suggest that the Bill has been hijacked for nefarious purposes may be something in the mind of the Home Secretary, but he has also been rather delusional on this point.

Mr. Sutcliffe: Mr. Speaker, I am not going to engage. The Bill is important.

Ian Stewart (Eccles) (Lab): Will my hon. Friend give way?

Mr. Sutcliffe: In a second. The Bill has been well scrutinised, as my hon. Friends have said. It has been welcomed by both sides of industry—by the Confederation of British Industry and the Trades Union Congress, bodies that work actively in this field. The Government's concession is a major one. I understand why the Opposition are trying to push it further, but if hon. Members look at the details of what we are putting on offer, they will find that it meets their concerns, because the principle has been accepted.

Ian Stewart: Perhaps my hon. Friend should have given way to me earlier, as I would have said exactly what he has just said. When the Bill began its passage, Members had certain priorities, especially in Committee, so the House should remember that although the process described by the hon. Member for Beaconsfield (Mr. Grieve) is correct, and it is an important issue, other Members have different priorities and it is important that we keep up the pressure for them, too.

Mr. Sutcliffe: I agree, and I am grateful to my hon. Friend for his involvement in Committee and in other discussions about the Bill, which has, as has been said, been around for a long time—it was 10 years in the making. The Bill has been well scrutinised.

Mr. Garnier: I am probably being obtuse, but I simply do not understand how the Minister, on behalf of the Government, can accept the principle on custody that the other place has put into the Bill, yet seem to be arguing as though delaying the provision, or never adopting it, and wanting things to bed down—whatever that may mean—in other aspects of the criminal justice system is a principle of almost equal importance to the first one. Listening to the Minister this afternoon, we have no idea what is stopping him, in real terms, introducing what the Lords have agreed to. In a couple of sentences, can he explain the guts of his argument, in so far as it is sustainable, and then we might be able to make progress?

Mr. Sutcliffe: I seem to have difficulty in debates with the hon. and learned Gentleman in getting him to accept my arguments. I will try, but I am not sure that he will accept what I am about to say. Death in custody is a serious issue and the Government take it seriously, which is why we introduced and developed the forum for preventing deaths in custody and why we want to give powers to the prisons and probation ombudsman to investigate such deaths. We believe that a range of issues needs to be looked at. The Government's original position on corporate manslaughter was that deaths in custody would not apply; we did not see this legislation as an appropriate route for dealing with that important issue. However, we have moved dramatically to accept the principle that it should be in place, but we want to do two other things, too—to improve the operation of the prisons and probation ombudsman and the forum for preventing deaths in custody. If we do that, we shall deal with issues relating to deaths in custody while accepting the principle that if we need to go further—[HON. MEMBERS: "It is not here."] It is. The House can have the foresight to put that power on the face of the Bill—the power that has come back to the House for it to decide.

We are in the same position as in our previous debates. Opposition Members accept that the Government have moved and I am pleased that my hon. Friends also accept that. We have come a considerable distance. We have offered practical measures to improve the situation on deaths in custody and we have opened a door in the Bill in relation to the new offence applying to such deaths. We have done the right thing. That door is clearly open.

The other place has sent these amendments to us on two occasions, and the Government have made significant efforts to deal with the concerns they raise. It is time for the other place to play its role as a revising Chamber and allow the Bill to pass on to the statute book. Votes in this place reflect the strength of feeling here, so I hope that the other place will accept the will of the Chamber. I commend the Government's amendments.

Mr. Grieve: This is very nice. The Minister, with his customary charm, has come to the Dispatch Box to argue the unarguable. It is also nice to be described as right in principle—something every politician and Opposition relish—so I take that as a sincere compliment to Opposition Members and, I suppose, to many of the Minister's Back-Bench colleagues who share our principle. The problem is that I wish the principle to be translated into practice.

The difficulty is that, yes, the Government have moved, if one makes an assessment of a move by virtue of having regard to the pace of a snail, but I never thought that the Government wished to be characterised as an organisation or organism that moved at a snail's pace. That is all that the Government have achieved. On top of that, it is a very conditional move, because if the Government choose to retreat back into their shell and resist all predators around them, we will never get any movement on this matter at all.

The Minister has one point in his favour: he has made a case—I accept that it is a case—that there should be a time delay before the measures that the other place has introduced are implemented. If he were to come to the House or, I am sure, if the Government were to go to the other place and suggest a sensible timetable, even one that was generous to the Government to enable the current disorder in the Home Office and the Ministry of Justice to sort itself out, it would be viewed with some sympathy, simply out of regard for the Minister, to put him out of his misery of having to come back to the House repeatedly to continue this debate.

Mr. Hogg: I agree with what my hon. Friend has said thus far, but if the compromise enabled the Minister in the implementation to alter the nature of the Lords amendment through the statutory instrument, that would be unacceptable to me.

Mr. Grieve: I could not agree more with my right hon. and learned Friend. Indeed, Back-Bench supporters of the Government who wish to help them out of their difficulty should have regard to that nasty little subsection, because it will allow a Government

to claim in future that they have honoured their commitment, while implementing only a fraction of the total package that the House wishes them to introduce.

At the risk of repeating what I said on the last occasion—I think that it bears repeating—we are talking of some 2,000 deaths in custody between 1995 and 2005. We are talking of some 10 verdicts by juries of unlawful killing in relation to such deaths. The case of Zahid Mubarek caused something of a national scandal. Between the time when we debated this matter on an earlier occasion and today, we have had the publicity surrounding the death of Adam Rickwood at Hassockfield, a matter on which I would not seek to make a pronouncement. However, I am sure that the Minister would agree that the death in a cell of a 14-year-old by suicide, using his own shoelaces, a number of hours after he was undoubtedly subjected to a restraint technique that might give cause for concern—although it might have been acceptable—when it was quite clear that there were serious problems with his mental state is precisely the sort of case where public disquiet could properly be met by having such a measure on the statute book that allows for proper prosecution where there has been gross negligence by the organisations concerned.

We are talking of trying to do some good and trying to change culture. It may well be, as the Minister said, that in dreaming up the Bill the Government had other targets in mind, but the process of debate proceeds inexorably and, as it has done so, it has become clear that there were problems in some areas and opportunities in others.

We had a really good debate in Committee, and the Bill has been well handled by the Minister. The problem now seems to be that we have a Government or at least a Home Secretary who is completely obdurate, and it is difficult to escape the conclusion, given the absolute lack of give between this Government amendment in lieu and the previous one that we considered, that the Government are showing inflexibility.

If the principle has been conceded—indeed, I detect in the Minister's tone of voice and in the way he has presented this matter not just a concession of the principle, but a genuine endorsement of it—and if he genuinely endorses the principle, and I dare say that there may be others in the Ministry of Justice who endorse it as well, are we really going to be left with the only option of continuing this ping-pong with the other place until the Home Secretary has mercifully disappeared off the scene completely? I have to say to the Minister that I think peers of all parties in the other place are very resolute on this matter. The Government will find that the Bill will ping-pong for a long time, and each time that it comes back to the House, their standing will be just a little more diminished.

4.30 pm

Although I cannot persuade the Minister today, we will stand by the Lords amendments—they are perfectly sensible measures. I urge the Minister to speak to Lord Falconer and the Home Secretary—if they are still on speaking terms now that the Departments have been split—and point out that this matter will cause the Government increasing embarrassment and damage. The sensible course of action would be to take a deep breath, to tell the Prison Service, the police and other organisations, such as local authorities providing secure accommodation, that they must get their house in order and make an assessment, and to set a date for implementing the measures put forward by the other place. When that happens, I will be able to say lots of pleasant things about the Minister—although I have tried to say lots of pleasant things already because I believe he knows that those who are expressing a contrary view to him on this matter are right. If the Government rise to the occasion, perhaps we can avoid further exchanges like this afternoon's. The Lords amendments should stand.

Mr. Dismore: There was a lot in what the hon. Member for Beaconsfield (Mr. Grieve) said. However, to be fair to the Government, they have moved a great deal, even though a lot of what they have said is not in the Bill or the Government amendments in lieu. Last time, we were offered three things. We were offered a review of the deaths in custody forum, and I was pleased that we were given a timetable of about six months. While the suggestion of a new statutory role and powers for the prison and probation service ombudsman was an old promise rehashed, I hope that we will see a little movement and that my hon. Friend the Minister will be able to tell us a little more about the timetable for that. Of course, the third important issue is what we are discussing now: addressing, in the Bill, deaths in custody. The Government have moved a considerable distance on that since we considered the matter on Report, but the question remains: when will the situation be dealt with?

I would have been happier if Government amendment (b) in lieu had said not

"The Secretary of State may by order",

but "shall by order", because that would have given us a degree of certainty that the matter would be continually reviewed and acted on, rather than addressed in a manner that is simply permissive. The absence of the word "shall" means that we need a bit more from the Government on the timetable.

I will not vote against the Government today, because their proposals are similar to what we voted on before. However, as I said to the Minister last time, the discussions that I have held with peers in the other place—members of my Committee and others—suggest that the matter will keep coming back because they feel strongly about it. Deaths in custody have been an issue for the Joint Committee on Human Rights for many years.

Now is the opportunity for my hon. Friend the Minister to put an end to this game of ping-pong. We have only a few weeks before the Bill runs out of time, so sooner or later concessions will have to be made. We do not necessarily need a formal timetable. If we could work to a target date—the Government like targets, and I am quite keen on them, too—that might be a way forward. Without a target, what pressure will there be on the Prison Service and other organisations to encourage them to mend their ways? If we had a date to work towards, at least they would know the time by which they would have to get their house in order.

Mr. Sutcliffe: My hon. Friend accepts that the Government have moved a tremendous distance. The Government accept that deaths in custody represent a key issue. In addition to the amendments, we have

[Mr. Sutcliffe]

offered two important concessions that need to be developed. We have given a time of six months in relation to the forum on deaths in custody and said that the next available piece of legislation will be used to address the subject of the prisons and probation ombudsman. I hope that my hon. Friend understands why it is important for those reasonable steps to bed in before we make further decisions.

Mr. Dismore: I readily accept that those concessions are important, as I did during our previous debate on the Bill. It would be nice to have an idea of when the next available Bill might appear, although I understand that my hon. Friend might not be able to tell us, because of the problems of trying to foresee what will be in the Queen's Speech. However, the Prison Service needs to know the date by which it needs to get its house in order.

Mr. Davey: The hon. Gentleman and the Joint Committee on Human Rights, which he chairs, have made a distinguished contribution to the Bill, but will he respond to the point made by the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg)? Subsection (2)(a) in Government amendment (b) in lieu actually makes the amendment far worse than the amendment that the hon. Member for Hendon (Mr. Dismore) supported on a previous occasion. Is he not concerned that he is supporting a measure that will deliver something completely different from what his Committee backed?

Mr. Dismore: The hon. Gentleman makes a valid point, as did the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg). The question is what can be considered a reasonable compromise. I would prefer the provision not to be included, but we are in a political world, and we are trying to reach an agreement and a compromise. If the Minister came forward with a timetable, that would be a satisfactory compromise all round; it would satisfy the other place, too, because it would show not just an acceptance of the principle but, as the hon. Member for Beaconsfield said, an acceptance that there are practical steps to follow. That would be an additional token of the Government's good faith on the issue.

We are talking about a deterrent effect, but that effect cannot take hold until the Bill is in force. How can we ensure that the Prison Service starts to gear up for that effect? The only way is to have a target date on which the part of the Bill that we are discussing will come into force. There should be a target date, so that bodies can get their act together, and a deterrent effect once the provisions have taken effect. The Government have moved a long way, but I suspect that the other place will still kick the Bill back to us, and we will continue to play ping-pong.

A different Department, the Ministry of Justice, is now dealing with the Bill, and that means that there are people who are prepared to look at the issue with fresh eyes. If the Minister cannot set out a timetable or give a target date today, I hope that he will at least reflect once again on what has been said in the House. Perhaps when the Bill goes back to the House of Lords, the Government spokesman there can give us a date to work towards, in respect of the amendments.

Mr. Davey: This is one of those slightly surreal debates that we have in the House. The Government say that they accept all the arguments, and that they are on our side and agree with us—but Members across the House are not sure whether they trust the Government. Perhaps we are in a surreal moment in British politics; perhaps we are waiting for 27 June, and perhaps then there will be permission from the Prime Minister to go ahead with the concession that Members of all parties want.

I hope that the hon. Member for Hendon and his colleagues will accept that what is on offer is simply not good enough. Some of us think that there is no need to wait to implement the measures that the other place wants, and that we should put measures on deaths in custody on the same footing as all the other measures in the Bill. However, there is a case for a timetable—the hon. Member for Beaconsfield (Mr. Grieve) began to outline it—or for a commencement order, as my hon. Friend the Member for Somerton and Frome (Mr. Heath) suggested. Frankly, I am not immediately attracted by that option, but it is something that the Government could consider, and they could use it to test the views of this House and the other place. The period set out in the timetable should not be too long; it should certainly not be as long as is needed for the Home Office and the Ministry of Justice to get their act together—that would be too long. Certainly, the timetable should be specific and detailed; it might then begin to persuade people on different sides.

We had a small discussion about the timetable in a previous debate. The right hon. Member for Southampton, Itchen (Mr. Denham) was rather more optimistic than others, and he believed that as the power would be set out in the Bill, there would be an unstoppable momentum, which would ensure that what we want would come to pass. I am afraid that it is the House's job to be rather more sceptical about unstoppable momentum. Let us remember that this Bill had its genesis before the 1997 election. It took more than 10 years to get to this stage, so I do not think that we should be confident that unstoppable momentum will be created if we just accept the power with no timetable. I have huge respect for the Minister, but on three occasions in the previous debate he said that there was no guarantee that the power would ever be used.

Mr. Hogg: The hon. Gentleman does not have to look at the history, as it was only today that the Minister used the word, "if", which means that the power might not be used.

Mr. Davey: The right hon. and learned Gentleman is exactly right, so I will not detain the House by reading out the three quotations from the previous debate that back the point that he and the Minister have already made—that we are in the world of "if" and "whether", not a definite, certain "when". The Government have left themselves enough wriggle room for a nest of snakes to wriggle out of that so-called concession, and we must ask why. Let us accept for a minute that they intend to introduce the measure some time. Why the

delay? The Minister said that the police and the Prison Service needed to get ready, which implies that they are not yet ready, and are in such a state that gross negligence in management is possible.

That is a shocking admission, but let us move on and be charitable. What has to happen before they are ready? Perhaps new protocols need to be written, or extra training needs to take place. Perhaps a change of culture is required. One would hope that that would already have happened after 10 years, but perhaps those are the reasons. If that is the Government's argument, and at some stage they come up with a timetable, we must ask why that period is needed. What is going to happen between now and then, and why are those actions necessary to ensure that suddenly it is acceptable to apply the offence? Until now, the Government have not even begun to make those arguments, and have tried to swat them aside, which is why we are suspicious about the underlying motive.

There are principles at stake, as we have debated incessantly. Equality before the law, and equal protection under the law: ultimately, those are the principles that we are defending. I am afraid that the Government have not moved anywhere near enough for us to be sure that those principles will be enshrined.

Mr. Denham: I must confess that intellectually, it is hard to oppose the Lords amendments, which are entirely consistent with the position that I have taken throughout the Bill's progress and the report of the Joint Committee. However, I take a slightly more optimistic view of the position into which the Minister has put himself. If this particular Minister had not been handling the Bill, we might be in a much worse position on this important issue of principle, because he has won the argument that he put before the House about the principle that lies behind the changes. Much as I would prefer things to appear differently in the Bill, I am optimistic that by making the changes that he proposed we will create an unstoppable momentum in the implementation of that principle.

Once the power to include deaths in custody is on the face of a piece of primary legislation, at the next inquest that declares an unlawful killing of a young person, or an older person, in custody, there will undoubtedly be an expression of regret by the coroner that Parliament and the Government have not yet brought the measure into force. Indeed, may I gently suggest to my hon. Friend that if the Government's real aim, which is a significant one, is to allow cultural changes to take place in the management of the Prison Service that would equip it to introduce the measure—most of us accept that those changes are not in place; perhaps they should be, but they are certainly not—he might have more control over the timetable if he set one in advance? In a fairly pleasant debate, he has had a slightly uncomfortable time, but if he does not set a timetable—within months, and certainly within the next year—it will be much more uncomfortable for him to appear on the "Today" programme in the wake of a coroner's complaint that the legislation has not been enacted, making it impossible to follow up a verdict of unlawful killing.

As soon as we have a new ombudsman with statutory powers, it is hard to imagine that any worthwhile ombudsman will not continually draw attention to the failure to commence the legislation or to introduce the principle here, when a particularly tragic case arises. If we had some sense of a timetable to which the Government were publicly committed, it might provide more protection for the management of the Prison Service and more time to adjust than we will otherwise get.

4.45 pm

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): The right hon. Gentleman said that the coroner would blame Parliament and the Government for not bringing in the legislation. Clearly, Parliament will get the blame if it fails now to insist on a better set of amendments, but if the Government get their way in the future it is they who will be to blame, because only they can initiate the process.

Mr. Denham: Indeed, the Government would get the blame. They would be held responsible when there was an inquest verdict of unlawful killing, and it was impossible to act through the criminal courts on the basis of the Bill because the principle that has now been conceded had not been enacted. For those reasons, I believe that what the Government have conceded is a very real gain for the House, and for the process of scrutiny that we have undertaken.

Like my hon. Friend the Member for Hendon (Mr. Dismore), I think that an indicative timetable would be useful—and might even be sensible from the Minister's point of view, although I recognise that he is acting today within the constraints that he has been able to achieve so far. I shall support my hon. Friend in the Lobby because I believe that he has in effect created, in a somewhat messy way, the result that most of us have sought to achieve. I support him for the immense efforts that he has made to achieve that result.

Mr. Hogg: It is a pleasure to follow the right hon. Member for Southampton, Itchen (Mr. Denham). He made a sound point—that in the event of a very serious death in custody occurring, the Government will be severely blamed if they have not implemented the provisions of the enacting clause. I want, however, to make a slightly different point—indeed, two or three points, but I shall be brief, as I know that my right hon. Friend the Member for Wokingham (Mr. Redwood) wishes to speak as well.

It would be churlish not to acknowledge that the Government have made a concession, but it is not a concession which, in my view, goes nearly far enough, nor is it a complete concession on the matters of principle, although it makes some concession on principle. We must begin with the proposition that those in custody are a particularly vulnerable group. I speak as somebody who has served as a special constable, as Under-Secretary of State with responsibility for the Prison Service, as Under-Secretary of State with responsibility for the police service, and as somebody practising the criminal law now.

I know that power is abused. I know, too, that on occasion prison officers and police officers use excessive force, and that injury and death follow that use of excessive force. It is wholly wrong in principle that the public sector should be protected from the kinds of liability that we impose upon the private sector. I make the point again that those in custody are

[Mr. Hogg]

a particularly vulnerable group, and most people tend to avert their eyes from what happens in prisons and police cells. They should not.

Let us deal with the concession. First, there is no certainty that the Government will implement the power that they have given themselves. The Minister used the word "if" on this occasion, and he was good enough to confirm that if means if, not necessarily when, so there is no certainty that the power will be implemented. Secondly, one is entitled to ask in respect of what institutions the power will be implemented, if it is implemented. The House will have noticed from proposed new subsection (5A)(a) that it is a power in respect of

"any specified form of custody or detention".

In their amendments the Lords specified the institutions to be treated as institutions of custody. The Government have given themselves a power to limit the institutions to which the Lords amendments apply. That is an extremely limiting power, which could constrain their concession to a very high degree.

I have already made the point, with regard to new subsection (5B), that the Government have given themselves the power to specify exceptions to the liability imposed by the Bill, so not only are they not committed to implementing the power at all, but they are not committed to implementing it in respect of the classes of institution to which the Lords want it to apply. Furthermore, they can limit the degree of liability by invoking subsection (5B). In practice, therefore, the compromise is very limited. It is no concession at all, unless the Government want to make it a concession.

If the Government introduce the statutory instrument, let us be under no illusion that we will have any part to play. We will not be able to say that the classes of custody to which the liability attaches should be extended, or that the restrictions on liability are unreasonable and unfair. It is true that the affirmative procedure will be used, but we should always remember that affirmative resolutions are not amendable. The concession is therefore pretty poor. My strong advice to the House is to stand firm and express the hope that the other place will stand by its principles and stick by its amendments.

Mr. Redwood: I support the comments of my hon. Friend the Member for Beaconsfield (Mr. Grieve) and my right hon. and learned Friend the Member for Sleaford and North Hykeham (Mr. Hogg).

The House needs to remind itself of the magnitude of the problem. In the last three years of the Conservative Government—1995 to 1997—there were 116, 122 and 122 deaths in custody in England and Wales. In the most recent three years under this Government for which we have figures—the years up to and including 2005—there were 183, 206 and 174 deaths in custody, which amounts to an increase of more than 50 per cent. That should be of considerable concern to all Members of the House, and particularly to the Ministers responsible for the system. That is why many Opposition Members are reluctant for this area to be excluded so dramatically and prominently when the Bill takes steps to make other parts of the public sector, at least in part, more responsible.

Mr. Denham: Will the right hon. Gentleman confirm, however, that none of us has ever suggested that the great majority of deaths in custody would be subject to corporate manslaughter legislation? Only that small number of cases in which gross negligence has occurred at a managerial level would be caught.

Mr. Redwood: Of course, when I say that those cases could be covered by the legislation, that would be with a view to investigating whether the—properly stringent—tests in the legislation were met. One hopes that that would be so in no case, or in very few cases, because this is a serious matter. In an intervention on the Minister, I said that I feared that the 5,890 deaths in 2005 from MRSA and C. difficile in hospitals would be excluded, and he seemed to agree. There is some legal feeling, however, that all those might be able to be investigated. Again, one hopes that none, or very few, would result in that kind of prosecution.

Mr. Sutcliffe: To reassure the right hon. Gentleman, I can tell him that if it could be proved that criminal negligence took place, such cases would not be exempt.

Mr. Redwood: I am grateful for that clarification and reassurance. Deaths in custody are therefore among the biggest groups of deaths happening anywhere in the country, under any organisation, for which one would hope that that facility in the legislation would be available, if, in extreme cases, it were found that a case could be brought though the court system. It behoves the Government to lead by example in such sensitive territory, and to show that they, their staff and agents have nothing to hide by making sure that they and the private sector are covered in a similar way.

In an intervention, the Minister also kindly confirmed that, as the supporting documentation to the Bill states, the Government think that there would be only 10 to 13 cases a year. I asked specifically about the private sector, and he seemed to confirm that all those cases were thought to be in the private sector. Therefore, he clearly believes that of all those other cases that could potentially be examined in the public sector, none would produce a prosecution. That might be a convenient fiction for a Government Minister, for obvious reasons, but one would assume that a few more cases might arise if the whole public sector were included in a fair and level playing field with the private sector. My view of the figure work in the supporting documentation is therefore a little at variance with the Minister's.

Like many Members of the House, I hope that not many cases would result in such serious prosecutions, but the fact that the facility was available would certainly help to concentrate the minds of the public sector agents involved, as surely as the intention of the House is to concentrate the minds of the private sector agents involved, because we take death by gross negligence very seriously, for obvious reasons.

I hope that the Minister will think again. I agree with what my right hon. and hon. Friends said about the need, if this is indeed a proper concession, for a clear timetable. I, too, would be grateful if the Minister would confirm that the Government are not intending to use the facilities in clause 5 to dilute this measure should they eventually get round to implementing it for

deaths in custody. There are too many deaths in custody, and this is just one way among many in which we might be able to improve things a little.

Mr. Sutcliffe: I am grateful to hon. Members on both sides of the House for their well-held views on this issue. The Bill has been a long time in coming. I am grateful for Opposition Members' kind remarks about its progress, although I do not know what that will do for ministerial careers.

Hon. Members will recognise that the Government have listened all the way through the Bill's passage. We have accepted many of the proposals that were put to us in Committee. We have tried to improve the Bill and make it user friendly in terms of the matters that have been put to us. However, there comes a time when there must be a difference of opinion. I believe that the move that the Government have made in accepting the principle that deaths in custody should be in the Bill is a significant step, but hon. Members do not think that it goes far enough. We would not have gone down that route if we intended that the power should never be exercised. However, we are not prepared to set a timetable for that occurrence, because of the significant measures that we have put in place in relation to the two other elements of the compromise.

The right hon. Member for Wokingham (Mr. Redwood) asked whether this would relate only to the private sector. No, it would not. The figures are across the board and apply to both the public and the private sector.

On the point raised by the right hon. and learned Member for Sleaford and North Hykeham (Mr. Hogg), the power to specify exemptions when extending the provisions to custody is not new, as it existed in the previous amendment. We are trying to add a power to disapply exemptions, such as those relating to exclusively public functions. That is necessary to give proper effect to extending clause 2 to custodial duties. We thought that we were improving the situation, but if we have not done so we will need to take another look. This is not about watering down or adding exemptions.

Mr. Hogg: Nevertheless, the Minister also has powers to limit the liability to particular classes of institution.

Mr. Sutcliffe: I am happy to look at that again. It is certainly not our intention to limit or to water down. We had a good debate in Committee about the exemptions that we wanted to apply.

It is important that the concessions bed down, and that we are in a position to monitor them as they take effect. Death in custody is a very serious issue, and I do not want to move away from that. I pay tribute to the work that the Prison Service is doing in trying to avoid deaths in custody. The various stakeholders who are involved in the forum take such matters seriously. Clearly, it is distressing for all concerned that deaths in custody take place.

On the timetable for the prisons and probation ombudsman, we cannot pre-empt the Queen's Speech, but those powers will certainly be included in the next available legislation.

This issue is not to do with the Home Secretary or the Lord Chancellor. The Government's position is that we have listened and brought the concession forward, and that the concession is enough at this stage. Hon. Members should look at this in the round. We are as resolute as the other House in terms of where we are now. We are in a difficult position as regards the remaining time scale for the Bill. I hope that the other House and this House recognise that the Government have come a long way, and that they will support us in our endeavour. I do not want to return to this time and again. I hope that we can find a way forward and that people will accept that compromise has been reached. I support the amendments in the Government's name.

Question put, That this House insists on its disagreement with the Lords in their amendments Nos. 2, 3, 5, 6 and 10, does not insist on its amendment 10A in lieu thereof, and proposes amendments (a) and (b) in lieu of the Lords amendments.

The House proceeded to a Division.

Mr. Deputy Speaker (Sir Alan Haselhurst): I ask the Serjeant at Arms to investigate the delay in the Aye Lobby.

The House having divided: Ayes 266, Noes 210.

Division No. 132] **[4.59 pm**

AYES

Abbott, Ms Diane	Chaytor, Mr. David
Ainsworth, rh Mr. Bob	Clapham, Mr. Michael
Anderson, Mr. David	Clark, Ms Katy
Anderson, Janet	Clarke, rh Mr. Charles
Atkins, Charlotte	Clarke, rh Mr. Tom
Austin, Mr. Ian	Clelland, Mr. David
Bailey, Mr. Adrian	Clwyd, rh Ann
Baird, Vera	Coaker, Mr. Vernon
Banks, Gordon	Connarty, Michael
Barlow, Ms Celia	Cook, Frank
Barron, rh Mr. Kevin	Cooper, Rosie
Battle, rh John	Cooper, Yvette
Bayley, Hugh	Corbyn, Jeremy
Beckett, rh Margaret	Cousins, Jim
Benn, rh Hilary	Creagh, Mary
Berry, Roger	Cryer, Mrs. Ann
Betts, Mr. Clive	Cummings, John
Blackman-Woods, Dr. Roberta	Cunningham, Mr. Jim
Blears, rh Hazel	Cunningham, Tony
Blizzard, Mr. Bob	Curtis-Thomas, Mrs. Claire
Blunkett, rh Mr. David	Darling, rh Mr. Alistair
Bradshaw, Mr. Ben	David, Mr. Wayne
Brennan, Kevin	Davidson, Mr. Ian
Brown, Lyn	Davies, Mr. Dai
Brown, rh Mr. Nicholas	Dean, Mrs. Janet
Bryant, Chris	Denham, rh Mr. John
Buck, Ms Karen	Devine, Mr. Jim
Burden, Richard	Dismore, Mr. Andrew
Burgon, Colin	Dobbin, Jim
Burnham, Andy	Dobson, rh Frank
Butler, Ms Dawn	Donohoe, Mr. Brian H.
Byers, rh Mr. Stephen	Doran, Mr. Frank
Byrne, Mr. Liam	Dowd, Jim
Cairns, David	Dunwoody, Mrs. Gwyneth
Campbell, Mr. Alan	Eagle, Angela
Campbell, Mr. Ronnie	Efford, Clive
Caton, Mr. Martin	Ellman, Mrs. Louise
Cawsey, Mr. Ian	Farrelly, Paul
Challen, Colin	Field, rh Mr. Frank
Chapman, Ben	Fisher, Mark

Fitzpatrick, Jim
Flint, Caroline
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Gerrard, Mr. Neil
Gibson, Dr. Ian
Godsiff, Mr. Roger
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hall, Mr. Mike
Hall, Patrick
Hanson, rh Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Healey, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoon, rh Mr. Geoffrey
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Lammy, Mr. David
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Lloyd, Tony
Love, Mr. Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Marris, Rob
Marsden, Mr. Gordon
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Merron, Gillian
Milburn, rh Mr. Alan
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morley, rh Mr. Elliot
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Osborne, Sandra
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prosser, Gwyn
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andy
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, rh Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, rh Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, rh Keith
Walley, Joan
Waltho, Lynda
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Wills, Mr. Michael
Winnick, Mr. David
Winterton, rh Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Ayes:
Liz Blackman and Claire Ward

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Ancram, rh Mr. Michael
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, rh Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, rh Mr. David
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Clark, Greg
Clarke, rh Mr. Kenneth
Clegg, Mr. Nick
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cox, Mr. Geoffrey
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duncan, Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Grayling, Chris
Green, Damian
Grieve, Mr. Dominic
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Harris, Dr. Evan
Harvey, Nick

Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holmes, Paul
Horwood, Martin
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jackson, Mr. Stewart
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Lidington, Mr. David
Lilley, rh Mr. Peter
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
MacNeil, Mr. Angus
Main, Anne
Maples, Mr. John
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Mitchell, Mr. Andrew
Moore, Mr. Michael
Neill, Robert
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Matthew
Taylor, Dr. Richard
Thurso, John
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Webb, Steve
Weir, Mr. Mike
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Williams, Mark
Williams, Stephen
Wilson, Mr. Rob
Wilson, Sammy
Winterton, Ann
Winterton, Sir Nicholas
Wishart, Pete
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George

Tellers for the Noes:
Mr. Mark Lancaster and Angela Watkinson

Question accordingly agreed to.

Government amendments in lieu of the Lords amendments agreed to.

Darfur

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Cawsey.]*

5.16 pm

The Secretary of State for Foreign and Commonwealth Affairs (Margaret Beckett): I welcome this debate. The situation in Sudan, and in Darfur in particular, is of immense concern to all of us in this House. More than that, it is a tragedy about which the people of this country and, indeed, people all over the world feel deeply and passionately. They expect—and have the right to expect—that the UK Government and the international community will rise to the challenge and that we will do all that we can to end the suffering of the Sudanese people.

I have no doubt that during today's debate most Members, quite understandably, will choose to focus upon Darfur. However, we cannot afford to neglect the rest of Sudan. The civil war between the north and south lasted 20 years and during that conflict up to 2 million people were killed. A fragile peace was put in place in 2005 with the signing of the comprehensive peace agreement. That agreement provided for a Government of National Unity in Khartoum and for the Government of Southern Sudan under President Salva Kiir in Juba. Since then, the peace has held—but we should not take it for granted, nor assume that we have yet achieved a genuine and lasting settlement.

If the comprehensive peace agreement were to fall apart, Sudan would risk slipping back into a maelstrom of violence and chaos more intense even than that which we see today. So while we focus on Darfur, we cannot forget our responsibility to work and to keep working with international partners to keep the comprehensive peace agreement on the international agenda.

The UN has described the situation in Darfur as the greatest humanitarian crisis in the world—and there is hefty competition for that slot. Many thousands have been killed, raped or wounded, more than 2 million people are displaced, and as many as 4 million people—two thirds of the population—are dependent on international aid for food and basic needs. Stark statistics indeed, but they can convey only a little of the immense human misery that is being visited upon the people of Darfur.

We, the United Nations and the international community have to act. It was only last year that, for the first time, the concept of responsibility to protect was acknowledged in a country-specific UN resolution. That country was Sudan and that region was Darfur. If the concept of responsibility to protect is to mean anything, it must mean something in Darfur. The moral obligation upon the world community to find a way to protect the people of Darfur is heavy. It is both the foundation and the fulcrum of all our actions. However, there are questions of regional and international stability at stake, too. In its search for a way to fulfil that moral obligation, the international community needs the Government of Sudan to be an ally. We need to work together on issues of mutual importance such as migration and counter-terrorism, and we need a stable Sudan for a stable region.

Mr. Tobias Ellwood (Bournemouth, East) (Con): The Secretary of State spoke of 20 years of civil war. Britain has some responsibility for originally drawing up the borders of Sudan, a country that contains a number of very different communities. Has the Secretary of State given any thought to a velvet revolution, allowing Sudan to fragment peacefully rather than through civil war?

Margaret Beckett: Such issues come up for discussion from time to time, and I am sure that the hon. Gentleman is aware that Sudan is only one of many parts of the world where Britain has a responsibility for border issues, which nowadays bedevil many countries. I take on board his point, but it might at present be a diversion to address it. There are higher priorities in tackling the existing situation than the means he suggests.

Mr. Sadiq Khan (Tooting) (Lab): I commend my right hon. Friend the Foreign Secretary and my right hon. Friend the Secretary of State for International Development on the work that they are doing and on securing the first debate on this matter on the Floor of the House. She expressed frustration at the lack of action by the Government of Sudan, but does she share the frustration felt by me and others at what appears to be a lack of action by some African Governments and at the apparent impotence of the United Nations?

Margaret Beckett: I do, and that is partly why I say that there is a heavy obligation on the international community. I accept that that responsibility has not yet been discharged with the vigour and effectiveness that we would wish.

The conflict in Sudan is already spilling over into Chad and the Central African Republic, and the conflict in Uganda spills into Sudan. If we cannot end the violence, we will not be able to address the underlying issues that must be resolved if there is to be long-term stability in the region. Those issues include resource pressures—which are made worse through climate change—poor governance and economic stagnation.

The UK has done much to help to address the problems of Darfur—not least through my right hon. Friend the Secretary of State for International Development and my Foreign Office colleague Lord Triesman, to both of whom I pay tribute. Our goals are those supported by the United Nations and the African Union and set out in last year's agreement in Addis Ababa: an immediate and strengthened ceasefire, a renewed political process and an effective hybrid African Union-United Nations peacekeeping force.

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Is my right hon. Friend satisfied with the Government of Sudan's actions in relation to that hybrid UN-African force?

Margaret Beckett: No, and I do not think anyone can be. I will return to that matter. The Government of Sudan committed to accepting such a force, but, as with so many other issues, they have not yet followed through on that commitment.

Malcolm Bruce (Gordon) (LD): Given that we have undertaken to train soldiers for the Sudanese peacekeeping effort and we have provided comfort for Sudanese Ministers requiring health treatment, if the Sudan Government have not honoured their obligations should we not make it clear that our agreements to support them cannot continue either?

Margaret Beckett: We constantly search for ways to make our concerns clear to the Government of Sudan and also to make those concerns felt—although hitherto without as much success as might be wished.

In support of the goals that I have identified, we have taken specific and targeted action: we have committed more than £73 million of bilateral funds to the African Union peacekeeping force, which is a substantial proportion of its funding; we have contributed more than £250 million in humanitarian assistance to Sudan; and we supported the implementation of an agreement between the Government of Sudan and the UN to allow full humanitarian access for non-governmental organisations operating in Darfur.

The UK has also been a leading voice in building an international consensus on Darfur. We sponsored the UN resolution in March 2005 that referred Darfur to the International Criminal Court, and on 2 May 2007 the ICC announced that it would issue arrest warrants in connection with alleged atrocities in Darfur. We have successfully encouraged China to play a more positive role in Sudan; indeed, that was one of the main themes of my visit to China two weeks ago. We have built up European support for tough measures and persuaded EU partners to give further funding for the African Union peacekeepers. Here, I should say that we are working particularly closely with the new French Government.

We have also made sure that Darfur remains in the international spotlight. During our presidency of the UN Security Council, for example, I hosted a meeting in New York designed to maintain the momentum towards political agreement. The meeting was attended by all the major players in both the African Union—including its chair, Dr. Konaré—and in the UN, including the Secretary-General and his staff and special representatives. Those efforts—and those of many others—have led to some progress in Darfur.

Tony Baldry (Banbury) (Con): Does the Foreign Secretary think that China will now support a no-fly zone over Darfur? Some progress has been made with China, but the difficulty is that international law is dependent on the most obdurate member of the Security Council. Although progress has been made, it is still very slow.

Margaret Beckett: No, I cannot give the hon. Gentleman that assurance. As he knows, the idea of a no-fly zone has been mooted on many occasions, and there are concerns about, as well as support for, that. Whether the Government of China would support such a move I am not sure, but they certainly are—not for the first time, to be fair—taking more positive steps and have appointed, as the hon. Gentleman will know, a special representative.

Dr. Nick Palmer (Broxtowe) (Lab): I am following my right hon. Friend's remarks with great interest. Does she accept that in this country, at least, there is very broad support for more effective international

action? We realise the difficulties that the Government have in achieving that, because it depends on so many other countries, but even those who are critical of our role in certain other countries are very keen that we should play as positive a role as possible in promoting action here.

Margaret Beckett: I am grateful to my hon. Friend for that intervention and he is right: many communities across the world are extremely exercised about the position in Darfur and are pressing all of us to be more effective.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): The Secretary of State has mentioned the European Union, China and the African Union, but what interaction has she had with the Arab League regarding Sudan? Sudan is, I believe, a member of the Arab League, and that body is obviously likely to be able to put more pressure on Sudan.

Margaret Beckett: I can honestly say that all kinds of people have had interaction with the Arab League about this matter. It, too, has sought to be helpful and supportive and has been engaged in applying pressure, but none of these efforts has hitherto had as much effect as all of us would have wished and hoped. I think that one can honestly say that none of those potential players is indifferent to or opposed to this combination of actions; it is just that it has not yet been effective.

As I was saying, there has been some progress. The first United Nations peacekeeping personnel are already in the region and more are due to arrive shortly, acting in support of the current African Union mission. The next stage, as the House has said, is to build a functioning hybrid UN-AU force of up to 17,000 peacekeepers. Such a hybrid force has never been tried before, and the AU and the UN have been tasked with coming up with proposals on how it should work. We are now pressing those organisations to finalise and agree the details and to communicate them effectively to the Government of Sudan, so that that force can be deployed as quickly as possible.

There has also been some positive movement on the political front. That is important because only a viable political process and peace agreement can resolve the crisis. Envoys for the African Union and the United Nations are now leading a new political process that is designed to bring in all the rebel groups. That is vital because, as the House will recall, the Darfur peace agreement signed in May last year did not get the broad-based support from rebel groups and the Darfur population that it needed.

Pete Wishart (Perth and North Perthshire) (SNP): President Bush recently described the situation in Darfur as being akin to genocide. Is that a term that the Foreign Secretary would use for the situation? If it is genocide, surely we need to up our activity and push for the most robust set of international sanctions possible.

Margaret Beckett: That is not the term that has been used internationally. There are always anxieties, sensitivities and disagreements about whether a set of events amounts to genocide, but whether or not we apply that label, there is no dispute that the course of action that the hon. Gentleman urges is the one that everyone supports and wants to be pursued.

Mr. Ellwood: Will the Foreign Secretary give way?

Margaret Beckett: The hon. Gentleman has had one go. If he will forgive me, I wish to make some progress.

We have been in regular contact with the envoys and we have engaged with the key regional players—Libya, Eritrea, Egypt and Chad—to ensure that they support the political process. The envoys have now presented a set of proposals—a draft roadmap—designed to allow all sides, including all the rebel groups, to engage in negotiations. It provides for mechanisms that will give the people of Darfur a say in what the final agreement will look like. However, as I have said already in response to interventions, although there has been some progress, there has not been nearly enough progress. That is what concerns the Government, the House and the people of this country.

Despite President Bashir's repeated assurances to the international community that he would implement the conclusions of the Addis Ababa meeting, he has not done so. Indeed, he has sent more aircraft to bomb the people of Darfur. There have been continued attacks on civilians, peacekeepers and the humanitarian agencies, and those agencies are now warning that their basic ability to carry out their work is in jeopardy. It is fair to say that the Sudanese Government do not take the sole blame for the appalling situation. I am sorry to tell the House that all sides are violating the ceasefire. As the UN human rights mission to Sudan has reported, all sides are guilty of gross and systematic violations of human rights and breaches of international humanitarian law.

In the face of a tragedy of such horror and complexity, the response of the international community must be to do more, not less—to redouble our efforts, not wash our hands. To that end, we in this country will continue to work in support of the humanitarian agencies so that they can do their vital job helping the people of Darfur. I welcome the recent launch of the Disasters Emergency Committee appeal for Darfur and Chad, and I commend the work of the agencies in what is possibly one of the most challenging environments they face. We will work with partners in the European Union to provide further funding for the African Union mission. At the same time we will keep up the pressure on the African Union and the United Nations—as requested several times in this debate already—to deliver an effective hybrid peacekeeping force. When such a force is agreed, we will help to fund it and encourage others to contribute money and troops. We will also push all sides to make progress on the political process. We will make it clear that there can be no impunity for the atrocities committed in Darfur and we will support the International Criminal Court. We will continue to pressure those who have influence in Sudan—many of whom have been mentioned in the debate today—to play a positive role in resolving the conflict. As I have said, China, Egypt and Libya are key.

In the final analysis, however, it is those involved in the conflict who can and must end it. Only they can ultimately bring peace and security to Darfur. The African Union and the United Nations have drawn up

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the outlines of a political process. The agreement in Addis Ababa has laid a framework for peacekeeping. Now, all sides in the conflict face a choice—commit to that process and support that framework or face the consequences. For the Government of Sudan, that will mean co-operating fully with the African Union and the United Nations. It means an end to the killing of innocent civilians and a clear signal that those who commit atrocities will be brought to justice. It means helping humanitarian workers to operate freely and securely so that they can bring effective relief to the Sudanese people. We should be clear with the Government of Sudan about what they have to gain if they choose that path. Sudan can be a part of the international community again. That would mean, as a start, an end to sanctions and more money for reconstruction and development. We will not lose interest in Sudan. We will go on doing everything that we can to help the Sudanese people build a better future.

However, we should be just as clear about what will happen if the Government of Sudan choose a different path—if they decide not to honour the agreements into which they have entered. In that case, the UK, with our partners, will seek to table a further sanctions resolution at the UN Security Council. Also, what goes for the Government of Sudan goes for the rebel groups. If they do not co-operate, if they are not willing to enter into a genuine ceasefire, then they, too, should and will be subjected to sanctions.

Andrew George (St. Ives) (LD): The question is what will those sanctions say? The Prime Minister in *The Economist* this week said:

> "In the early 1990s we could not summon the will to act in Bosnia. It took 250,000 lives lost before we realised we had no option."

The international community intervened in the Balkans. Has Darfur not reached a stage at which international intervention needs to be considered?

Margaret Beckett: In a sense, that is what we are talking about. That is what we have been talking about throughout—the nature and form of intervention by the international community to bring these matters to a conclusion. As for what might be in a sanctions resolution, there is obviously a great deal of discussion about would be effective and what could be supported. It is important to maintain the unity of the international community in bringing pressure to bear, but, more important, to avoid having to pass a sanctions resolution if we can because we have moved forward on the hybrid force.

Bringing real and lasting peace to the people of Darfur will not be an easy process and it will not be quick, but it is still possible. The alternative—a continuation of the horrors that we have already witnessed—is no alternative at all. I will not disguise from the House the tragic fact that the international community is failing the people of Darfur. That is why I chaired a meeting of the Security Council in April on this issue. It is why we are funding the running costs of the African Mission in Sudan—AMIS—to ensure that its troops can continue to operate in Darfur, something that has several times almost been in jeopardy. It is why the UK is the second largest bilateral donor to the humanitarian effort in Darfur.

The African Union and the UN have only recently reached agreement on the detailed proposals for the hybrid force to be put to the Government of Sudan. As that Government were supposed to have accepted the principle of such a force many months ago, we are urging very speedy agreement and acceptance of those proposals and I hope that we will hear that that is the case very soon. However, if moves for peace are to succeed, all sides in Sudan and in the international community will need to show the courage to seize the opportunity that we now have and will need the commitment to follow it through for the long term. This Government, this country and, I think, this House will not flinch from that task.

5.39 pm

Mr. William Hague (Richmond, Yorks) (Con): As the Foreign Secretary said, today's debate is a welcome opportunity to address the international response to the crisis in Darfur—a conflict that has brought such disaster to the people of that region and which is now, tragically, in its fourth year. In that time, the killings, forcible displacements and ethnic cleansing of the Darfurians have continued almost unabated. As a result, by our Government's estimate, more than 4 million people have been displaced in Sudan and are now dependent on aid; for much of the time they are on the edge of a humanitarian catastrophe.

During a visit to Darfur last year, with my hon. Friend the Member for Sutton Coldfield (Mr. Mitchell), the shadow International Development Secretary, I heard at first hand tales of cruelty and suffering from victims in the refugee camps. Since then, the appalling circumstances and security situation in the region have only deteriorated, with the fragmentation of rebel groups, increased lawlessness around the camps and a heightened climate of danger for refugees and aid workers.

Aid workers and non-governmental organisations from around the world, particularly from Britain, have been engaged in a substantial humanitarian international relief effort. The Foreign Secretary rightly mentioned the latest appeal of the Disasters Emergency Committee, a coalition of 13 leading aid agencies, which has renewed its appeal for support, saying that malnutrition levels are reaching an emergency situation. The coming rainy season could bring an increase in disease as well as logistical difficulties in delivering aid.

Unfortunately, as the Foreign Secretary recognised in her speech, that resolute and determined humanitarian operation has not been matched by the international community as a whole with a diplomatic strategy that is equally resolute. As the Foreign Secretary has just said, the international community has failed the people of Darfur so far. The Opposition agree. For four years the international community, including our Government, have rightly attempted to influence the Sudanese Government with threats of "isolation" or "negative consequences", but beyond the commitment to a future UN force there has not yet been a clear united strategy and there has been no decisive action. There have been no deadlines and no penalties.

Nine months have passed since the Security Council resolution authorising the deployment of a UN force to Sudan that Khartoum continues to reject—we shall see what the Sudanese response is to the latest agreement between the African Union and the UN, to which the Foreign Secretary referred. In some quarters, however, including at the UN, it seems that there are still calls for the Sudanese Government to be given "more time", despite the fact that 80,000 people were driven from their homes in February alone, despite the fact that the Government of Sudan continue to conduct aerial bombing campaigns in Darfur and violate the UN arms embargo by using planes disguised in UN colours, and even though the conflict is spreading dangerously to Chad and the Central African Republic.

I am sure that we are agreed in the House about our great concern and about the failure so far of the international community. Let us be clear that Darfur cannot afford another round of toothless diplomacy. It does not appear to be possible to trust the Sudanese Government to keep their promises or to take concrete steps to end the killing. The UK Government have recognised that pattern of behaviour in the Government of Sudan, but have so far been unable, with their international partners, to break the cycle. Although the Opposition wholeheartedly support the Government's efforts in the region, and acknowledge the immense difficulties surrounding the negotiations for a UN force and all the international negotiations, we believe it is certainly time for Britain, along with its international partners, to adopt a more determined approach to resolve the crisis. The Foreign Secretary says that our efforts must be redoubled and that the Government's efforts will be redoubled. If that is the case, they will have the strong support of the Opposition.

Time and again, President Bashir has promised to co-operate with international efforts to end the conflict, in order to relieve the diplomatic and economic pressures on him, only to go back on his word and openly obstruct those efforts as soon as international pressure has abated. Those tactics have bought his Government time to conduct military offensives against rebels, to wreak carnage on the people of Darfur, to fund and incite rebellions in neighbouring countries and to impede the delivery of UN aid to internally displaced people. So the task of Britain and the international community must be to elicit a new set of responses by presenting the Sudanese Government with an entirely different political and economic reality.

Regrettably, the Sudanese Government have so far been able to rely on divisions in the international community to shield them from serious penalties. Two years ago, the Security Council ruled that anyone impeding the peace process in Darfur or committing atrocities against civilians would be subject to UN sanctions, including an assets freeze and a travel ban; but to date, only four individuals have been designated and none of them is a member of the Government of Sudan.

The approach of our own Government on one or two aspects—I say this in the context of the general support that we have given them—has appeared inconsistent. In July 2006, the Foreign Secretary said that it was UK policy to pursue an arms embargo for the whole of Sudan. In November 2006, she said in a subsequent written answer to me that there were no plans to extend the arms embargo, only to come full circle again in March this year by stating that the UK would be pushing for a countrywide arms embargo in Sudan. The Secretary of State for International Development shakes his head, and he might want to clear that up in the wind-up, if he disagrees with that analysis.

In April, the Foreign Secretary said:

> "If we don't see progress in days rather than weeks, we have to move ahead with a fresh sanctions resolution."

Days have now turned into weeks. Of course, we are awaiting the agreement on the deployment of the AU-UN force, but people in refugee camps might be forgiven for finding ministerial words around the world increasingly empty.

In the meantime, hope of progress on an internal political solution has receded. With each week that passes, reaching a political settlement in Darfur seems to become more, not less, difficult, as increasing numbers of people have become displaced and further groups have been drawn into the conflict. According to the US special envoy to Darfur, as many as 15 rebel factions are now operating in Darfur, all of which will need to be coaxed into a peace agreement.

The Sudanese Government appear to believe that the international community lacks the will to make its threats a reality. They will continue to do so, unless the Security Council sends a clear message that there will be specific and escalating costs to their actions. We believe that it is therefore essential that the Security Council make it clear to the Government of Sudan that a clear package of penalties has been prepared and will be implemented if they do not allow a robust peacekeeping force in Darfur. That means swiftly agreeing and implementing, if necessary, a UN resolution that widens the assets freeze and travel ban to include members of the Sudanese leadership, imposes an arms embargo on the whole country, mandates the imposition of a no-fly zone in Darfur and sets a deadline for the Government of Sudan to allow the deployment of the UN forces, in co-operation with the AU. Pressure from the international community should be unrelenting, until the Sudanese Government permanently and verifiably stop all air and ground attacks and allow the deployment of those UN forces.

Mr. Khan: The right hon. Gentleman's contribution is, as usual, very interesting. If the UN is unable to pass such a resolution, does he envisage a position where the UK Government, either by themselves or with one or two like-minded countries, take unilateral action without UN support?

Mr. Hague: I want to come on in a moment to what I think European Union nations can do, which is relevant to the hon. Gentleman's point. Of course, as the Foreign Secretary has said, the emphasis must be on maintaining international agreement in the Security Council as far as possible, although it is incumbent on us, particularly in opposition, to call for what we believe the Security Council should be doing. That is, of course, what I am setting out in this debate, but if that does not happen and if the situation in Darfur continues, there are other things that we can do, and if the hon. Gentleman will allow me, I will come to those things in a few minutes' time.

Tony Baldry: My right hon. Friend made reference to a no-fly zone. Is there not a danger with the Security Council that, all too often, what has been put before the Security Council are resolutions that it has believed will attract the support of China and Russia? Hence no resolution on a no-fly zone has been proposed, whereas we ought to be proposing those resolutions that we think will work.

One of the most obscene sights that I have seen in my life is that of airfields in Darfur where on one side UN planes are going around to take relief and on the other side helicopter gunships are there to murder people. That is crazy.

Mr. Hague: I share my hon. Friend's feelings and I, like him, was utterly appalled to see that. I am setting out what we believe it would be right to do. That is not to say that tactical calculations are not sometimes made in the Security Council about what can practically be achieved. However, if Britain, France and the United States can speak with a strong voice that makes clear what we believe would be right, it will be an important element of getting the UN Security Council to do the right things. The aim of such a policy should be to ensure that the Government of Sudan, the Janjaweed militia and non-signatory Darfur rebels return to negotiations.

The Prime Minister and Foreign Secretary have confirmed repeatedly that it is UK policy to seek a new Security Council resolution in New York to impose further targeted sanctions and to extend the arms embargo to the whole country—some statements have referred to the whole country. However, no resolution has yet materialised, despite the hopes that were raised during the UK's presidency of the Security Council in April. I know that the Foreign Secretary chaired a specific meeting about the situation. When the International Development Secretary winds up the debate, I hope that he will give the House greater detail about the reasons for the failure to agree a new resolution and the terms of any resolution that we might seek. In particular, if pressure is to be put on Khartoum, is there not a pressing need for any resolution to include a deadline for Sudan to accept the deployment of United Nations peacekeepers? I am grateful that the Foreign Secretary seems to be indicating assent to that.

The Foreign Secretary referred to the Government of Sudan's agreement in principle to the heavy support package phase, which was undoubtedly a welcome development. While, in theory, that means that Sudan will finally allow the UN to send personnel and equipment to facilitate a combined UN and African deployment of 20,000 peacekeepers to Darfur, there is still no guarantee that that Government will agree to the deployment itself. This is the time not to relax the pressure on Sudan, but to increase the pressure on its Ministers.

The Prime Minister said in November 2006 that it was "important" to consider imposing a no-fly zone over Darfur, which is a point that has already come up in the debate. In a written answer to me on 10 May, the Foreign Secretary said:

"We continue to consider the possibility of imposing a no fly zone."—[*Official Report*, 10 May 2007; Vol. 460, c. 400W.]

When the International Development Secretary makes his winding-up speech, will he tell us the outcome of those considerations and what could be done to implement a no-fly zone?

Until the UN force is deployed, it remains the case that the African Union forces that are tasked with keeping the peace in Darfur are severely under-resourced and that its soldiers face a rising threat from militia and rebel groups operating with relative impunity. Increased support for the AU should thus be an urgent priority of the international community and we hope that the Government will always give serious consideration to its requests. I know that Ministers will agree that of equal importance is the revitalisation of the moribund peace process and that AU-UN mediation teams should prepare for the next round of talks by building an international consensus, working with rebel movements, broadening participation from key Darfur constituencies and modelling the mediation process on the comprehensive peace agreement.

The conflict has shown an alarming tendency to transmit itself through the different tribal groups that span Sudan's national boundaries, thus bringing the same instabilities into neighbouring countries such as Chad and the Central African Republic. Worryingly, there is an increasingly pessimistic outlook for the horn of Africa region as a whole. Against that terrible background, more effort is clearly required—the Foreign Secretary talked of more effort—to convince our international partners to increase pressure on President Bashir. Like the Foreign Secretary, we welcome signs of China playing a more positive role to bring its influence to bear in the right direction. However, it is fair to point out that a recent report by Amnesty International alleged that China was selling arms to Darfur in direct contravention of the UN arms embargo. We will all need to continue to remind China of the fact that its interests in the region are best protected by united action and bringing a swift end to conflict in the region. The same applies to any other countries that are accused of breaking the embargo.

More disappointing—this relates to the question of what else can be done that was raised by the hon. Member for Tooting (Mr. Khan)—is the failure of the EU and its member states to join the United States in compiling a more comprehensive set of measures. Financial restrictions against the Sudanese Government have been imposed by the United States since 1990, but Sudan has successfully circumvented them by using its trading relationships with China, India, various Arab states, Japan and the European Union. Britain should work with its European allies to consider the imposition of further sanctions through the EU framework, if those objectives cannot be achieved through the United Nations, such as extending the travel ban and asset freeze to cover all individuals named in the UN commission of inquiry and the panel of experts reports, and targeting certain companies owned or controlled by the Sudanese Government. The 19 concluding Council statements on the Darfur situation that were made on behalf of EU Foreign Ministers were inadequate demonstrations to the Khartoum regime of European resolve to address the crisis.

The Foreign Secretary referred to France. We should welcome the position taken by President Sarkozy in his election campaign. He urged action so that "Darfur does not remain a shameful page on our history".

He has appointed a long-standing champion of human rights as the Foreign Minister of France. The Foreign Secretary said that she was working closely with the new French Government. Given the new Administration in France, as we look for stronger action by EU nations, surely the time has come for Britain and France to demonstrate real leadership together in Europe on this issue. We look to the Foreign Secretary to do so with her French counterpart.

What needs to be done? We need the implementation of peacekeeping measures to protect the millions of displaced refugees. All parties need to be brought together to establish a lasting and secure peace, without which the Darfuris people will continue to be imprisoned in their own land. We need to prevent tensions from escalating in the area across south Sudan and in Chad and the Central African Republic. A no-fly zone needs to be imposed by way of a UN mandate over the whole of the region.

We should also seek to do more through stronger EU action. Britain should encourage and support the work of Sudan Divestment UK and thereby take a further step in carefully targeting companies that help to support the position of the Sudanese Government, while ensuring that development goals are not harmed. We believe that the time has come for the UK to make a formal policy of encouraging companies with financial ties with the Sudanese Government, or government-related projects, to reconsider those links.

We should not forget that the International Criminal Court has issued arrest warrants for Ahmad Harun and Ali Kushayb following investigations that concluded that there were reasonable grounds to believe that they were responsible for murder, rape, torture, the forced displacement of entire villages, and other war crimes and crimes against humanity in Darfur. As the territorial state, the Government of Sudan have a legal duty to arrest those men. However, given their record of co-operation with the international community, it is reasonable to expect that they will not comply. That strengthens the case for sanctions to put pressure on the Government of Sudan. We hope that the UK Government will confirm that any new Security Council resolution that they would seek would include an obligation for Sudan to hand over those people.

We should bear it in mind that a long-term solution to the crisis in Darfur will not be achieved without a comprehensive settlement of all Sudan's regional tensions. Despite the Government's efforts in recent years, the international diplomatic response to the many crises in Sudan has too often been not co-ordinated, reactive and ineffective. When a crisis erupts in one part of the country that hits the headlines, politicians in the western world react and then the world's attention moves on. Yesterday it was the north-south conflict and today it is Darfur. Tomorrow, it might be the simmering eastern region.

We need a co-ordinated diplomatic approach to Sudan through which the west, China and key regional players can work on a long-term strategy towards that country. That must include a clear vision of where we want Sudan to be in 10 years: peaceful, stable, democratic and secure. It must include a clear scale of incentives and disincentives for Khartoum, with rewards for progress and sanctions for unconstructive steps. When the international community has had a clear goal, and has acted as one, it has made a real difference. Concerted international pressure was crucial to the signing of the north-south comprehensive peace agreement in 2005, but on Darfur, where the international community has sometimes been divided, and where it has had diverse goals and limited leverage, it has proved much less effective.

We call on the Government to intensify their efforts to promote a long-term, co-ordinated international strategy. Indeed, they should redouble those efforts, as the Foreign Secretary has pledged to do today. The choice is clear: we can continue as we have done, and face a series of continuing crises in the next decade with a haphazard, reactive, international firefighting response, or we can have a serious, well thought-through strategy for putting Sudan on the path to peace and democratisation. That path is obviously the one that we should take.

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I remind the House that Mr. Speaker has placed a 15-minute limit on speeches by Back Benchers, which operates from now.

6 pm

Mr. Tom Clarke (Coatbridge, Chryston and Bellshill) (Lab): As always, it is a pleasure to follow the right hon. Member for Richmond, Yorks (Mr. Hague). I agree with much of what he said about the European Union. What he said about China was extremely important, and I hope to return to that subject later. I also welcome the remarks of my right hon. Friend the Foreign Secretary. As the right hon. Member for Richmond, Yorks will understand, we on the Back Benches can be much more robust in our comments on the role of the Sudanese Government than the Foreign Secretary can be expected to be, as she is necessarily involved in delicate negotiations in the European Union, China and other places. However, I do not think he will be disappointed with the points I shall make. The British people are not unaware of the indolence, at the very least, of the Sudanese Government in the face of one of the gravest crises in our lifetime—and it is a crisis that was entirely avoidable.

My right hon. Friends the Foreign Secretary and the Secretary of State for International Development have spent a great deal of time on the important issues that we are considering, and their activities reflect the repugnance of the British people when, day after day, they see on television the killings, the misplaced people, the emaciated children, and people with sheer fear in their eyes. In this age, people do not consider Darfur a far-off region about which we know little; the British people want and expect Parliament to respond to their concerns. We Back Benchers have considerable support for what we say on the subject. The United Nations has said that 200,000 people have died, and that at least 2 million people have been driven from their homes. We hear of people, euphemistically described as "internally displaced persons", in camps and we can only imagine the squalor in which they have to live. They are without the humanitarian assistance that I know the Department for International Development wants to deliver and that the House would support. However, although we see the deprivation and squalor, the aid agencies, for

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which of course we have enormous regard and respect, are not in a position to speak openly about the evidence that is before their eyes.

I congratulate the aid agencies on what they are seeking to do in a difficult situation, but the fact is that they remain hampered by aerial bombings, by visa restrictions, including restrictions on essential personnel, by the absence of open dialogue, which would enable us to identify the problems and to seek to support the agencies, and by the veil of silence on the subject of their relationship with the Government of Sudan and the support that the agencies are entitled to expect.

It gives me no pleasure to refer the House to a recent survey by Reuters AlertNet, which interviewed 46 international aid agencies. Before I set out the responses, I repeat that I have enormous regard for the non-governmental organisations and aid agencies involved, and none of what I have to say implies any criticism of them. The survey found that 65 per cent. of the agencies could not speak openly about the humanitarian situation, and 78 per cent. could not talk about what was behind the attacks. Some 59 per cent. said that they could not speak about restrictions on the work that they were trying to do, and 70 per cent. could not comment on the incidence of rape. That is clearly a wholly repugnant situation. Today, we want to give the people working on the front line the message that they have the support of the House, that we are committed to humanitarian assistance, and that we will not tolerate the kind of impediments that they are experiencing.

On the strategy of the international community, to which my right hon. Friend the Secretary of State and the right hon. Member for Richmond, Yorks referred, I accept that there has to be a clear humanitarian strategy alongside a diplomatic one. There is considerable support for our call for the matter to be considered urgent. The UN Secretary-General, Ban Ki-Moon, spoke clearly about demanding an end to aerial bombardments by the Sudanese Government; there were no reservations in what he had to say. Louise Arbour, the United Nations High Commissioner for Human Rights, in condemning the killings of hundreds of people, pointed out that even schoolchildren had been wounded in attacks. That is something that the international community will rightly refuse to accept.

Two weeks ago, a devastating report was published by Amnesty International, and I shall highlight two important points that it makes. First, it said:

> "Rapes of women by Janjaweed militias in Darfur remained systematic...The perpetrators benefited from almost complete impunity...Authorities routinely took no effective action to investigate women's complaints of rape. At worst, raped women were arrested for adultery".

Secondly, the report accused the Government of Sudan of having

> "indiscriminately or directly bombed civilians."

For far too long—not for weeks, or even for months, but for years—the Janjaweed militia has been involved in such activities, and that has to be condemned. It is entirely unacceptable. Jodie Williams, who was awarded the Nobel peace prize, described those activities as war crimes, and her representations were so impressive that the UN Human Rights Council set up a group of seven distinguished people, who have met representatives from the Sudanese Government and who are to report in Geneva in a few weeks' time. I assume that it will be a comprehensive report, and I trust that what they have to say will be taken seriously by the international community. If, as my right hon. Friend the Foreign Secretary said at the start of her speech, there remains a challenge to the international community, the report will underline that fact.

I, too, accept the requirement for the African Union-UN hybrid force. I have heard different figures—today, we heard the figure of 17,000 and later of 20,000—and UN spokespeople have suggested a figure of 23,000. Darfur considers all those figures to be far too high, yet we simply cannot deal with the situation unless there is an AU-UN presence of that size. The problems are too great for the limited numbers that the Sudanese Government are prepared to accept. In congratulating my right hon. Friend the Foreign Secretary on her involvement, may I say that the UN is absolutely right to ask many different countries to support the objectives that it has set—not only African countries such as Kenya and Nigeria, although their involvement would be welcome, but such countries as Iran, Pakistan and China, which have nuclear weapons and are involved in crises elsewhere? If they are involved in efforts to seek a solution to Darfur, that can only be helpful in other regions.

Recently, Mr. Bernard Kouchner, the French Minister for Foreign Affairs, offered a proposal—it obviously carries greater weight because he is a co-founder of Médecins sans Frontières—for a contact group of nations. That is something that the Government might be willing to consider, and I should like to hear their response. Whatever approach we make, however, there is—this point was made by the right hon. Member for Richmond, Yorks, and, I am sure, it will be made by others—a requirement, if we can do it, for a much stronger UN resolution. One reason that the Sudanese Government have not acted as we would wish is that that strength—and we want it to be there—is not apparent. The visit by my right hon. Friend the Foreign Secretary to China is important because, for a number of reasons, China has a great interest in Sudan. If a further attempt is made to achieve a stronger resolution, I do not believe that China would refuse to support it or, on the other hand, would decide to exercise its veto. Over the past 30 years—I accept what the right hon. Member for Richmond, Yorks said about the Chinese record on human rights—China has only twice exercised a solo veto. I am delighted that my right hon. Friend has visited the country. I would not expect her to tell the House everything that was discussed, but China and the other countries that I have mentioned could exercise considerable influence in reaching peace in a troubled region of Sudan.

I accept that the issues that we are discussing and have discussed in the past—I have tabled questions on them and have participated in debates on them in the House since 2004—are complex, but it is right to denounce any impediments to humanitarian aid, which are simply unacceptable. We should endorse the proposal for a no-fly zone and make sure that it is properly monitored. We should bring to task those accused of war crimes by the International Criminal Court. We all know—and I respect very much my right hon. Friends' position—that negotiations can take months, but people are dying daily, and our constituents want to know what we are

doing about that. We need the urgent presence of a viable peacekeeping force. Above all, not just for Parliament and the UK, but for others observing what has happened in Darfur and in the neighbouring regions and countries at a stage in the millennium when we wish to support and give strength to the UN, something has taken place that is entirely unacceptable. It would be easy, given the problems—the killings, the maimings, the refugee camps and the rest—to wash our hands of the issue and say that very little can be done. However, most of us in the Chamber, and those of our constituents who support us, believe that the time has come to strengthen our position, give our support to those who can act and say, above all, to those who have influence in these matters, particularly the Sudanese Government, that we have concluded that we need action this day and that enough is enough.

6.15 pm

Mr. Michael Moore (Berwickshire, Roxburgh and Selkirk) (LD): It is a pleasure and privilege to follow the right hon. Member for Coatbridge, Chryston and Bellshill (Mr. Clarke), who has a long and distinguished career and interest in this field. He spoke about many themes, to some of which I will inevitably return. However, I particularly wish to pick up his point about the need to support and recognise the efforts of those who volunteer for the humanitarian front line and take great risks in working alongside those who are suffering in Darfur. We must never lose sight of what they do.

When, in 2001, the Prime Minister famously described Africa as

"a scar on the conscience of the world",

there were many reasons for his choice his words. Tragically, the observation has lost none of its power or truth in the intervening years. To this day, across the continent, there is much still to shock and shame us, but in Sudan in general and in Darfur in particular, it is not so much a scar as a gaping wound that we have to address. The decision to hold a debate on the subject is therefore welcome, as is the fact that the Foreign and International Development Secretaries are both participating in it.

Many international crises and atrocities demand our attention: Zimbabwe, Israel-Palestine, Lebanon, Iraq, Iran, North Korea, Afghanistan and Burma. All those and many more have often distracted attention from the horrors of Darfur, so our debate rightly serves to put the unconscionable and unforgivable suffering of the people of that region at the heart of our political agenda. We have already heard that at least 200,000 people have been murdered and, indeed, that the true figure may be much higher. That is the equivalent of the population of a city such as Swansea, Aberdeen or Northampton being wiped out. We have heard, too, that beyond those who have lost their lives, at least another 2 million people have been displaced and—it is a familiar statistic—4 million rely on some form of humanitarian assistance. The word "displaced" is one of those dry technical terms that sanitises the brutality inflicted on people, mostly women and children, who are subjected to appalling mistreatment, including rape and sexual abuse, as if the abysmal conditions of the refugee camps were not enough.

The humanitarian disaster in Darfur ought to be enough on its own to motivate all of us to search tirelessly for a solution, but, more selfishly, the crisis goes beyond the region, threatening neighbouring countries and consequently our collective international peace and security. It has already spilled over into Chad, where 200,000 refugees create untold pressures on a fragile state. There is barely a neighbour in the region that is not affected, and hardly a country without some further internal conflict of its own. Indeed, it does not require much imagination to see that there is a real danger of escalation into disastrous regional conflict.

It was not meant to be like this. The signing of the Darfur peace agreement this time last year and the passage of Security Council resolution 1706 were hailed as great successes. Nobody can fault the integrity of the diplomatic efforts or the investment of international political capital which the process involved—not least on the part of the Secretary of State for International Development—but the charities, the NGOs and the official bodies that work in the region all report a worsening situation ever since. Attacks on civilians have increased and the need for aid is multiplying, yet restrictions on humanitarian access have grown and attacks on NGO staff, including abductions, hijackings and beatings, have risen rapidly.

The upshot is the lowest level of humanitarian access since the beginning of the conflict, with the UN recently estimating that almost one in four people cannot access humanitarian assistance. In these circumstances, it is no surprise that the Disasters Emergency Committee, which brings together Christian Aid, Oxfam, Save the Children and many others, has launched a major appeal to help people in Darfur. Like the Foreign Secretary, the shadow Foreign Secretary and the right hon. Member for Coatbridge, Chryston and Bellshill, I support its efforts and endorse its appeal and campaigns to raise further money for Darfur.

People across the United Kingdom have a crucial role to play, but our Government and the international community have additional significant responsibilities. We must be in no doubt that establishing greater security on the ground and reinvigorating the political process are the key steps towards building a sustainable and lasting solution to the crisis. That is easily said, and it would be difficult enough where there was a political will to do so, but it is all the more complex when the Government of Sudan are set against it. As has been noted, they failed to honour their previous commitments, they obstructed the deployment of the African Union and United Nations hybrid force, and they are clearly hindering attempts to bring the rebel groups together as a precursor to a new political process.

The most important element in tackling the humanitarian crisis is the deployment of that hybrid AU-UN force, and the continued refusal by the Khartoum Government to allow the deployment of the force is utterly disgraceful. Although they recently agreed to support the deployment of the UN heavy support package, that agreement has still to be implemented. That must be our first priority, coupled with the delivery of adequate financial resources in order to reinforce the African Union mission in Sudan. It is an important stepping stone towards the full deployment of the hybrid force.

In parallel, there should be a serious examination of the possibility of establishing an internationally monitored no-fly zone for military aircraft, supported

[Mr. Michael Moore]

by the United Nations. Some means must be found to halt the continued bombings and aerial attacks by Sudanese forces. I recognise that there are serious logistical challenges to giving effect to such a proposal, and there are legitimate concerns from some of the NGOs about the complexities involved and the need to allow continued humanitarian access. However, air power is being used by the Sudanese to carry out their murderous campaigns and there must be serious efforts to bring that to a halt.

It is not just in the military arena that the international community has made little progress. It is also true, as the Foreign Secretary acknowledged, in the diplomatic sphere. The new Secretary-General of the United Nations has not been able to coax the parties to develop any kind of momentum towards peace, so his efforts have to be backed up by actions that the Sudanese authorities can understand. We should welcome President Bush's determination, in response to high profile campaigns in the United States, to see a new Security Council resolution and his announcement of unilateral US sanctions. Now is the time for the United Kingdom and the European Union to follow the US lead and to pursue a reinforced sanctions package. How else are we to get it through to the regime that we mean business?

Tony Baldry: Is it not notable that as soon as President Bush came forward with that package of enhanced sanctions, it was immediately criticised by both Russia and China? That demonstrates the difficulty facing the international community if we are dependent upon Russia and China in international law to get any resolution through the Security Council.

Mr. Moore: The hon. Gentleman makes an important point. I shall return to the matter and consider other ways that may get round the situation in the United Nations if we reach an impasse. He is right to highlight some of the practical and legal problems that confront us.

As the shadow Foreign Secretary and others have highlighted, the extension of sanctions must include further travel bans and asset freezes on individuals in the Government of Sudan and in the rebel groups. It is unacceptable that so far there are so few people on those lists. We should also consider, as set out in early-day motion 12, which the shadow Foreign Secretary instigated,

"action against the offshore and international network of businesses owned by and linked to the government of Sudan".

There is a great deal of business going on there which supports the regime. We should take steps to sort that out.

As others have said, a tightening of the arms embargo is needed. We have heard that Amnesty International last month exposed the extent to which the existing bans are being flouted, and in particular highlighted the roles of China and Russia. Photographs of Russian helicopters and Chinese fighter jets taken earlier this year make the point. The report also suggests that a Russian-built Antonov military plane, in all-white livery—in contravention of Geneva conventions—was "highly likely" to have been used in bombing in Darfur. There have been denials by both Governments, but at the very least the report highlights damaging weaknesses in the international arms regime. I am sure the Government will have studied the detailed proposals from Amnesty International. I hope the Secretary of State for International Development will give us his response to them when he replies to the debate.

Beyond our concerns about the arms embargo, we must surely look at measures aimed at international investment in Sudan's petroleum industry. Of course, restrictions on investment, let alone divestment, raise difficulties. It is an approach only to be considered in extremis, as we have seen in Burma, but surely that is the situation that we have reached in Sudan.

The early-day motion tabled by the hon. Member for Sutton Coldfield (Mr. Mitchell), me and others on a cross-party basis states that

"the government of Sudan is financially and strategically supporting . . . atrocities through its oil revenues"

and that

"according to the World Bank and sources within Sudan, between 60 to 80 per cent. of the government of Sudan's revenue is spent on the military".

We have seen a small step taken by Rolls-Royce, which is to end its involvement in Sudan. We must now look for further targeted divestment from areas which

"impart minimal benefit to the country's people".

In the words of the early-day motion, it is time for the Government to

"look into ways of changing national and international business behaviour in the face of the manifest gross violations of human rights."

There will be debate about how such an approach affects ordinary people, and how it plays into the comprehensive peace agreement which ended the north-south war, so great care must be taken, but we must show our intent to examine and pursue this option vigorously. That of itself will send a strong signal to the Government in Sudan.

As I said in response to the intervention, I shall briefly consider the roles of other Governments. Clearly, given the scale of their investment and ambitions, China and Russia's roles are crucial in Sudan. Our approach to Beijing and Moscow must be crystal clear. Lip service to Security Council resolutions is not enough. Given those two countries' joint roles in investment and military support, we are entitled to be very concerned about their agendas.

The Foreign Secretary recently described China's role in Sudan as "positive". Many of us will require convincing of that. So far, little new evidence has been offered to support a sanguine interpretation of China's intentions. We must confront the Chinese about their responsibilities and make sure that they act with us, not against us.

In debating the immediate military and sanctions priorities, it is essential, as the Foreign Secretary has said, not to lose sight of the broader international contributions that are necessary. The political process in Darfur needs to be completely renewed if there is ever to be a lasting settlement. The work of the envoys needs everyone's support, backed up by serious measures. The European Union and the British Government must play their part in all this. The EU's High Representative,

Javier Solana, has already indicated that the EU is "open to consider" further sanctions. That is not enough.

By the time of the European Council later this month, the EU needs to agree a further, substantive and targeted sanctions package that complements President Bush's announcement last week. The Prime Minister has said that we should pursue sanctions at the UN level, and I certainly endorse that view. Given the role of Russia and China in Sudan, however, it is not at all certain that further UN sanctions will or can be imposed. There is precedent for such EU action. Zimbabwe, the Democratic Republic of the Congo and Burma are all examples of the EU having imposed sanctions ahead of, or in the absence of, United Nations measures. Therefore, if agreement cannot be reached there quickly, the implementation of EU sanctions must go ahead.

There is now a great expectation among our constituents and across the world that something will be done about the continuing desperate situation in Darfur. To many, it is clear that the Government of Sudan are committing genocide. We can debate the technicalities, but, certainly, there appear to be countless acts committed with the

"intent to destroy, in whole or in part, a national, ethnical, racial or religious group",

as article 2 of the convention on the prevention and punishment of the crime of genocide puts it. Whatever the debate on that, it is clear that we have a moral duty to act and to do so now. The Foreign Secretary was right to say that the international community has failed Darfur. She also mentioned the newly established responsibility to protect, as put forward in the United Nations. If that is to be anything more than a high but meaningless principle, it must surely be put into effect in Darfur.

6.31 pm

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): I very much welcome the decision to hold this debate in Government time, much as I deplore the fact that such a debate is necessary. We are debating the tragedy of Darfur, a current humanitarian catastrophe—perhaps the greatest current humanitarian catastrophe—and, indeed, a genocide. International efforts have failed to make the necessary impact, and if the debate is about nothing else, it must be about both exposing what is happening in Darfur and considering what further actions could be taken internationally and the possible role of our Government in that.

The history of Sudan is complex and difficult. Today's debate, however, focuses on Darfur. We should remember that since 2003, following rebel action, the Sudanese Government decided to embark on aerial bombardment of Darfur, and to arm the nomadic Arab militias, the Janjaweed, to dispossess the people of Darfur. Riding on horses and camels, they have inflicted murder, dispossession and rape. The consequence has been 400,000 dead, 2 million displaced people and an estimated 4 million people dependent on international aid, with more than 200,000 Darfuris now refugees in Chad.

The Aegis Trust, which has done so much to publicise the atrocities of Darfur, has referred to the

"systematic use of aerial bombardment of villages and surrounding areas and burning of villages by Janjaweed militiamen who loot, slaughter and rape".

The victims of that slaughter and rape have included many women and children. The women must choose whether they dare go out to gather firewood or food, as they face the risk of repeated rapes, which the perpetrators are allowed to carry out with impunity. It is deplorable, and amazing, that those atrocities, which have taken place over the past four years, have until recently received little publicity to capture the public imagination. I wonder where are the marches, meetings and rallies demanding action to stop such abominations.

Sadly, as we know, the carnage continues. The causes of the conflict are many, but they include the marginalisation by those from the north, who are of mainly Arab ethnicity, of Darfur's mainly black African majority, who feel that they do not have a fair deal. Other causes include disputed claims to scarce resources by various groups, and a background of long civil war, to which reference has been made during the debate. Clearly, the actions taken internationally have been ineffective. Efforts have been made, but the problem continues. Actions have included the presence of the African Union protection force—AMIS—the Darfur peace agreement, United Nations Security Council resolution 1706, and the involvement of the International Criminal Court, which has indicted a Sudanese Government Minister and his assistant.

The killing continues, and as we heard from my right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr. Clarke), the recent Amnesty International report spells out in graphic detail the continuing murders, pillage and rapes. The question before us must be: what needs to be done, and who should take that action? Clearly, new, stronger and more targeted action is needed. Stronger action is needed to persuade or, if persuasion is not possible, force the Sudanese Government to permit the AU-UN force to operate. They have agreed that such a force can operate, but have failed to carry out their promises.

Engagement with the political process, if that is possible to achieve, is also needed to bring in all the rebel groups. Perhaps that can be done through AU-UN mediation. A more effective, stronger arms embargo is of extreme importance. Stronger, more focused sanctions are needed, perhaps against the Sudanese Government, and particularly on the petroleum sector, which provides the Sudanese Government with their main revenues to support the Janjaweed. We should also look again at sanctions on the businesses conducted by the ruling National Congress party, because those businesses provide the revenues to fund much of the conflict. We should consider travel bans and freezing the assets of individuals who have been identified as guilty of atrocities.

The implementation of a no-fly zone over Darfur should be pursued to prevent the aerial bombardment of displaced people. Reference has been made to the role of China and Russia, and more attention should be given to that. The position taken by China in particular, in pursuing its own interests at the expense of the lives of many people in Darfur and Sudan, should be given more exposure. The UN has a responsibility to protect, and while sanctions are certainly the preferred method to resolve this dreadful conflict, the UN must consider that responsibility, which would include seeking the consent of the Chad Government to deploy a rapid

[Mrs. Louise Ellman]

reaction force on their borders with Sudan, as well as considering what other measures might be needed to bring peace.

Those are just some of the measures necessary to try to resolve a conflict that is ongoing and costing so many lives. There may be others, but if we consider those measures alone, we can see that the European Union and the United Nations need to become more involved, focused and active in trying to bring about change.

At the beginning of my contribution, I commented that I was concerned and disappointed that little public attention has been given to this ongoing and dreadful conflict. I commend and compliment the Aegis Trust, which, over the years, has done much to bring the enormity of what is happening to public attention. I also commend the campaigns on Darfur that are being conducted by the National Union of Students, particularly the work being done by the Liverpool guild of students. Those campaigns have taken the form of holding public meetings to publicise what is happening and lobbying a wide range of people, including Members of Parliament, to ask for more action to be taken. It should be noted that while perhaps those who should have been doing more have not done so, the NUS, the Liverpool guild of students and others throughout the country have done what they thought was possible. They should be commended for that.

Tony Baldry: One of the many obscenities in relation to Darfur—it has been highlighted by the Aegis Trust, which has done excellent work—is that mass killing of a particular racial group is classed as genocide, but if it is not aimed at a particular racial group, as the international community under international law seems to say is the case in Darfur, it is not classed as genocide and is therefore seen by the international community as being a lower order of crime. What is happening in Darfur is as terrible as if it were genocide. The fact that it does not fit into some convenient legal definition should not make it any less terrible a crime than happened in the holocaust with Jews or others.

Mrs. Ellman: What is happening in Darfur is indefensible and unacceptable, and we should not only be appalled by it but be ready and willing to take action to stop it. Arguably, it is indeed genocide—but whatever label is attached to it, it is unacceptable and something that we need to act on.

I think that all of us here today can agree that the status quo is unacceptable, and that what has happened internationally so far has not been sufficient. I call on our Government to continue the good work that they have been doing and to take the lead in intensifying international efforts to bring peace to the people of Darfur, to stop the killing, and to allow the country of Sudan to have a prosperous future for all its people.

6.42 pm

Tony Baldry (Banbury) (Con): This is a much needed debate. It is one of those many occasions when I feel sorry that the Chamber is organised in a confrontational way with Benches on either side, because I suspect that this is one of those subjects where the whole House agrees on the main issues, and should be seen to be trying to muster support.

Those of us who have visited Darfur—many in the Chamber have done so—can give witness and testament to what they have seen. As has been well documented and reported the humanitarian crisis is awful and continues to get worse. That is clear from all the representations that we are receiving from non-governmental organisations such as Save the Children and Christian Aid.

I want to use this opportunity to raise some broader concerns about intervention in support of humanitarian assistance. The Foreign Secretary spoke about the responsibility to protect. That is a concept that the Prime Minister first developed in a speech in Chicago a few years ago, for which he must take great credit. As the Foreign Secretary said, the UN resolution on Darfur was the first time that the concept had been introduced into international law. However, there is no logic in the implementation of the responsibility to protect; it is implemented largely on an ad hoc basis and there has never been any consistency. Every time we have had an international humanitarian crisis, whether in Kosovo, Sierra Leone or wherever, intervention has taken place on a somewhat ad hoc basis with a different combination of players. That is partly a consequence of political will and partly of the fact that intervention often has to be military intervention, and very few countries have the necessary military lift capacity to intervene effectively in that way.

Last week the Prime Minister was in Sierra Leone, rightly receiving plaudits for what the UK had done in leading the intervention in Sierra Leone to bring an end to the conflict and killings there. We were able to do so largely because the UK had the necessary military capacity. One of the difficulties with Darfur was that the UK and the US found themselves so involved in Iraq that there was no question of military intervention in Darfur, even had that been thought to be the appropriate response. However, I cannot understand why the international community has not imposed a no-fly zone on Darfur. We know that a no-fly zone works effectively, as it did for a considerable period in protecting the Kurdish community in northern Iraq before military intervention by the coalition.

As one of those who voted against the war in Iraq, I suggest that if the UN Security Council does not operate effectively as an international law-making body there will be an increasing tendency for coalitions of the willing to act outside the parameters of international law, because they will see that as the only way in which they can take action. We are dependent on the effectiveness of the Security Council, which is in turn dependent on every one of its members, including Russia and China. It is a matter of record that Russia and China have been exporting defence equipment to Sudan. The 2005 trade figures show that China sold $24 million-worth, and Russia sold $21 million-worth, of military equipment to Sudan. Some 90 per cent. of Sudan's exports are to China.

Pete Wishart: Does the hon. Gentleman agree that China cannot have it both ways? It must sign up to being part of the solution in Sudan. If it fails to do so, we should be thinking about sanctions on China. In a few years' time, it has the Olympic games. Surely we

should raise the spectre of that to ensure that we get its full co-operation in securing a deal on Sudan.

Tony Baldry: I entirely agree that China is a major key to this. Indeed, some 100 US Congress Members recently sent a strongly worded letter to China's President saying that the Beijing 2008 Olympic games could be affected if China fails to try to halt the bloodshed in Darfur. Our colleagues in Congress said:

"It would be a disaster for China if the Games were to be marred by protests, from concerned individuals and groups, who will undoubtedly link your government to the continued atrocities in Darfur, if there is no significant improvement in the conditions...unless China does its part to ensure that the government of Sudan accepts the best and most reasonable path to peace, history will judge your government as having bank-rolled a genocide."

The all-party group on China, of which I happen to be a vice-chairman, is the largest all-party group in the House after the all-party group on America. It behoves us to try to exert what influence we can on China. The Olympic games are coming up. China maintains that the 21st century will be the century of Asia. If it believes that, it behoves it to take a much greater lead in international affairs, in peacekeeping, and in seeking to establish a way forward whereby the Government of Sudan cannot veto what is happening in Darfur.

Last week, President Bush announced that the United States would be looking to take tougher sanctions against Sudan. Interestingly, China and Russia immediately signalled opposition to US proposals for tabling a fresh UN Security Council resolution, expanding an embargo on arms sales to Sudan, and establishing a no-fly zone over Darfur. I would have thought that an embargo on arms to Darfur and a no-fly zone were no-brainers for the whole international community. The fact that neither Russia nor China is willing to support a no-fly zone or an arms embargo is a matter of considerable concern.

It is a matter of record that China and Russia have never vetoed sanctions, but the US and the UK have not suggested them because of the likelihood of a veto. I do not criticise the Foreign Secretary for that, but one can see the equivocation of Foreign Ministers, who know in their heart of hearts that a solution such as a no-fly zone would be useful, but recognise that it is unlikely to get passed and therefore ponder whether it is better to propose it, with the risk that it could be voted down, or not to suggest it.

China's attitude has changed slightly. It has appointed a special envoy to Darfur and it backs the peacekeepers. I suspect that that is born of a mixture of economic self-interest—safeguarding Chinese investments in Sudan—and, more interestingly, an anxiety that the Beijing Olympics could be overshadowed by the accusation that China is bankrolling genocide. Human rights groups, including Amnesty and Human Rights Watch—as I have already said, the US Senate has done this too—have used the link between the Olympics and the position in Darfur as a mechanism to make China move. I understand that when Lord Hannay recently spoke to the Conservative party Human Rights Commission, he made it clear that he believed that pressure from groups such as Amnesty and Human Rights Watch had caused China to make some movement. China is a large part of the key to progress in Darfur—90 per cent. of Sudan's exports are to China.

Our recent focus has been on the make-up of the peacekeeping mission to Darfur. The problem is that there is no point in having a peacekeeping mission unless there is a peace to keep. To date, there has been no peace to keep, and that is unbelievably frustrating. Five peace deals have been started for Darfur, and they all have shorthand names. Talks have been held in Libya and Eritrea, and there is now a new United Nations deal, led by the special envoys, with US and UK backing, but no process has yet been completed. The international community needs to get behind one of those peace plans—I hope that it is the UN peace plan—and reach a deal, as happened in southern Sudan. In southern Sudan it took 10 years, but the people of Darfur simply have not got 10 years.

John Bercow (Buckingham) (Con): They will be wiped out.

Tony Baldry: My hon. Friend is right. We must get behind one peace plan.

As Jeffrey Sachs makes clear, we must also focus on genuine economic development in Darfur. Millions of people cannot be left permanently in camps. One of my most precious memories from the time when I was fortunate enough to chair the Select Committee on International Development and we went to Darfur is a tool box made out of an aid can from USAID. A blacksmith in one of the camps managed to turn the can into a tool box. Even in the most grim circumstances, human effort, enterprise and endeavour was continuing. He had set up a small blacksmith's workshop and was making lock-up boxes in which people could keep their possessions. Millions of people cannot simply be kept in camps and fed by the international community without proper development. Jeffrey Sachs therefore makes an important point about the need for development.

It should not go unnoticed that Charles Taylor's trial started this week. That is especially important because I believe that it is the first time that a Head of State has been brought before the international community to stand trial for crimes against humanity. Hitler managed to commit suicide, so we were not able to get him. It was previously believed that Heads of State were sovereign exemptions. That should send a clear message to the Government of Sudan that no one in Africa, or the rest of the world, is ultimately immune from prosecution by the international community for crimes against humanity and war crimes.

Jeremy Corbyn (Islington, North) (Lab): Let me remind the hon. Gentleman that since the Pinochet judgment in the House of Lords, Heads of State have no immunity under British or international law.

Tony Baldry: We are happily in accord. However, I suspect that many African or other Heads of State would not take much notice of the High Court in the UK, whereas they will take notice of a UN-backed international war crimes tribunal. We should make every effort to remind people in Khartoum that they are liable to be tried for international war crimes if they persist with their actions.

I personally suspect that Her Majesty's Government are doing all they humanly can to bring pressure to bear on the international community. I do not believe

[Tony Baldry]

that the subject divides the parties in the House. However, we must work out how we can be fleeter of foot in bringing pressure to bear on other international players, not least China and Russia, to start playing a better role in the Security Council, and thus help create an international order in the 21st century that highlights and reflects the responsibility to protect that the whole international community shares.

6.57 pm

Ms Diane Abbott (Hackney, North and Stoke Newington) (Lab): I am grateful to have the opportunity to take part in the important debate on the situation in Darfur, which might be described as Africa's holocaust. Sudan has experienced Africa's longest-running civil war. The notion of liberal interventionism—that powerful western countries have a responsibility to intervene on humanitarian grounds, sometimes stretching the bounds of international law to the limit—has been tainted by the war in Iraq. However, if ever a situation cried out for liberal interventionism, it is that in Darfur.

The humanitarian crisis has touched the conscience of people all over the world. I pay tribute to the work of not only aid agencies, but people in the faith communities, who have kept the issue at the forefront of debate. Indeed, I believe that public opinion has impelled politicians rather than the other way round. That is to the credit of those who are active in aid agencies and faith groups, and ordinary people who have, over the years, written, campaigned and tried to keep the issue where it should be.

During the debate, we have heard about the 4 million displaced people, the hundreds of thousands of people killed, the terrible incidence of rape and the indiscriminate bombing of civilians. One of the intrinsic aspects of the dispute has also been mentioned: it is a war between the Arabs of the north and the Africans of the interior. That is not much discussed. It has been mentioned again and again in the debate that the Sudanese Government seem to think that they can behave with impunity. In the face of all the evidence, all the reports and all the pressure, they are giving tacit support to militia who, in common parlance, are indeed engaged in genocide. The fact that the Sudanese Government believe that they can behave with impunity actually points—despite the best efforts of my right hon. Friends the Secretaries of State for Foreign and Commonwealth Affairs and for International Development—to the ineffectualness of international action so far.

Much has been spoken about the need for sanctions, particularly action against businesses supporting and making money out of the region. I support everything that has been said about the role of sanctions, but we need to bear in mind, as we look forward, that sanctions can play only a short to medium-term role. In the end, as the economist Jeffrey Sachs said, Sudan's underlying problem as a country is that it is desperately impoverished with a terrible lack of water and food. Underlying the ethnic nature of some of the conflict is a desperate struggle for scarce resources. When the politicians are finally able to broker some sort of peace settlement, what will be needed in Sudan is not a sigh of relief and turning to the next international crisis, but a genuine economic restructuring. That would be the appropriate aim from the west.

I want to say a few words about the point raised by the hon. Member for Banbury (Tony Baldry) about the framework of international law, especially when it comes to humanitarian interventions. I served on the Foreign Affairs Select Committee during the 1997 Parliament. It conducted an inquiry into international law in relation to humanitarian interventions in the particular context of Kosovo. We had hearing after hearing and dealt with vast piles of papers. Having dutifully waded through them and dutifully listened to the international lawyers, I realised that international law on humanitarian interventionism is really what the last lawyer told us it was. It is work in progress. If we believe, as I do, that there are times and places where liberal interventionism is really called for, we need to seek in the longer term a more robust legal framework.

I did not vote in favour of the war in Iraq, which for me was outside the framework of international law. I believe that we cannot allow that sort of American-led intervention, but that is not to say that there is never a case for liberal intervention. Actually, the framework of international law that applies at this point does not allow for it. While dealing with the immediate and pressing problems in Darfur and elsewhere, international institutions need to work on a framework, on a code, and on getting resources for those that would make it possible to have genuine humanitarian interventions that can go forward with the support of the whole international community and cannot be blocked by individual members of the Security Council, which may well have their own narrow selfish interests rather than relieving genuine suffering at heart.

I believe that the role of the African Union force is vital. The way forward in this sort of international crisis is not direct western military intervention, but greater reliance on properly funded and supported regional forces. I hope that the EU, Britain and, of course, the UN will do all they can to support and allow the African Union force to continue its work. Ideally, as has been said, it should be a hybrid force of the African Union and the European Union. However, in this sort of crisis we should look first and foremost to a regional force rather than to the UN, although such a regional force should have UN backing. The African Union has done some good work in Sudan in practice, but it is important to support the work of the African Union force in principle—financially and in many other ways. I very much support what has been said about the need to take action against the different business and financial interests that are benefiting from their investments in the region.

I congratulate my right hon. Friends on allowing us to debate this issue in Government time. There were divisions among all the parties on the issue of Iraq. If the notion of liberal and humanitarian interventionism is to be rehabilitated—sadly, in the cruel, violent and economically unstable world in which we live, it must be—the surest way of doing so is for the international community to be seen to act effectively and decisively—politically socially and, if necessary, militarily—to end the tragedy in Sudan.

7.6 pm

John Bercow (Buckingham) (Con): It is a privilege to follow the thoughtful and penetrating speech of the hon. Member for Hackney, North and Stoke

Newington (Ms Abbott). In opening my remarks on this critical subject, I would also like very warmly and enthusiastically to echo the tribute rightly paid by the hon. Member for Liverpool, Riverside (Mrs. Ellman) to the Aegis Trust, an organisation that has consistently and brilliantly championed the interests of the long-suffering and oppressed people of Darfur.

By any yardstick, somewhat in excess of 300,000 people have died in the region. It is estimated that there are something in the order of 2.4 million people internally displaced, including no fewer than 450,000 displaced since the signing of the abortive Darfur peace agreement in May 2006. We know that there are also about 230,000 refugees who have now fled over the border to Chad. It has been regularly stated, but let me underline the fact, that in the order of 400,000 people, in addition to the numbers of previous refugees, have become refugees over the past year alone.

We know that 4 million people are dependent on food aid, so it is a desperate and harrowing situation that we encounter. Moreover, we are aware that this is something that is happening right across the region. Whether it be Um Rai in the north, Amar Jadeed in the south or Sirba in the west, no area is unaffected for any length of time. The position is one of uniform misery and persistent and chronic insecurity.

I think that we know that the overwhelming share of responsibility for the lamentable state of affairs that obtains today lies with the Government of Sudan. Aerial bombing, mass shooting, widespread rape, the use of child soldiers, persistent hijacking, the destruction of crops, the theft of livestock, the calculated poisoning of water supplies and the chaining together and burning of people alive: those are all part of the story of savagery that has shamed the world. That poses the question of what sort of response is evoked from this House, from our Government and from the international community.

There are complexities in the subject, but it seems to me that we know from the historical record that there is one language alone that the Government of Sudan understand—and that is the language of pressure, pressure and more pressure. Remorseless and unrelenting pressure is required if we are to persuade that Government to stop slaughtering their own people and to start respecting their rights. Reference has been made to sanctions, which can take a number of different forms. It seems to me that there are two that are so blindingly obvious as candidates that only an extraordinarily clever and sophisticated person could fail to observe and recognise them.

The first sanction relates to the oil sector—petroleum has already been mentioned. We know the facts. Between 1999 and 2005, the Government of Sudan's oil revenues increased from $61.1 million to $2,297 million—virtually fortyfold. During a similar period, from 1999 to 2004, the increase in military expenditure by the Sudan Government was absolutely enormous, from $242 million to about $587 million. The link is manifest and palpable: those huge revenues enabled that Government massively to ratchet up their expenditure on weapons of repression, oppression and destruction. Various figures have been given for the proportion of total revenue in Sudan at governmental level that is accounted for by oil—someone quoted a figure of between 60 and 80 per cent., and I customarily encounter a figure of 50 per cent.—but whatever the figure, we need to be clear about the fact that growth in Sudan is driven by oil.

I believe that we have reached a point at which we must seek to build support in the international community for the establishment and operation of an oil trust fund. The funds that pay for the oil would be placed in an escrow account, and the Government of Sudan would not be allowed to get their hands on them pending a resolution of the conflict. It would be made clear that they must be used for the provision of essential and basic health and education services for the population and to facilitate necessary development projects, and that moneys must be put aside in a compensation fund to deliver reparations at the required time for the people of Darfur.

That suggestion has been made by the Aegis Trust, and it is supported by the judge Richard Goldstone, an immensely experienced and wise figure in the international community who has the advantage of having sat on the Volcker committee. After studying some of the shortcomings of the earlier attempt relating to the oil-for-food programme in Iraq, and heeding lessons from it, he remains firmly of the view that such a scheme, appropriately monitored and enforced, could bear real fruit in putting pressure on the Government of Sudan.

Sammy Wilson (East Antrim) (DUP): The hon. Gentleman makes an interesting point, but most of Sudan's oil revenues come from China, which has made it clear that it will refuse to comply with any sanctions.

John Bercow: The hon. Gentleman is right, in that thus far the Government of China have not been prepared to play ball. My view is that we must simply repeat and intensify our efforts and try to ensure that they are as concerted as possible. If China wants to play a responsible role in the world, it must accept that it is incumbent on it so to behave in the international community as to demonstrate a greater respect for the human rights of other people, and also an interest in the political and diplomatic priorities of the countries with which it wants both to do business in commercial terms and to establish decent political relations. As the hon. Gentleman says, we have not got there yet, but we must continue to try.

Not only do I favour financial sanctions against individuals, financial sanctions against the Government of Sudan and financial sanctions in the form of a concerted effort to increase divestment from the country, I feel that the issue should now take centre stage and I hope that the Secretary of State will include it in discussions at multilateral level with a view to securing the level of support that will be needed.

The second obvious candidate for enhanced and strengthened sanctions is, of course, the arms industry. Reference has been made to both China and Russia. In 2005 alone, China sold some $83 million-worth of arms to Sudan, and Russia sent somewhat in excess of $34 million-worth. The history is quite interesting. When an arms embargo for Sudan was first proposed, it was decided—chronically and disgracefully—that it should apply only to rebel groups and opposition forces. Subsequently, thanks not least to the good offices of the British Government and others, its

[John Bercow]

application was extended to the Government of Sudan. The present position, however, is that although the Government of Sudan are not supposed to use arms in Darfur, they are still entitled to buy arms for other purposes.

It requires a degree of naivety to suppose that the Government of Sudan, a bunch of mendacious thugs if ever there was one, will not take the opportunity to circumvent the moral purpose of international action and decide to use those forces, that equipment and those aeroplanes for their own purposes of continuing war crimes, crimes against humanity, ethnic cleansing and, yes, genocide in Darfur. That is precisely what they are doing now, and that is why we need to say that there should be a complete embargo on the sale of arms to Sudan, period—an embargo that can be lifted when, and only when, Sudan ceases to oppress, abuse and slaughter its own citizens.

Those sanctions appear to me to be the centrepiece of an effective strategy, but we need to do other things as well, and we need to lose not a moment in going about the process of doing them. In a characteristically powerful speech, my hon. Friend the Member for Banbury (Tony Baldry) spoke of the importance and urgency of the imposition and enforcement of a no-fly zone. I entirely agree, but I think that we should remind ourselves, and inform those attending to the debate, that the issue goes back some time. If memory serves me, it was as long ago as March 2005 that United Nations Security Council resolution 1591 was passed, exhorting, nay instructing, the Government of Sudan to cease all offensive military flights in the region. That has not happened. We need to establish the no-fly zone, give effect to it and monitor compliance with it. I am not a lawyer—I say that with some pride—but if a chapter VII provision is required under the United Nations procedures, so be it.

In addition, we must secure the troop deployment that is necessary. We have talked in passing about United Nations Security Council resolution 1706. I remind Members that that resolution was passed in August last year. Now, nine months later, there is still a piddlingly inadequate, feeble, lamentable, risible force level in a region the size of France. We need 20,000 troops there, and we need them now. General Romeo Dallaire—who has considerable experience of these matters, having been lumbered with the task of trying to secure peace in Rwanda with hopelessly inadequate resources for the purpose—has speculated that 44,000 would be more appropriate, and the head of AMIS, the African Union mission in Sudan, suggested at one time that 60,000 might be required. However, we certainly know that we need the 20,000, that we need them now, that they are not there and that they should be. Action must be taken and pressure must continue, at the highest levels of Government and on a multilateral basis, to achieve that objective.

There is another issue that no one has mentioned so far, but which is relevant to our sending a consistent message and exerting a credible pressure on the Government of Sudan. I refer to this Government's attitude to asylum seekers coming here from Darfur. On 4 April, the Government were defeated—the Home Office lost—in the Court of Appeal when it was decided that it would be unduly harsh to send a subsistence farmer back to live in virtual refugee conditions in or near Khartoum. The court did not accept that overall it would be unduly harsh to send people back to Khartoum—it did not have the necessary evidence on which to reach that conclusion—but the Government are appealing against even that limited and justified finding and, as they decided on 4 May, they are taking it to the House of Lords.

We have since received additional evidence from the Aegis Trust about Sadiq Adam Osman, who was returned to Sudan as a rejected asylum seeker in February 2007. The trust has interviewed him and has seen the scars inflicted on him by the savage beatings that he has sustained. It reported its evidence in March this year, and it appeared in *The Guardian* on 29 March. It also featured in a powerful programme on Channel 4 on, I think, the same day. I have seen the clips—people do not beat themselves up gratuitously and viciously in that way. Yet in relation to the asylum process, Darfurians are considered appropriate for the fast-track procedure.

The Sudanese embassy is complicit in the attempt to return those frightened, terrified and vulnerable people. The interviews are conducted on the basis of Arabic translation, which is objectionable to the Darfurians, first, because very often they do not feel able fully and adequately to conduct the interview on that basis, and secondly, because they believe that Arabic is the language of the oppressor. After their experience at the hands of Bashir's regime, can anyone blame them?

Jeremy Corbyn: Is the hon. Gentleman aware that the Foreign Office or British missions abroad do not as a matter of routine investigate the situations of people who have been returned against their wishes to a place from which they had come to seek asylum here? There are no official records taken and no substantial evidence is kept by the Foreign Office. Does he agree that it ought to be? If we are sending people back to a place of danger, we should at least know what we are responsible for.

John Bercow: I entirely agree. There is no systematic process of studying whether the individuals returned are safe. We have made international commitments on non-refoulement. We have an obligation to ensure that people who we send back are not sent back to the likely prospect of imprisonment, torture, death or even, dare I say it, a grisly combination of all three. Yet that is what is happening at the moment. The country guidance notes could be changed very simply by the Foreign Office to make it clear that it is dangerous.

The Home Office is so ignorant on the matter that it apparently does not realise that a Darfurian bearing his tribal scars returned to Khartoum, which is literally crawling with state agents, is immediately vulnerable to arrest, imprisonment and all the horrific consequences that are likely to flow. Is it not both perverse and rather sinister that people appealing against their refused asylum application or making a fresh application receive requests to go to interview from the enforcement and removals section of the Home Office? That is unacceptable.

This is an appalling state of affairs. Too many people have suffered too much for too long with too little done

about it. The dead, the dying and the destitute are increasing exponentially by the day while Governments internationally dither. I warmly endorse what my hon. Friend the Member for Banbury said—he was a brilliant Chairman of the International Development Committee and he was right. We have to decide whether the responsibility to protect is to be a serious attempt to avert genocide or simply a rather futile exercise in vacuous moral posturing. I believe that it should be the former, not the latter.

We in the international community as a whole have let people down. I have great respect for the Secretary of State for International Development, as he knows. The problem is not mainly in that Department; it is with foreign policy. We need the requirement of will, the assertion of principle, the determination to act and the insistence on saying to people who have been dishonest, have let us down and behaved consistently badly, "Up with this we will not put."

7.23 pm

Sammy Wilson (East Antrim) (DUP): This issue deserves the support of the whole House and we have heard speeches today that have made it quite clear that this House and the people whom we represent will not tolerate what is happening in Darfur and are deeply concerned about it.

The estimates of the death toll have varied from 200,000 to 400,000. As we have heard today, it has been difficult to make estimates or get exact figures on the death toll, not least because many of the aid agencies have found it difficult to give honest reports. To a certain extent, they depend on having the good will of the Government to be able to continue to operate in the area where they are giving out aid.

As we have heard today, agencies have been prepared to speak out. One in Northern Ireland has raised the profile of the issue among regular churchgoers—the Africa Inland Mission. It has circulated pictures of what has happened in Darfur around churches in Northern Ireland and tried to raise the profile of what has happened to the unfortunate people of that area. The mission has made it clear—despite perhaps putting its personnel in great danger—that what is happening there is genocide and that the insecurity that has been orchestrated by Khartoum impedes its ability to deliver aid and that of other agencies. On top of that, as was pointed out graphically by the hon. Member for Buckingham (John Bercow), we have had a huge displacement of people.

I know that the Foreign Secretary has to be careful as she is involved in delicate negotiations but despite all the evidence, the UN and those who are responsible in Government have not been prepared to come out and say openly that what we are seeing in Darfur is genocide. The hon. Member for Buckingham made it clear that the one thing that we need at this time is to put pressure on the Government in Sudan—not to pussyfoot around them, placate them or bring them along. We should make it clear that internationally they are regarded as parasites and that what they are doing is wrong and will be highlighted. There is a need for frank talking on the issue.

John Bercow: Does the hon. Gentleman agree that the alternative would mean that, both legally and politically, the international community would be saying that the suspected genocidaire should be the arbiter of whether its victims could be rescued or protected? Would that not be a complete absurdity?

Sammy Wilson: An absolute absurdity. As has been pointed out, ultimately there must be punishment for those who have engaged in these actions. To water down what they have done might have some implications.

In Northern Ireland, we have seen over 30 years what can only be described as attempts to ethnically cleanse many places; in 30 years we have seen 3,000 people killed. Had the same happened in Northern Ireland as has happened in Darfur, we would have had a death toll of 120,000 people. That is the scale of the disaster that has taken place there. The Government of Sudan have had an important role to play in this.

The right hon. Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) talked about the reticence of Front Benchers to tell things as they were, but said that Back Benchers could be a bit more forthright. He talked about the indolence of the Government in Sudan. It is far worse than indolence; the Government of Sudan have bombed villages and armed the militias to go in afterwards and wipe out whoever happens to be on the ground. I have read a number of harrowing accounts—I know that the militia have been charged with this as well—of young girls being systematically raped, not by members of the Janjaweed, but by members of the Sudanese army. Rape now appears almost to be a weapon of war. Because of the implications of admitting to having been raped in a society where rape carries great shame, some victims do not admit what has happened as it might affect their chances of marriage.

The Government of Sudan are deeply implicated. They have carried out bombings and armed the militia, and they have refused to accept any outside intervention to resolve the situation and to hand over war criminals. The hon. Member for Hackney, North and Stoke Newington (Ms Abbott) asked why the Sudan Government believe that, despite all of that being known, they can still behave with impunity. One reason is the lack of response from the international community.

Mr. Gregory Campbell (East Londonderry) (DUP): That is the most pertinent point: there is international concern, but insufficient international pressure is brought to bear on the Sudanese Government to drive them to cease their activities. Should not the outcome of this debate be a call for sufficient pressure to be brought to bear, and should that not be what is done internationally?

Sammy Wilson: I entirely agree. The United Nations has a responsibility to protect, but it cannot even agree that what is happening in Darfur is genocide because genocidal intent appears to be missing; that is what the UN has stated. Given the amount of people being killed and the fact that the killing is confined to a particular area of Sudan and that the victims tend to be of a particular colour and to come from certain clans, I fail to understand why the UN does not accuse the Sudanese Government of genocide.

[Sammy Wilson]

Other international players fail to do so for their own reasons. China fails to do so for economic reasons, and Russia does not do so because it wants its policies and stances to be different from those of the west. Also, some western Governments fail to do so because of the support given by Sudanese military intelligence in the war against terror. The Foreign Secretary said that we must be aware of the implications for regional and international stability. The fact is that, for a variety of reasons, the Sudanese Government believe that they can act with impunity.

The Foreign Secretary said that we must make it clear to the Sudanese Government that they will face consequences if they do not bring an end to the killing and conflict. However, although there have been fine words, let us consider the record of our Government in making clear to the Sudanese Government the consequences that they will have to face. As has been pointed out, contradictory answers have been given, even on the Government's attitude to an arms embargo. From a recent written parliamentary answer it appears that the UK is still training troops for the Sudanese army, which has been engaged in the campaign against the people in Darfur. We have also twice admitted the head of Sudanese military intelligence to the UK for medical treatment. Dallex Trade aeroplanes that have been registered in London have been clearly identified as supplying arms into the Darfur region, but I do not know what action we have taken against that company.

It is one thing to say that we must tell the Sudanese Government that they will face the consequences. The matters I have mentioned might appear to be fairly inconsequential—it might be said that only a few troops are being trained, that only one company or plane has been identified, that only one general has come for medical treatment. However, if we are serious about taking that message to the Sudanese Government—or putting the pressure on them, as the hon. Member for Buckingham said—such small matters are as important as tabling UN resolutions in favour of international sanctions.

Members have mentioned many of the things that must be done. First, we must try to get international sanctions imposed on the Sudanese Government—to hit them where it hurts so that they cannot get the revenue to pay for the weapons to carry out the war and the genocide. I believe that there has been some movement. That is probably due to the fact that the Chinese Government are now getting nervous about the amount of pressure being applied and the talk of disrupting the Olympics. However, we must recognise that it might prove difficult to get sanctions through the UN as they might well be vetoed by China or Russia for different reasons.

The Chinese Government have economic interests in Sudan and they are importing oil from the country. They have shown a willingness to act as protector and to supply arms to the Sudanese Government. However, that should not stop us seeking to find ways to put pressure on China to do what it should do. China initially opposed the introduction of a UN-African Union peacekeeping force. Now it has suggested not only that it will support that force, but that it will contribute some engineers to help it. That movement and change is the consequence of pressure, and it must continue to be applied.

Mr. Tom Clarke: The hon. Gentleman is making an important point. I believe that it is possible to encourage China to make a far more constructive contribution. He also rightly mentioned that I used the word "indolence". When I did so, I had in mind the Sudanese Government's failure to honour the agreements that they had reached. It was in that context that I considered the word "indolence" to be appropriate.

Sammy Wilson: I appreciate the clarification, and I acknowledge that the right hon. Gentleman did not in his speech shirk from criticising the Sudanese Government for the role that they have played in the terrible situation in Darfur.

There is evidence that other bodies might be used to try to broker an agreement. We must address not only the Sudanese Government, but the various factions in Darfur. Perhaps Egypt or the Government in southern Sudan should be encouraged to put pressure on each of the factions to come together and reach an agreement that will stick. Such diplomatic pressure is important. As has been pointed out, a peacekeeping force can only play a role if there is a peace to keep.

It is also helpful that China and Egypt have suggested that they are prepared to contribute troops to that peacekeeping force. That development would at least stop the Sudanese Government using the rhetoric that any outside peacekeeping force is the west trying to impose an invading army on another part of the Muslim world. Such developments must be explored, at least to defuse that kind of argument, which the Sudanese Government might use.

Finally, in the long run we must make sure that those who are guilty of crimes in Sudan are brought before the International Criminal Court. If we get an agreement, we must make sure that it is quickly underwritten with international support, so that the resource problems that caused the conflict in the first place do not arise again and the conflict is not re-ignited. There is general agreement on what must be done. I hope that we will see robust action and movement by the Government to ensure that those parties who have dragged their heels and led the Sudanese Government not to feel under pressure will themselves be put under pressure, so that this situation can be resolved.

7.40 pm

Pete Wishart (Perth and North Perthshire) (SNP): As we debate the situation in Darfur today, we must come to the very depressing conclusion that we have been nothing other than impotent bystanders as some 400,000 people have perished as a result of violence, malnutrition and disease. On observing what is happening in Darfur just now, we can only further depressingly conclude that things are not going to get any better for a while. This is a human tragedy and a humanitarian crisis that has thus far not properly run its course. It is in fact the world's latest episode of moral failure in responding to such humanitarian crises. I have no qualms at all about describing this as genocide—in fact, probably for the first time in my political career, I agree with

President Bush in his use of that definition. This clearly is genocide, and we should recognise that fact and join the Americans in labelling it as such. We have to act decisively, and act now.

We have heard that the crisis goes beyond Darfur and is in fact a regional crisis. That is correct, but eastern Chad seems to be bearing the brunt. Khartoum has been spectacularly successful in exporting this genocidal destruction through its Janjaweed proxies, and through giving complicit support to some of the Chadian rebels. It is these elements that we must focus on, too.

As a consequence of this situation, we must expect during the impending rainy season and the so-called "hunger gap" to see human destruction exceeding all mortality records so far. What we are seeing is populations weakened by years of conflict, without the food reserves that they so desperately require, and without access to humanitarian assistance. If something is not done quickly, we face the prospect of hardship and malnutrition on a biblical scale. If we do nothing now, hundreds of thousands of human beings could die in the coming months from these causes.

Some three quarters of a million people are without any assistance whatsoever in Darfur and eastern Chad, and many hundreds of thousands of other innocent human beings are tenuously hanging on to what little aid is still available. Thankfully, this has been recognised by the Disasters Emergency Committee, whose initiative launched last week I very much support. We must remember that the last two initiatives that the DEC organised and campaigned on concerned the tragic earthquake in Pakistan and the tsunami in east Asia. That is the scale of the crisis that we face in Darfur, and to which the public have been asked to respond; it compares to those crises.

The British public, in their traditional way, have responded very well thus far. I was fortunate enough to be in the Scottish Parliament last week, where First Minister Salmond and leaders of the Opposition parties came together to support the DEC campaign. The case that they powerfully made was that some 4 million people are dependent on assistance in Darfur and eastern Chad. That is almost the population of Scotland. That is the scale of the challenge and test that we face, in order to make some sense of the situation unfolding in front of us.

John Bercow: Does it not also underline both the scale of the task facing the international community and the paucity thus far of its contribution that there are, as we speak, only 100 United Nations military observers in a region the size of France?

Pete Wishart: I am grateful, as ever, for the hon. Gentleman's contribution. I shall touch on the role of the United Nations in this tragedy later.

If this situation is to be resolved, it must be resolved through political means. We must do all that we can to persuade, cajole and compel the Sudanese Government to desist from being a problem and to start being part of the solution. They must immediately stop the bombing and stop supporting the Arab militias who wantonly kill their Sudanese compatriots. They must allow and co-operate with the dispatch of additional peacekeepers to the area, so that they can stabilise the situation. They must assist the international community in delivering much-needed assistance, and work with non-governmental organisations to administer that assistance, so that the people on the ground can be helped.

If the Sudanese Government do not do those things, we have to make it abundantly clear to the regime in Darfur that Sudan will be totally isolated. We must convey the message that they must change their behaviour toward their own people in Darfur, or remain a pariah and outwith the reaches of the international community. More than anything else, we must say to President Bashir, "You must accept this hybrid force of United Nations and African Union nation peacekeeping troops as soon as possible, or face the prospect of increased international isolation and increased sanctions."

Just now, there are 7,000 African Union troops in the region. That is clearly deficient for an area that, as the hon. Member for Buckingham (John Bercow) said, is the size of France. They are on a limited mandate, and the African Union itself has made it clear that it does not know how much longer it will be able to finance and resource this mission. Something clearly needs to be done to assist those troops on the ground. So far, the Sudanese Government have resisted strong western pressure for the UN to take over control of the peacekeeping mission. As several Members have said, the latest plan envisages providing perhaps up to 23,000 troops. We must stress as strongly as we can that Khartoum must allow these peacekeepers in to provide stability, and to get the aid that is desperately required to all those people who are suffering as a result of the situation in Darfur.

As I said, I welcome President Bush's description of the situation in Darfur as genocide—that is a positive thing—but I also welcome the very strong words used by the Foreign Secretary. That is good, but I cannot help thinking that if President Bush and the current Prime Minister had acted just a little earlier—when it was becoming abundantly clear that something was going disastrously wrong—and imposed some of these sanctions then, we would not be in this situation, and perhaps many of the people who have perished thus far in this conflict would not have perished.

The Sudanese regime has had a free ride for far too long. It has thumbed its nose at the international community time and again over the past four years, as it has attacked its own people and harassed humanitarian workers in Darfur. There has been too much talk and too little pressure on Khartoum. There has been a failure to construct a robust, structured, coherent and muscular international response; putting such a response in place must be a priority.

President Bush has acted, and it is odd that it is the Americans who have taken the lead. Despite all the criticisms that we make of American foreign policy, it has to be said that they seem to have acted much more decisively than this Government and the European Union have done so far. They have imposed targeted, limited sanctions on the Sudanese leadership, which I welcome; that is a good start, although I presume that it is not likely to be enough. By way of response, we have seen the typical Khartoum belligerence: not accepting these sanctions and a failure to co-operate,

[Pete Wishart]

once again thumbing their nose at the international community and the actions that it is trying to take.

I doubt whether such sanctions will be enough to change Khartoum's behaviour. I hope that President Bush will set a deadline for compliance, and the international community should assist him in that regard. The people in Sudan cannot wait months and months for sanctions to take effect and for the Khartoum Government to respond. We need a deadline. We need to say to the Sudanese Government, "This is what we expect of you. These are the sanctions that we are putting in place. If you do not comply, we have in place a further, more stringent and robust set of measures that we will implement against your regime. You must comply, and you must do so now."

The first thing that the Sudanese Government must do is to allow in the hybrid force; the peacekeepers are the key to all this. Some Members have referred to the limited role of peacekeepers and to the type of peace that is there to keep, and that is an issue. We have had many peace agreements so far that have failed to bring the promised peace and security, but it is only the peacekeepers' presence that will give the humanitarian organisations, the aid agencies and NGOs the confidence to deliver the much needed aid that is required if we are to put an end to the suffering of the people in the area.

We now need to start thinking about stronger measures, so that if the deadlines are not met, they can be imposed immediately. The Khartoum Government do not require any further consideration: they have had their chance. They have had four years to try to resolve the situation. That is why we need a short deadline for further sanctions. If the Khartoum Government fail to comply, they have to know that the international community will respond.

The US President, along with the outgoing Prime Minister and the incoming Prime Minister, must turn all their efforts to securing the further strong, mandatory UN Security Council sanctions resolution. The EU could do a lot more. For a start, I hope that it will do what the US has done and impose a programme of limited sanctions. I hope that the EU will do more than that, but at the least it should replicate what the Americans have done. It is only with the UN resolution that we will make any real progress.

We have discussed the situation with China and Russia, and I endorse the arguments that we have heard about the need to bring those countries on board in this process. I can fully appreciate the Foreign Secretary's difficulties and her reluctance to press for a resolution that may fail, but there are several levers that we could use against China. That country is the major difficulty. Yes, it has the Olympics in a year's time and we have to make it clear to the Chinese Government that it is within our gift to disrupt them. The Olympics have been used several times—the US Olympics and the Olympics in Moscow—to make real and sustained political protests. We have to raise the spectre of such action with China and make it clear that it is within the remit of the international community to take some form of action if it is not prepared to be part of the solution in Sudan. China has to make up its mind: it is either part of the solution or part of the problem. There can be no ambivalence. China has tried to play it both ways, but those days will have to end and it will have to make up its mind.

We have seen some encouraging developments, including the move by the US. I also welcome the new interest in Darfur from President Sarkozy, and his attempts to break the deadlock. In the next few days, world leaders will meet at the G8 to discuss world events and issues. I know that Chancellor Merkel is keen that Darfur is discussed at the G8 and I hope that our Prime Minister will respond positively to any initiative that is hatched there. It is a fantastic opportunity to discuss the issue and to try to find a solution. I hope that the Prime Minister will hear the wishes of this House, because we want him to take the issue to the G8. I hope that he will reflect what we have said today in his contribution to the debate on Darfur and the situation in Africa.

I hope the encouraging new developments do not turn to ash, and that we can achieve a political solution to the situation. More than anything else, I want to see humanitarian aid getting through to the people of Darfur. Hon. Members have said that that is what their constituents want. The way in which they have responded to the DEC campaign tells us that this is an issue that they want us to address and achieve a resolution to. We are at a decisive stage in the Darfur crisis. The rainy season is coming in the next few weeks, and will lead to the hunger gap. If we do not act decisively now, this could be not just a genocide, but a human tragedy way beyond anything that we have seen. The people of Darfur deserve better than that: they deserve our attention and our solutions.

7.54 pm

John Barrett (Edinburgh, West) (LD): There have been some excellent speeches on both sides of the House today. As I have sat in my place, my blood has boiled in fury at the lack of action from the international community and everyone involved, but most at the Sudanese Government. We look to them to be part of the solution, but without a doubt they are at the heart of the problem.

The hon. Member for Buckingham (John Bercow) mentioned the issue of asylum seekers from Darfur. One only has to hear the evidence of the Sudan Organisation Against Torture to realise what is happening, in Darfur and in other parts of Sudan. Students who are protesting have been attacked and killed. People have had their eyes gouged out—I saw photographic evidence of that when I was there some years ago. I have no doubt that the Sudanese Government's actions, then and now, are at the heart of the reason for the suffering and misery of the people in Darfur.

People wonder what the Sudanese Government's plan can be. Part of that plan must be the continued destabilisation of Darfur so that they can remain in power in Khartoum, unchallenged by an organised opposition. I hope that the elections in Sudan in 2009 will provide an opportunity for regime change in Khartoum.

John Bercow: Does the hon. Gentleman agree that it is therefore imperative that our policy should be

logically consistent from one Government Department to another? He rightly referred to the issue of asylum seekers, but does he agree that if we simply chuck back to Khartoum and other parts of Sudan people who have good reason to fear that they will be tortured, we give the impression to the Sudanese Government either that we do not think that those people will be tortured—which shows us to be gullible—or that they might be and we do not care very much? That is not good enough.

John Barrett: I agree. We have to be clear. I can understand the need for diplomacy from the Foreign Secretary, but she said that China, Egypt and Libya were key to any solution. However, we only have to look at the actions of those countries in the past to see that Libya flooded the region with weapons and used Darfur as a military base; Egypt attacked Sudanese protestors on the streets of Cairo, killing people; and China, as I will make clear later, is at the heart of funding the Sudanese regime, its military and the oppression of the people of Darfur. Front Benchers have to speak the language of diplomacy, but if one is dealing with thugs—and that is what many of these people are—one has to be forceful and let them know what one thinks.

We have heard much about the suffering in Darfur and how much more the people living there can be asked to take before there is some effective action from the international community. Excellent work is being done on the ground by NGOs and aid organisations, but their workers' lives have been put at risk. Save the Children withdrew from operations in Sudan because two of its workers were executed at a roadblock. The World Food Programme, Oxfam, UNICEF and Médecins sans Frontières do an excellent job.

We have heard the figures of an estimated 400,000 dead and 4 million depending on aid. The earthquake in Pakistan killed some 73,000 people and the world rallied to help quickly. We must move more quickly than we have been doing in Sudan.

Every ingredient for misery is present in the area—civil war, too many guns, corrupt government, lack of basic water and sanitation, ethnic tensions, famine, refugees in camps, armed militia and problems resulting from climate change. They are combined with oil wealth and an international community that often stands by as the tragedy continues to unfold. What part is the international community playing? China is playing a key role in funding the Sudanese Government, getting 10 per cent. of its oil from Sudan—500,000 barrels a day, which is predicted to jump to 3 million barrels in two or three years' time.

One might have thought that a peaceful Sudan would be to China's advantage, because it could develop its ties with the area, but China has a track record of working with Sudanese soldiers, who cleared areas for the oil industry to work in southern Sudan. The oil revenues are used to supply the army and the militia, the Janjaweed. At least the talk of a boycott of the 2008 Beijing Olympics has made China more aware of its actions in that land. One hundred members of the United States House of Representatives have protested to the Chinese Government, warning of the risks to the Olympics if they do not think again on Sudan. Every action should be taken to highlight China's involvement in the tragedy that is unfolding.

Along with China, Russia has been involved in supplying MiG-29s and attack helicopters. Antonov bombers, Kalashnikovs and gunships are not made in the Sudan. Both countries have effectively sabotaged UN Security Council proposals for harsh sanctions against Sudan. We do not need to wonder why.

British companies, too, such as Rolls-Royce, Weir Pumps and others have continued to support the oil industry in Sudan. It is no good, even indirectly, helping to fund the regime and then being outraged at what it is doing. Britain's role in supporting the United States of America in Iraq has also changed the view of many who might have supported more and quicker effective action in Sudan. Looking at the disaster that is unfolding in Iraq, who would want to risk repeating that again, anywhere?

Even the guns in the hands of the militia could have come through the UK. We imported 200,000 assault rifles and machine guns from the Balkans in 2005. They are not here, so they were probably re-exported. Despite repeated attempts to find out where they went, I have been unable to get answers from any Department or Minister. If any have ended up in Darfur, those responsible will have blood on their hands. People around the world are looking to their leaders to act. They have seen the suffering on television and some have witnessed it first hand. It cannot be allowed to continue.

Life in the refugee camps is misery for many, and life in the villages came to an abrupt end for many when they were attacked from the air and on the ground at the same time. I have no doubt that the Sudanese Government are responsible for the suffering of many of their own people. While we debate whether it is genocide or not, people have had their houses attacked from the air and their family members killed and have been attacked by armed militia on the ground. They are then moved to a refugee camp and described as displaced persons. It does not sound too bad. Whether it is technically genocide or not, it is murder by the Government of the people of Sudan.

The people of Sudan and Darfur must be asking, "Why have we been forgotten?" Today we are saying here in this place, "We have not forgotten. Action is required to bring this genocide to an end." If genocide is the calculated and organised killing of an ethnic group, this is genocide.

Men, women and children are all suffering in a way that we could not have imagined possible. When I visited the refugee camps in Darfur and saw Médecins sans Frontières fighting to save women and children, I was struck by the savagery of it all. There were few men, as the camps were mostly full of women, children and older people. When we asked about the men, we were told that they were missing, fighting or dead. It sounded as though they might be the lucky ones when we discovered what life held for the survivors, especially the women.

It was said earlier that rape is a weapon of war. In Darfur, that is the case without a doubt. In a recent advert, Amnesty International showed an image of a knife and two hand grenades as a phallic symbol to indicate the terror of this act. The strategy is simple—rape as many women as possible, as brutally as

[John Barrett]

possible, as publicly as possible and as often as possible. That is how the state-backed Janjaweed militia in Darfur is terrorising the population. Young girls have not only been raped but had their breasts cut off to make them suffer more, if that were possible.

Two years ago, reports by Médecins sans Frontières noted that the organisation had treated 500 rape victims over four and a half months. The total is undoubtedly in the thousands. Rape is a weapon of war. Children who witness it are traumatised; men flee from their partners out of shame; and women not only suffer at the time but are in pain for the rest of their lives and sometimes are left pregnant from the enemy, with all that that entails. The UN has confirmed the concept of rape as a war crime. Those responsible should never be free to feel that they will not be hunted down and brought to justice.

Sadly, the use of rape as a weapon follows an established pattern from previous conflicts in the Congo, Sierra Leone and Rwanda, to name just a few countries. Even in Iraq such crimes persist. We know of the gang rape of a 14-year-old girl by American soldiers and the killing of her and her family. The details of the four murders and rape are too horrific to repeat here today.

The question that people are asking is why there is no effective peacekeeping force in the region with a mandate to protect the people. The African Union is there but, as I have seen for myself, Antonov bombers and helicopter gunships are at the airport side by side with the white peacekeepers' helicopters. There was no doubt then and there is no doubt now that the only people with the fire power are the Government of Sudan. A no-fly zone would help, but perhaps it is too little too late. Travel bans and sanctions should be in place, but so much more is needed. The one thing that we must accept is that the Sudanese Government are part of the problem and are stopping the solution being delivered. Reports of villages being attacked by armed men on the ground at the same time as they are being attacked from the air mean there is no doubt that the Government and the Janjaweed are working hand in hand.

One glimmer of hope is the 2009 national election. It has been said that elections are sometimes one of the most over-rated factors when it comes to delivering peace. During the election period, the violence reduces while everyone thinks they might win. After the result, the relative quiet comes to an end.

If the hope of a change in Government rests on the elections, action must be taken now, as elections are not won or lost on the day. The census and voters' register must be accurate and the election must be free and fair. Otherwise, all that will happen is that the Government in Khartoum will have the democratic stamp of authority, and that will result in an already desperate situation becoming even worse. One has only to look at Zimbabwe to see that.

If this debate has done nothing else, it has kept the plight of the people of Darfur on the agenda, but we cannot leave it at that. Much more must be done, and done quickly. The people in Darfur and worldwide are crying out for a strong peacekeeping force with a mandate to protect civilians and aids workers and an African Union force with logistical support. Sanctions, travel bans, asset freezes on key Government officials and an arms embargo are required. As someone said, an arms embargo is a no-brainer.

There ought to be no let-up in the drive to bring those responsible for crimes against humanity to the International Criminal Court. We must challenge China, Russia and the Arab world and their media to recognise the problem. In much of the Arab world, there is little recognition that there is a problem in Sudan and Darfur. It is good to see a lot of people in the House, in the country and throughout the world speaking forcefully. I should like to pay a compliment to Mia Farrow, who attacked Steven Spielberg for being the Leni Riefenstahl of the Chinese Government by acting as an artistic director for the Olympic games.

Diplomacy is fine, but tough talking is also essential because without it the people of Darfur will give up hope. They cannot live on hope alone, but without it they will give up. We in this country and worldwide have to give them hope.

8.8 pm

Daniel Kawczynski (Shrewsbury and Atcham) (Con): I, like other hon. Members, have seen on television the tremendous suffering of the people of Darfur. Many hon. Members have spoken about the estimates of the number of people who have been killed in this terrible tragedy. I believe that it is about 300,000. That is four times my electorate. It is appalling to think that four times as many people as I represent here in Parliament have been so brutally killed in Darfur.

Darfur is important to my constituents. Many have written to me to express their outrage at the crisis and the savagery and butchery that are going on in that part of the world. The Foreign Secretary showed her usual polished, professional handling of the debate at the beginning, but it masked the Government's disastrous failure over the past four years to deal with the situation. That barbaric regime should be isolated and we should be using our influence to put the issue at the very top of the international agenda.

In her speech, the Foreign Secretary said that Libya and China are key to resolution of the crisis. Today, I met the Libyan chargé d'affaires, Mr. Jelban, and asked him about the role of Libya and Egypt in that crucial matter. Libya, of course, has a common border with Darfur. I must declare an interest at this point: I am the chairman of the all-party group on Libya and feel that the country has a particularly crucial role to play in dealing with the tyrannical regime in Khartoum. My only disagreement with anybody in the debate was with what the hon. Member for Edinburgh, West (John Barrett) said about Libya.

John Barrett: Does the hon. Gentleman disagree that in the past, as I stated, Libya has flooded the region with arms? That was my specific reference to Libya. My greatest wish in the world is that its people are willing to play a part in the future, but we must accept what happened in the past.

Daniel Kawczynski: I have no evidence that Libya had armed bases in Darfur, nor have I come across evidence that Libya crossed the border and interfered

directly in Darfur. If the hon. Gentleman has such evidence, I should be grateful if he would share it with me.

The Prime Minister visited Tripoli last week, where he made positive statements about our relations with Libya and the progress that he has made. May we have a statement about those talks with Colonel Gaddafi? What assurances has the Prime Minister been given about what Libya is prepared to do? What actions will Libya and Egypt take to solve the crisis? I hope that the Prime Minister will come to the House to explain what took place in that tent in Sirte when he met the Libyan leader last week.

In a powerful speech, my hon. Friend the Member for Banbury (Tony Baldry) mentioned the Libyan peace plan. I very much regret that the Minister for the Middle East is not in the Chamber as I would have liked to ask him whether he has read the plan. I have been briefed on it and it would be sensible for our Government to support it.

In an intervention on the Foreign Secretary, I mentioned the Arab League, which has great influence over Sudan. It has a responsibility to force the Sudanese Government to take action. I urge the Foreign Secretary to send an observer to the next meeting of the Arab League to give a clear message. I realise that would go against all protocols, because we do not normally send observers to meetings of the Arab League, but the tragedy in Darfur is of such proportions that we need a paradigm shift in our dealings with other countries to resolve it. I would even like the Foreign Secretary to attend the meeting. That is a highly unusual step, but when hundreds of thousands of people are being killed we must show how determined we are that the Arab League should take action.

Many Members have spoken about the role of China and Russia in supplying the Sudanese Government with weapons. A recent report in *The Daily Telegraph* stated that both countries were selling gunships and other serious military hardware to Sudan. The Foreign Secretary said that more UN sanctions need to be considered, but how can we do that when two of the permanent members of the Security Council are behaving so outrageously—selling serious military equipment to and propping up the Sudanese regime?

I am worried about the lack of action by the UN Secretary-General, Ban Ki-moon, in tackling the crisis. He should make sure that Russia and China, which are meant to be responsible members of the Security Council, do not behave in that outrageous way. The behaviour of the Chinese is desperately disappointing; they are so hungry for oil and raw materials that they are happy to trade with any pariah to obtain supplies. I agree with the hon. Member for Perth and North Perthshire (Pete Wishart), who said that we should take tentative steps to tell the Chinese that unless they comply with our wishes in this matter we may have to reconsider our participation in the Olympic games.

During the Chinese President's visit to Sudan, he announced that China would provide an interest-free loan to build a new presidential palace. How on earth can that be a priority when so many people are starving in that country? In relation to Darfur, President Hu said:

> "Any solution needs to respect the sovereignty of Sudan and be based on dialogue."

That is wrong, and shows his complete lack of interest. The Chinese simply do not want to upset their oil suppliers.

The African Union armed forces unit has been mentioned. I concur with the hon. Member for Hackney, North and Stoke Newington (Ms Abbott) who said that the solution will have to come from AU forces in the country taking action to ensure that peace is maintained. I agree with my hon. Friend the Member for Buckingham (John Bercow) and many others who said that the force is far too small and overstretched for Darfur—a country the size of France.

There are problems with finance and payments for the force. The Rwandan general in charge of 2,000 of the 7,000 AU troops complained that some of his troops have not received their $25 daily allowance. Major Jules Rutaremara told the BBC that the AU mission is reliant on international funding that has not been forthcoming. He said:

> "The AU has financial problems emanating from the fact that it is heavily dependent on partners outside Africa—mainly the European Union, US and Canada—whose contributions have not been forthcoming."

That is a grave problem, given everything that has been said in the House today about how seriously we need to ensure that those troops are protected.

John Bercow: Is there not an abysmal contrast between the late and inadequate payment of African troops on the one hand and the timeous and substantial payment by the Government of Sudan to the Janjaweed and other Arab militias on the other?

Daniel Kawczynski: Absolutely. I wholly concur with my hon. Friend. The fact remains, however, that serious allegations have been made about the lack of dependable funding that arrives on time. Given the importance that Great Britain and the EU attach to supporting the AU troops, I very much hope that Foreign Office Ministers will give us an assurance that they will investigate the matter and ensure that the EU sends money to pay the troops on time. I feel passionately that we must do everything possible to support the AU taskforce, in dealing not just with the crisis in Darfur but with many other crises in the continent of Africa. We need to do far more to protect the AU forces, but we also need to support the tremendous peace plans that have emanated from neighbouring countries, especially the Libyan peace plan.

8.19 pm

Mr. Shailesh Vara (North-West Cambridgeshire) (Con): I welcome the fact that the Government have held this debate, which is long overdue, in Government time. It is good to see that, across both the political divides, there is much consensus about the difficulty that we have in that troubled country, Darfur. However, it would help if the Government were to acknowledge what is really happening in Darfur.

The Secretary of State for Foreign Affairs referred to the situation in Darfur as a crisis—the term that is being used by the United Nations—but it would be helpful if there was recognition that what we really have is genocide, as defined by article 2 of the

[Mr. Shailesh Vara]

convention on the prevention and punishment of the crime of genocide, which refers to

"acts committed within intent to destroy, in whole or in part, a national ethnic, racial or religious group."

The House would find it helpful if the Minister explained in his summing up what it is that the Government find difficulty in understanding in the legal definition of genocide, or what it is that they find when, unlike the ordinary lay person who sees what is happening in Darfur, they cannot recognise that it is genocide. What we are seeing there is brutal and savage oppression, where rape is used as a weapon of war; horrific examples were cited by the hon. Member for Edinburgh, West (John Barrett).

The statistics have been given by many Members. In the past four years, up to 400,000 people have been killed and a further 4 million have been displaced and are now refugees, living in desperate conditions. In 2001, our Prime Minister said:

"If Rwanda happened again today, we would have a moral duty to act".

Those words were uttered six years ago, and in the past four years alone, we have seen hundreds of thousands of people butchered and millions of people displaced. I am sorry to say that in this instance, six years on, the Prime Minister has failed to act.

We should consider the fact that the 2005 peace deal is now defunct, yet in honour of that peace deal, as recently as April 2007, the Ministry of Defence was training Sudanese military officers at British establishments. That was in support of the 2005 peace deal between the Sudanese Government and the Sudan People's Liberation Movement. It is noteworthy that the training is for

"managing defence in a democracy and collective training."

It does not require a person of enormous intelligence to recognise that what we have in Sudan is certainly not a democracy.

Many have said that the African Union mission in Sudan—otherwise known as AMIS—is an African solution to an African problem. It is intended to protect civilians from attack by Government-backed militia and rebel groups, but the African Union mission requires assistance, and that has been sorely lacking. Those 7,000 peacekeepers have to police a region roughly the size of France. They are badly equipped and underfunded, and as has just been mentioned by my hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski), they have not received much-needed funding from the European Union and other rich nations. The staff, including senior commanders, have not been paid for months. That mission should be making 50 patrols a day, protecting women who collect firewood and go to the market. Instead, it is able to muster merely three such patrols a day.

The African Union's mandate expires at the end of June. Twice in the past 12 months it has been renewed at the last minute, with promises of extra funds and troops, none of which have been delivered. There is, of course, no guarantee that the African Union will agree to renew the mandate once more, but if it does, we must ensure that any promise made is honoured this time. We must not forget that that mission is the African Union's first attempt at peacekeeping. If it fails, it will place a huge question mark over the African Union's future abilities in peacekeeping missions on the whole of that difficult continent. Therefore, it is vital that any support promised is duly delivered.

I think that I speak on behalf of the whole House when I say that the aid workers deserve our utmost admiration for all that they do, but given the security difficulties that the country faces, with aid workers regularly being killed or injured, it is hardly surprising that many are leaving the area. We must do more to ensure that there is security for the aid workers, so that they can do properly what they are best equipped to do, and have access to all the people who very much need their assistance. For many of those people, they are the only frontier between life and death.

As for the way forward, no one disputes the fact that this is a complex and difficult problem, but we all recognise deep in our hearts that there is a solution, and we must do whatever we can to achieve it. I certainly welcome the proposed sanctions announced by the US Government. We must also support the Sudan Divestment UK campaign, which seeks to end the global financial support for the Sudanese Government and their military actions through targeted disinvestment.

We have heard much reference to a no-fly zone. We have seen that no-fly zones work in other parts of the world. My hon. Friend the Member for Banbury (Tony Baldry) gave a very specific example of one working effectively in protecting the Kurds in northern Iraq. We must continue with all forms of diplomatic pressure. I recognise that the Ministers in DFID and the Foreign Office have been doing their utmost to try to put pressure on China and Russia and other such countries, but we must redouble that pressure where possible.

Mr. Quentin Davies (Grantham and Stamford) (Con): My hon. Friend is making a very impassioned and well thought through speech, but he mentions a no-fly zone. Does he not accept the fact that to enforce a no-fly zone, sophisticated air-superiority aircraft of the kind that we might supply by way of Eurofighter, for example, are needed? They would need to come from sophisticated NATO or EU countries. Has he considered the implications of deploying an air force of that kind from outside Africa in the middle of the African continent? Is that the right solution, or does he have another solution in mind?

Mr. Vara: I am grateful to my hon. Friend for posing that question. We, as a global community, recognise that there is a serious problem. We in non-African countries are considering sanctions. We are providing financial assistance to solve the problems of Africa, albeit perhaps not as much as we ought to. There is thus no reason why we cannot consider extending our efforts to achieve whatever else is required in Africa, including the establishment of no-fly zones. We must take that on board, consider it effectively and positively—with or without African support—and get on with the job.

John Bercow: Pursuant to what my hon. Friend the Member for Grantham and Stamford (Mr. Davies) said, may I put it to my hon. Friend the Member for North-West Cambridgeshire (Mr. Vara) that there would be a compelling case for punitive action in the event of a no-fly zone not being observed? I do not baulk at the ultimate sanction—the use of air strikes—to give effect to the multilateral will. After all, are we not dealing with a regime characterised both by foot stamping and by diplomatic sorcery? We are considering not an honest disputant, but people who need to be dealt with in the most punitive fashion in the last instance.

Mr. Vara: I am grateful to my hon. Friend for his comments. I do not think that I could add anything to the point that he eloquently put forward. It was a pleasure and privilege to listen to his speech. His reputation, efforts and tenacity on this subject go before him. It is a credit to him that he has persisted with his efforts, and I am well aware that the Government respect his comments.

Let me return to the point that I was making before I took those two interventions. We should be clear that both China and Russia are world powers. However, they must recognise that with the status of world superpower goes responsibility. World superpower status is not simply based on economic strength; it carries with it responsibilities and moral obligations. We must put whatever pressure we can on those Governments, especially that of China, given that the country will host the Beijing Olympics. China has a responsibility to use whatever influence it has with Sudan for peacekeeping purposes, rather than purely to make money.

I can only echo what others have said about UN peacekeepers. We must ensure that the procrastination regarding those soldiers with which the Sudanese Government confront us is dealt with quickly. People are dying and suffering each day that UN peacekeepers are not in that troubled country.

The butchery, rape and genocide in Darfur have gone on for far too long. The Sudanese Government have had four years to stop the slaughter of innocents and the misery of displacement. During that time, men and women of power and influence throughout the world have said all the right things, but the reality is that the genocide is continuing. After President Clinton stepped down from office, he spoke of his regret for his "personal failure" to prevent the genocide in Rwanda. Men and women of conscience must ask themselves whether they will express the same sentiments about Darfur in the years to come, or whether they intend instead to do something about the situation now.

8.32 pm

Lynne Featherstone (Hornsey and Wood Green) (LD): As we have heard from many hon. Members, the situation in Darfur continues to worsen, and is spilling over into Chad and the Central African Republic. I use the word "genocide" because I do not know what else to call murder and killing on a scale such as that in Darfur. The Sudanese regime is one of the most brutal and destabilising in the world today. I understand that 400,000 black Darfuris have perished as a result of the measures taken against them by the Sudanese Government and their allied militias.

Two and a half years ago, the Prime Minister took a stand by saying that the "international focus" on Darfur

"will not go away while this issue remains outstanding".

That was not his first statement to that effect, nor was it his last. However, last year Salah Gosh, the Sudanese security chief who orchestrates the violence in Darfur, was twice welcomed to this country. That was not another case of the Government failing to recognise who was going in and out of our country, because he was granted a visa to come here for medical treatment. There is a sickening contrast between his treatment in this country and that which he is meting out to hundreds of thousands of Darfuris.

Our unwillingness to act on the violence in Darfur has assured the Government of Sudan that they can commit gross violations of human rights with impunity. The regime in Sudan has played the international community, including us, for fools. I feel that we have been supine in a way, because we have tried to remain on better terms than we should be with the Sudanese Government. Perhaps that has to do with whether we can get information on our key agenda; I do not know exactly, because those things are not given to me to know, but it seems that we have not been as active or as quick as we should have been, given what is going on in Darfur. As we have heard, despite the promises, African Union troops did not get to work, and there are still no United Nations peacekeepers.

So what is to be done? We have heard the mantras from every Member present. There must be a deployment of troops. If we need more leverage on Sudan, we have to get China and Russia to listen to us, whatever it takes, and I do not understand our reluctance to do that. In fact, I have been amazed by the lack of ways in which the world can take action in such situations, even when there is agreement about the behaviour of a nation. There seems to be a lack of ability to do something that will make the countries that could influence Sudan sit up and listen, and take their responsibilities as world powers seriously. Perhaps the Olympics could be used, and I was very much attracted by what the hon. Member for Buckingham (John Bercow) said about oil, although he would have to explain it to me again; that would hit states where it matters, and where it hurts.

Another mantra is that we must stop the Sudanese Government bombing Darfur. That would mean a no-fly zone and the extension of the arms embargo. We need to hit those orchestrating the violence where it hurts, through travel bans and asset freezes on the individuals named by the UN's commission of inquiry on Darfur. We also need to stop the flow of money that Khartoum needs to pay for the genocide, and that means the UK and the European Union targeting companies that provide Sudan with revenue, arms and diplomatic cover. Those are the mantras, and we have all chanted them tonight, but I would like the Secretary of State for International Development to say how and when the Government will apply the measures that we are all requesting.

The matter is not just down to Governments. We should not wait for others to act, as there are actions that all of us of in the House can and should take. We can lobby key decision makers, publicise the need for action, and put pressure on bodies such as local councils,

[Lynne Featherstone]

which may have funds invested with firms that support the Sudanese regime. I would like the Secretary of State's assurance that our pension fund investments have no connection whatever with any such companies. I see him looking at me, but I think that that is worth checking. Further measures are necessary, and indeed we have all agreed that we have a responsibility to act—but when we do, we will have to balance the actions that we take, and we should bear in mind the fragile nature of the comprehensive peace agreement that ended the 20-year civil war between north and south, which claimed 2 million lives.

Our focus at this stage must be to change Khartoum's calculus of its own interest, so that it becomes in its interest for it to act as the world wishes it to. The UK and the USA are pushing for measures to be adopted at the UN, and that is to be applauded, but the support of China and Russia is key if we are to apply any of the sanctions that we have talked about tonight. We have to work hard to make sure that they support us. However, the question should be put: if it is a matter of introducing a no-fly zone, we cannot hang back just because those countries may veto the proposal. We have to be bolder.

Lastly, I return to the figure that I mentioned at the start of my speech—the 400,000 people killed in Darfur. Unsurprisingly, it is hard to get hold of exact population figures, but Darfur's population is put at between 6 million and 7 million. The United Kingdom's population is 60 million. If what happened in Darfur were to happen in our country, proportionately that would mean 4 million people being killed, and in my constituency of Hornsey and Wood Green, 7,000 people would die. It massively dwarfs 9/11. We were not so passive when 9/11 happened; we should not be so passive now.

Europe's leaders have repeatedly expressed their horror about what has happened in Darfur, but they have not taken action. Their words have been rather hollow to date, and it is action—not next week, not next month, but right now—that is needed. Wishful thinking will not stop the atrocities. We have been nice, we have played the good guy, and we have got absolutely nowhere. Excuses will not stop the atrocities, only action will—and I rely on the Government to come forward.

8.40 pm

Mr. Andrew Mitchell (Sutton Coldfield) (Con): This has been an interesting and, at times, eloquent debate. Members on both sides of the House have expressed similar concerns and voiced huge anxiety about the events that have taken place in Sudan and Darfur, as well as the lack of action by the international community and its woeful failure to make any impression on this terrible problem. There is a clear belief that the House does not want today's debate to be another well-intentioned hand-wringing exercise. There has been some criticism of the Government's action and inaction but, equally, it is incumbent on the legislature to say what we expect of the Government. The situation is bleak and dire and we have searched in vain for very much progress.

In setting out what we expect from the Government, there are three important points that it is worth making. First, at the G8 summit we expect a ringing declaration of the importance of achieving progress towards a solution of the crisis in Darfur. The hon. Member for Perth and North Perthshire (Pete Wishart) hoped that the matter would be discussed, and I have followed with interest the drafts of the summit communiqué, which have been made available to me not as a result of the Freedom of Information Act, but through the generous help and assistance of various non-governmental organisations that have followed the drafting of the declaration. In the latest draft, dated 1 June, there is not one mention of Darfur—there is nothing at all about the situation there. It would be disgraceful if there were no mention by the G8 of the dire situation that persists in Darfur or no expression of its determination to do something about it.

It would have been a good thing if the Prime Minister, on his farewell tour of Africa—it was great that he went to Sierra Leone and other countries, as his personal contribution in Sierra Leone deserves praise—had gone to Darfur in the dying days of his premiership to express his belief that the world is watching what is going on and to insist that the President take action. I regret that the Prime Minister did not include Darfur in his visit to Africa. Secondly, the House expects the Government to take action by emphasising at the G8 and elsewhere the imperative for a strategic plan to achieve a stable Darfur, as security will not be achieved with 100,000 troops, let alone 20,000, without an effective peace agreement. If progress is to be made in Darfur, it requires at least four key measures: a cessation of all hostilities; a process to identify representatives of all the different groups and parties in the conflict in Darfur; the effective monitoring of a ceasefire; a credible timetable for effective mediation; and a safe and secure environment in which to negotiate. I shall say something about all those points in a moment. The third and final point that we expect the Government to emphasise is the grave damage to the United Nations that has been done as a result of the Sudanese Government flouting the will of the international community, which seriously undermines the UN's ability to perform effectively in other areas. It underlines the point that the responsibility to protect, about which hon. Members around the House have spoken so eloquently during the debate, and which was enthusiastically embraced in September 2005 in New York with much back-slapping and the flash of cameras at press conferences, means nothing to those living in camps in Darfur.

There are three parts to the resolution of the current dire position in Darfur. The first is the humanitarian situation. No one can doubt that it is deteriorating. The area of Darfur from which relief is excluded is now greater than when I and my right hon. Friend the Member for Richmond, Yorks (Mr. Hague) were there last year. As recently as last week, the United Nations warned of further humanitarian withdrawals. Between January and March this year, 110,000 people were newly displaced. That is a rate of more than 1,000 every day.

The conflict has been internationalised. For example, there are 235,000 refugees from Darfur in Chad. As a consequence of the conflict, 120,000 people have been internally displaced in Chad. Between 12 and 18 May—only a couple of weeks ago—Dafak village in south Darfur was attacked by Janjaweed militia, who are, as my hon.

Friends pointed out, armed and paid by the Khartoum regime. The village was repeatedly bombed by Sudanese Government planes. Consequently, according to the UNHCR, 1,500 women and children were driven towards the border of the Central African Republic.

We have lost count of the number of times the Sudanese have promised the international community that the aerial bombardments will cease, yet they continue. The UN recently provided photographic evidence of Sudanese war planes disguised in UN livery, and Khartoum repeatedly breaks its word because it believes it will face no serious consequences because we lack the political will to implement them. There is further evidence of Government harassment, with aid workers who leave Darfur not being permitted to return for six months, along with other visa restrictions in flagrant contradiction of the undertakings on the subject that my right hon. Friend and I were given when we were in Khartoum last year.

The aid corridor proposed by the new French Administration is a welcome humanitarian response. The appeal of the Disasters Emergency Committee so movingly fronted by the respected journalist Fergal Keane is hugely needed, but the key point for all of us tonight is that the humanitarian situation is not getting any better. As all hon. Members have pointed out, 4 million people—two thirds of Darfur's population—are dependent on humanitarian aid and support, yet as the UN reported only last week, attacks on aid workers increased by 100 per cent. in 2006. According to a leading British NGO:

"Malnutrition rates are close to emergency levels".

Chad cannot support the number of people who have been made homeless as a result of the conflict. The humanitarian situation remains dire.

Secondly, we must address the political situation. As a number of my hon. Friends and others have observed, Salva Kiir, who was in Britain not long ago, the President of Southern Sudan and the Vice-President in Sudan's Government of National Unity, has warned that

"war will return to the south if peace is not achieved in Darfur".

At the heart of the conflict is regional discontent with the exploitation of people and resources by the leaders in Khartoum. No solution will be possible without a political deal.

After unduly lengthy negotiations in Abuja—I pay tribute to the Secretary of State for his personal commitment to those negotiations—and a somewhat hurried finale, the Darfur peace agreement was born. However, the discussions will have to be reopened as a conference for all participants. Security will have to be guaranteed by the African Union and the UN. It will have to be in Darfur, and all parties will have to attend. I do not say that Dayton is the model that should pertain, but the negotiations must be less comfortable and languid than those that took place in Abuja.

The international point made throughout the debate is that the Chinese attitude towards what is happening in Darfur is the key. The hon. Member for Perth and North Perthshire and my hon. Friend the Member for North-West Cambridgeshire (Mr. Vara) made the point that China, as it emerges as a superpower, has obligations and responsibilities, which we look to it to carry out. As many have said, it is no good indulging in megaphone diplomacy with the Chinese. We must persuade them that it is in their interests to take a serious attitude to what is happening in Darfur. I was very impressed by the effectiveness of the campaign tying in the Beijing Olympics with the situation in Darfur, the powerful adverts that many will have seen in the international and national press linking the two facts, and the reaction of the Chinese Government in the spurt of activity that took place in their negotiations in Darfur. It is true that China often appears to have a commodity-driven foreign policy. China is increasingly involved, however, in United Nations humanitarian work, as I saw recently in the Congo, where Chinese engineers are a key part of the UN force, as they are in south Sudan and other parts of the world where the UN is active. That underlines a point made throughout the debate.

To address the political situation, the absolute requirement, as set out by my right hon. Friend the Member for Richmond, Yorks in his opening speech, is for concerted international pressure. That is the only way that we will make a serious difference. The United States has now announced further measures to put pressure on the Sudanese. We need the European Union to match and complement those measures. In his wind-up, I hope that the Secretary of State will explain what the Government are doing to try to ensure that the European Union agenda and level of activity matches what is now required. As others have said, the 19 concluding Council statements on Darfur, expressing great concern on behalf of the EU Foreign Ministers, are not sufficient. What else is the Secretary of State seeking for the EU to do?

We should extend the travel ban and asset freeze to cover all those individuals named in the UN commission of inquiry. We should target companies owned or controlled by the Sudanese Government. As many have said, we should certainly support the work of the Sudan divestment taskforce, to which I pay tribute. Investment in companies that directly benefit members of the regime in Khartoum is not appropriate. We need seriously to increase such pressure on Khartoum. That is urgently required.

Thirdly, and finally, as we have considered the humanitarian and political situation on the ground in Darfur and internationally, we need to consider the military situation, which is also of paramount importance. Much discussion tonight has been on the role of the United Nations and the detailed negotiations between the African Union and the United Nations about how to deploy in a possible chapter VIII assignment. There has been far too much discussion, however, about the nature of the hat badge, and not enough about the urgent importance of getting troops on the ground, whether from the AU or UN. Two weeks ago, Sudan said that it would allow in 3,000 UN troops. The President of Sudan has said, however, that he no longer stands by his earlier agreement on that. What is the Secretary of State's judgment tonight on the position on the ground in Sudan? How quickly will the troops be reinforced?

My second point on the military situation is that we urgently need the no-fly zone, which was set up by the UN in 2005 but has never been implemented, to be enforced as rapidly as possible. The Prime Minister has given many interviews, including on the front page of the *Financial Times*, no less, endorsing the idea of a no-fly zone. We are advised that the French offered to

[Mr. Andrew Mitchell]

enforce it last year, but were dissuaded by the United States. What is the current state of those negotiations? Of course, we understand that enforcing a no-fly zone is not easy, but as my hon. Friend the Member for Banbury (Tony Baldry) explained, it can be done. It is pointed out that we would require AWACS aircraft. That is true, but if we could find them to patrol the skies above the Athens Olympics, surely we can find them to protect those who live in terror in Darfur.

Thirdly, there is the issue of the additional peacemakers who are required in Chad and the Central African Republic. The Secretary of State will recall that in February the UN Secretary-General, Ban Ki-moon, called for 11,000 peacekeepers to be deployed in those two countries. What is happening on that initiative, and what progress has been made? Fourthly, as many Members have said, the African Union should command our strong support: first, for what it is seeking to do in Darfur; and secondly, because it has a pivotal role to play in resolving the regional problems that will undoubtedly arise and that beg a regional solution. Despite considerable British support, not enough is being done by other countries. My hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski) pointed out that many troops have gone unpaid for months. On 20 April, we heard that large numbers of serving soldiers had not been paid for four months and that 150 language assistants, who, as I have seen on the ground, are essential to the work of the African Union in providing translation, were on strike. Last month, the African Union said that its mission was on the point of collapse and Rwanda and Senegal threatened to withdraw their troops. That is a most unsatisfactory position. Britain has a leading role to play because we have put our money where our mouth is in supporting the African Union. I hope that the Secretary of State can tell us what is being done to ensure that the financial future of the African Union, apart from the other aspects, is being addressed in a far more fundamental and sensible manner.

The former commander of the African Union told me that there was an urgent requirement for another 7,000 troops, which would enable him largely to discharge the duties that he had been given. He is still well short of that. However, in the short term we need to ensure, from our leadership position in Britain, that we give more support for secure funding and for logistical support and that, as my hon. Friend the Member for North-West Cambridgeshire said, we think carefully about how we can enable the African Union itself to do more in such situations.

John Bercow: There is one important point to which reference has not been made. Does my hon. Friend agree that unless there is very soon a sufficient force present to re-establish security, the internally displaced people's camps will cease to be temporary and inadequate refuges and will become permanent residences for people subsisting there, who will not be able to return to their land, which will have been destroyed, leaving them with no home to which to return?

Mr. Mitchell: My hon. Friend makes the point in his inimitable way and adds to his earlier eloquent contribution.

I end with two simple reports, which I keep among the huge numbers that are issued on Darfur every week. The first states:

"In the town of Tawilla in Darfur the last relief agency there shut down its clinic after government-backed rebels hijacked their vehicles. At least 20,000 people are struggling without healthcare or sanitation facilities."

The second report spoke of people such as Hassania Abubakar, who fled her village of Tina in September. She said:

"We were farming near our homes when we saw the planes coming. I ran to get my children from the water hole where they were playing and we kept on going."

Hassania has not seen her husband since the attack.

If, as the Prime Minister so eloquently said, Africa is a scar on the conscience of humanity, the debate has shown that Darfur is a gaping wound on the conscience of the world. The world knows precisely what is happening in Darfur and has achieved nothing in trying to bring it to an end.

9 pm

The Secretary of State for International Development (Hilary Benn): We have had an important debate about a terrible conflict that has gone on for far too long, claimed far too many lives and caused far too much suffering. It also tests our ability as a world to protect our fellow human beings from violence, including killing and rape.

I want to begin by acknowledging the quality of the contributions to the debate. My right hon. Friend the Foreign Secretary spoke with enormous clarity. More than anything, she has shown by her actions as Foreign Secretary her determination that Britain will continue to play its full part in trying to do something about the conflict. I shall revert to that shortly.

The right hon. Member for Richmond, Yorks (Mr. Hague) spoke with great eloquence and force. All the contributions have been excellent—although I have one or two criticisms, which I shall make shortly. They included speeches by: my right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr. Clarke), the hon. Member for Berwickshire, Roxburgh and Selkirk (Mr. Moore), my hon. Friend the Member for Liverpool, Riverside (Mrs. Ellman), the hon. Member for Banbury (Tony Baldry), my hon. Friend the Member for Hackney, North and Stoke Newington (Ms Abbott), the hon. Member for Buckingham (John Bercow)—who made an astonishingly powerful contribution—the hon. Members for East Antrim (Sammy Wilson) and for Perth and North Perthshire (Pete Wishart), the hon. Member for Edinburgh, West (John Barrett), who reminded us graphically of the brutality behind the conflict, the hon. Members for Shrewsbury and Atcham (Daniel Kawczynski), for North-West Cambridgeshire (Mr. Vara) and for Hornsey and Wood Green (Lynne Featherstone) and the hon. Member for Sutton Coldfield (Mr. Mitchell), who has just spoken.

Let me deal directly with the point about the G8 communiqué. We and the French—and, I am sure, the United States of America—are pressing for the communiqué to include the reference that has been mentioned. I hope that other G8 countries will agree with what we are trying to do.

I pay tribute to the all-party group on Sudan, which is chaired by my hon. Friend the Member for Stroud (Mr. Drew), who would very much like to have been here this evening; to the Aegis Trust—I echo what has been said about it—and to everyone who has campaigned on the issue.

My hon. Friend the Member for Liverpool, Riverside made an important point. She asked why our streets were not fuller of people demonstrating about what has gone on. If people do come out on the streets to demonstrate, in fairness they cannot point the finger at the Governments of the United States of America, or the United Kingdom or of the countries of the African Union. This is where I would gently rebuff the comments of the hon. Members for Shrewsbury and Atcham and for North-West Cambridgeshire, whose contributions were unusual in that they tried to criticise the Government. I shall come directly to what we have sought to do, but the truth is that trying to tackle the problem in Darfur has been this country's highest priority. The United Kingdom has played a leading role, and I want to pay tribute to the contribution of not only my right hon. Friend the Foreign Secretary but that of the Prime Minister, because, perhaps President Bush apart, it would be difficult for any hon. Member to name a world leader who has made a greater effort to deal with the conflict than my right hon. Friends and the African Union, which has done an extraordinary job in difficult circumstances. I also pay tribute to Lord Triesman, who is the Africa Minister in the Foreign Office. The UK pressed vigorously for the original sanctions resolution and supported the international commission of inquiry. The UK played the leading role in obtaining the reference to the International Criminal Court. Here, I would say to the hon. Member for Perth and North Perthshire that the United States does not support the International Criminal Court, but this Government do and the UK has also supported AMIS, to which I shall return. I seek to remind the House of these things not to seek plaudits, which I do not, but simply to point out that, despite our efforts, no one country has the ability to deal with this conflict or to bring it to an end.

What has been so palpable in this evening's debate has been the sense of frustration expressed by all Members. It is one of the ironies of these conflicts that sometimes the countries that have tried to do most also act as the lightning conductor for all the frustration that is felt, whereas the countries that have done least get away with it and nobody gives them a hard time. I feel that frustration, too. In truth, I feel ashamed at our inability as a world to have done more. Yet we have tried, while those who are responsible for this conflict feel no shame at all and have tried to do nothing at all.

We have all heard the statistics and know about the 2 million people in Darfur who will once again tonight have to live in camps because they are too afraid to go home. We know about the 4 million who are dependent on aid and the 100,000 displaced since January. The numbers involved should not let any of us forget—whether it be those like myself who have been to Darfur on a number of occasions or other right hon. and hon. Members who have related their experiences tonight—that behind all the statistics are individual human beings and families who have been forced to flee their homes because of this violence and who will not be able to return until they feel that it is safe to do so.

The United Nations and the non-governmental organisations are now delivering the world's largest humanitarian effort in response to the world's largest humanitarian emergency. I can tell the House that I am proud of the fact that Britain is and has been the second largest donor to that humanitarian effort. Since April 2004, we have given about £250 million in humanitarian assistance to Sudan as a whole, more than £140 million of which has been specifically targeted at Darfur. I just want to say that I long for this conflict to come to an end for a whole host of reasons, not least because I would much rather spend that money on supporting development in Darfur than effectively paying for the consequences of the failure to bring this conflict to an end. I echo what my right hon. Friend the Foreign Secretary had to say about the Disasters Emergency Committee appeal for Darfur and Chad, which I hope people will support.

It does not provide very much comfort, but the fact that conditions for people in the camps now are better than they were two or two and half years ago, despite the problems, is the result of an extraordinary international effort. I know that the whole House will wish to commend the brave work of the humanitarian agencies and their staff in ensuring that this life-saving assistance has got through. As anyone who has met and talked to them will attest, these people have enormous courage in continuing to work in very difficult conditions. Their commitment to humanitarian principles is exemplary. Twelve humanitarian staff were killed in this conflict last year, yet the work continues.

The truth is that all sides in the conflict are guilty of undermining the humanitarian effort. Convoys have been ambushed and looted, vehicles have been hijacked and humanitarian staff have faced unnecessary bureaucratic barriers put there by the Sudanese Government. As we have heard tonight, if those actions are left unchecked, the deadly combination of violence and red tape could force more agencies to suspend or fully withdraw from Darfur, which would be a disaster. The UN and the NGOs must be allowed to do their work free from fear and free from attack.

The British Government, along with others, have pressed the Government of Sudan on that issue since the beginning of the conflict. I recall my first ever conversation on the subject, when I had to ask a Minister why 30 tonnes, if I recollect correctly, of medical supplies were still stuck in a container in Port Sudan some three months after they had arrived in the country. There was a lot of staring at feet. In the end, the supplies were released, but I learned from that experience that it is necessary to be on the case all the time on every issue. As has been powerfully argued tonight, that is because the Government of Sudan respond only to pressure.

We played our part with others in securing the new joint communiqué that was agreed on 28 March. I pay tribute to John Holmes, head of the United Nations Office for the Coordination of Humanitarian Affairs, for the part that he played in the securing of that communiqué, in which the Government of Sudan once again committed themselves to removing the barriers. My right hon. Friend the Foreign Secretary raised the issue when she chaired an informal meeting of the Security Council on 16 April. Along with five other foreign and development Ministers, I have written

[Hilary Benn]

twice to the Sudanese Foreign Minister, Lam Akol, calling for full co-operation. A high-level committee has been established and there are some signs of progress, but on the basis of my earlier experience I have to say that that probably means we must step up the pressure to ensure that it is maintained.

As we have heard, the crisis in Darfur is not a crisis in isolation. The fighting, and the movement of people that it has sparked, have also caused a crisis in eastern Chad and the Central African Republic. We have heard about the numbers who have been displaced. The humanitarian agencies in Chad also face real challenges, particularly in trying to ensure that basic needs are met before the rainy season starts later this month. We are providing £6.5 million to support the humanitarian effort in Chad this year, and we are giving OCHA technical assistance to co-ordinate that effort.

The hon. Member for Sutton Coldfield mentioned peacekeeping in Chad. A United Nations team is currently visiting the country to try to persuade President Deby to accept proposals for the kind of force that has been mooted, because it is important for us to have a presence there as quickly as possible. Reference has also been made to the Central African Republic, where both internal conflict and the spillover of people fleeing from violence elsewhere have resulted in about 200,000 internally displaced people and 70,000 refugees in the north. The humanitarian situation is precarious, and we have provided new emergency funding, increasing our total commitment this year to £2 million.

The hon. Member for North-West Cambridgeshire asked what made the Government so reluctant to describe what has happened as genocide. We supported the establishment of the international commission of inquiry and the proposal that it should ask the question that he asked me this evening. In January 2005 the commission concluded that the Government of Sudan had not pursued a policy of genocide, but that the Government of Sudan, the Arab militias and rebel movements might be held responsible for crimes against humanity and war crimes. It concluded that individuals might have had a genocidal intent, and recommended referral to the International Criminal Court. We accepted its report, and we played as big a role as any other country in getting the reference through. As a result, arrest warrants have been issued against two individuals.

I have to say, however, that I agree with what other Members have said this evening. We can use whatever description we choose, and different people describe this situation in different ways, but what has happened is beyond argument. The question is, what do we do about it?

The right hon. Member for Richmond, Yorks raised a number of questions, as did others. First, there was the question of AMIS. We must recognise that the African Union should be congratulated on its efforts. The only people in Darfur who are trying to prevent the conflict are those 6,500 peacekeepers. I am proud that the United Kingdom was the first country in the world to provide financial support for the African Union mission, because, as was pointed out by my hon. Friend the Member for Hackney, North and Stoke Newington—who is no longer in the Chamber—we should support regional as well as international efforts.

The United Kingdom has given AMIS strong support, committing £73 million. I believe that the European Union has committed €280 million, €40 million of which was announced last month. There are unquestionably problems over the payment of the soldiers, partly because AMIS has had to live hand to mouth—its funding has had to come from all those different sources—and partly because the AU has not yet been able to meet the EU's financial reporting requirements. One of the United Kingdom's practical actions has been, through Crown Agents, to help the AU to build up its capacity to account for the way in which it spends the money.

Let us tell the truth about the African Union mission. This is a major enterprise and undertaking: the AU has never had to do anything like this before. The mission in Burundi was much smaller. That is why, at the meeting in Addis in November about which I shall say more in a moment, President Konare of the AU said to his fellow African representatives "Let us be straight: we cannot deal with this any more. We need a hybrid mission." The hybrid mission is a creative solution to Sudan's refusal to accept resolution 1706. In the end, if the mission goes in, it will do what 1706 sought to do, which is to provide more troops on the ground. As General Aprezi reminded me on my last visit, pointing to a map—I am sure he has done the same with other hon. Members—6,500 troops are not enough to do the job. The mission would provide more troops, effective command and control and, crucially, funding. For the first time in the history of the UN, the hybrid mission will use assessed contributions to pay for a joint UN-AU mission. That is absolutely the right thing to do because it will provide financial support for a regional effort combined with a UN effort.

On the Amnesty International report, I can simply tell the House that I am deeply concerned by what it has to say. The UK mission in New York is pursuing this matter with the Sudan sanctions committee. On the hybrid itself, the test for the Government of Sudan is a very simple one. They are about to receive the proposals for the hybrid mission. Once the final arrangements have been agreed between the African Union and the UN, General Bashir and the Government will then have a short time—the UN Security Council is due to visit Khartoum later this month, on 16 or 17 June, I think—to demonstrate that they accept the hybrid. There is no doubt that the threat of sanctions was responsible for agreement to the hybrid package. There is an ebb and flow in the Government of Sudan's willingness to honour commitments that they have entered into, but this is the last opportunity.

On sanctions, Members have asked what the "further action" might be. It might include further sanctions against individuals, travel bans and an assets freeze, as well as extending the UN arms embargo to the whole of Sudan. I raised my eyebrows when the right hon. Member for Richmond, Yorks spoke earlier because there is already an EU arms embargo that covers the whole of Sudan. We are seeking to get the UN arms embargo to cover the whole of Sudan. We have been consistent in that for a long time.

There is no doubt that the Government of Sudan have returned to bombing. From the reports that I have

read, it seems that it is targeted at the places where rebel commanders are meeting to talk about what might come out of negotiations. That makes the Government's actions particularly culpable. One of the things that the UN will have to consider is what further action should be taken in relation to that. As the Prime Minister and others have said, that could include a no-fly zone but, as the hon. Member for Grantham and Stamford (Mr. Davies) made clear, there are real logistical challenges. Fundamentally, who will do it? How would we ensure the continued operation of the humanitarian effort if the Government of Sudan were to retaliate? These are genuine dilemmas on which we would have to form a view.

Disinvestment was raised by the right hon. Member for Richmond, Yorks and the hon. Member for Berwickshire, Roxburgh and Selkirk. Rolls-Royce has said that it will withdraw, but one also has to consider the impact of that on the people of Sudan, who are not responsible for what is going on, on the comprehensive peace agreement and on the Government of southern Sudan. We must not forget that that agreement was based in part on a wealth-sharing agreement. Part of the rising oil revenues that the hon. Member for Buckingham referred to comes to the Government of southern Sudan to help them fund development. We need to think long and carefully: do we want to end up undermining the one peace agreement that is, in a slightly shaky way, in place in that country?

Mr. Andrew Mitchell: I fully understand the Secretary of State's concerns, but will he bear in mind the fact that when Salva Kiir was here last year, he made it clear that the Government of Sudan were not giving the south its fair share of the oil revenues? Will he also bear it in mind that the divestment campaign is extremely clear that it is after divestment in those industries that directly benefit the regime in Khartoum and is not interested in seeking to debar investment where it is for the good of the people of Sudan?

Hilary Benn: My response to the second of those points is to ask a question: how exactly would the hon. Gentleman make the division? The problem with the comprehensive peace agreement is that an agreement has not yet been reached on where the border between the north and south will be drawn. Oilfields fall on the northern side or the southern side of the boundary depending on where the line is drawn. Therefore, where it is drawn is very important in determining how the assets and oil wealth are to be distributed.

The third of the challenges put to me was to do with the political process. The humanitarian effort is about salving the wounds of the people, and AMIS—the African Union mission in Sudan—and the hybrid mission are about better protecting the security of the people, but everybody knows that there is no military solution to the conflict, which can be brought to an end only by a peace agreement. There have been many ceasefires and long negotiations. There were the Darfur peace talks, and it took about two years to achieve the Abuja agreement of last year. I played a part in the final stages of that agreement. In the end, only one of the rebels signed—Minni Minnawi. Abdul Wahid could not be persuaded and Khalil Ibrahim, who heads the Justice and Equality Movement, was never interested in signing it at all, although I see from news reports today that he is now saying that he is prepared to take part in talks.

I remain of the view that the framework provided by the Darfur peace agreement can form the basis of a solution as it involved power sharing, security and compensation. However, I accept that in the negotiations that must now begin it will have to be revisited because a solution can only work if everybody signs up. I say to the hon. Member for Buckingham that although I agree with him and others who have said that the Government of Sudan bear the principal responsibility, one thing that has been missing from the debate has been some recognition of the responsibility that the rebels themselves bear. There has been hijacking and banditry. I am not trying to apportion equal blame, but we must accept that it takes two to make a conflict and the rebels have also been responsible for some of what has gone on. They also have a responsibility to embrace the political process.

That was why at the meeting in Addis not only was agreement secured on the hybrid mission—I pay tribute to the contribution of Kofi Annan, and to Ban Ki-moon for his subsequent support—but there was agreement that we needed a new political process. Jan Eliasson and Salim Salim were appointed as, respectively, the UN and AU representatives. They have been hard at work talking to people. There was a meeting in Tripoli on 28 to 29 April, which included representatives from Sudan, Chad, Egypt, Eritrea, China and Russia; the UK Sudan co-ordinator, Christopher Prentice, attended on our behalf. It endorsed the work of the two mediators and has now set out a framework for getting to negotiations. However, the Government have made it clear in discussions with the UN Secretary-General that the AU and the UN need to get on with that; otherwise, we will still be talking about talks in six months' time. The time to start talking is now, and the time to set a date for those talks is also now.

I agree with the hon. Member for Sutton Coldfield that sustainable peace in Darfur can be achieved only if the other peace is kept—hence my points about the comprehensive peace agreement, which brought an end to a 20-year civil war that killed 2 million people. The eastern peace agreement was also briefly referred to; it was signed in October 2006 but progress has been slow, as it is in Darfur. The east remains desperately poor, and the threat of a return to conflict is never far away. However, in both cases the process of implementation has begun. The progress in terms of those agreements—in one case involving people caught up in a civil war who were fighting and killing each other in large numbers over a long period—demonstrates that in the end people recognised that the country will make no progress and there will be no development as long as the fighting continues. They had the political courage and leadership to use negotiation rather than guns to resolve their problems.

John Bercow: I have something to say about the need to set a timetable for talks. Given that there would probably be a consensus in the House that the Government of Sudan will not be persuaded by political argument or moral force to start behaving, but will be influenced only by fear of the reprisals that will otherwise flow, does the Secretary of State agree that the international community needs to set a deadline by which the Government killing must stop, and that the

[John Bercow]

Government of Sudan need to be broadly aware of the scale and intensity of the sanctions that they will otherwise face?

Hilary Benn: I agree with the hon. Gentleman that the threat of sanctions has concentrated minds and, as I said earlier, I believe that that is why agreement was given to the heavy support package, after quite a lot of prevarication. I have set out for the House tonight the kind of sanctions that we would be looking to get through the UN Security Council, but as the debate has demonstrated, that depends on other countries agreeing, too. They have got to be persuaded of the case, so there is great merit in trying to get agreement and in marching in step with other countries. One can be right and perfect but isolated and ineffective, or one can persuade others of the strength of the case and therefore have a much more powerful impact on the Government of Sudan.

On the talks, I have to say, given that the Government of Sudan did come to Abuja, did participate and did make concessions, that my experience of dealing with them on that front is that they can be persuaded to move. The bigger issue is the hybrid force and getting it in.

Mr. Tom Clarke: I am extremely grateful to my right hon. Friend for giving way, particularly as I sense that he is heading for his peroration. Will he find time to comment on the French initiative and the role of China, which were mentioned in all parts of the House during the debate? Many of us feel that these are important issues.

Hilary Benn: On the French initiative, I welcome, as the right hon. Member for Richmond, Yorks did, what President Sarkozy has had to say, and Bernard Kouchner's appointment is undoubtedly good news, given his history and tradition and the things that he has already said. On China, I speak from personal experience. The Chinese were represented at the Addis meeting last November, and at about 11 o'clock at night we reached the point where the Chinese representative said to the Government of Sudan, "I think you really ought to accept what is being offered here." The Sudanese Foreign Minister looked around the room and realised that nobody else was supporting him. That collective determination of the international community helped to get that agreement. The fact that the Chinese have now appointed a special representative shows that they are taking steps in the right direction, but I agree that all of us have a responsibility—China included—to play our part and to do everything that we can to persuade the Government of Sudan to do the right thing.

Finally, I want to return to the issue that the hon. Member for Banbury raised in his excellent speech, and which is, in effect, the bigger issue that we have discussed tonight. This is the latest in a series of conflicts in which human beings have been killed, raped and forced to flee their homes because of what people in their own country—their Governments or other people—have done to them. Be it Iraq under Saddam; Afghanistan under the Taliban; Rwanda during the genocide; Sierra Leone, when the Revolutionary United Front and the "West Side Boys" were running around chopping people's arms and legs off with machetes; Kosovo, when Muslims were being murdered in Europe's back yard; or the Congo, where 3 million to 3.5 million people have died in a conflict in the past 15 years—I cannot tell the House exactly how many, because there was nobody there to count them; most died of disease, some died of violence—every single one of those recent instances raises a really uncomfortable question for us. When are we as a world going to find the will and the means to prevent them from happening? When are we going to be able to offer protection and help?

When are we going to live up to the fine and inspiring words of the UN declaration of human rights? Let me remind the House of what it says:

> "Whereas disregard and contempt for human rights have resulted in barbarous acts which have outraged the conscience of mankind, and the advent of a world in which human beings shall enjoy freedom of speech and belief and freedom from fear and want has been proclaimed as the highest aspiration of the common people".

It goes on to say:

> "Everyone has the right to life, liberty and security of person."

We have not lived up to those fine words. That is the biggest challenge, the biggest test for the United Nations. If we are to uphold the principle and practice of dealing with these problems multilaterally—in the end, that is a much better solution than countries acting alone—the UN has to acquire the will and the means to act. We have not yet done so. It is time that we did.

Tony Cunningham (Workington) (Lab): I beg to ask leave to withdraw the motion.

Motion, by leave, withdrawn.

Social Housing (National Mobility Scheme)

Motion made, and Question proposed, That this House do now adjourn.—*[Tony Cunningham.]*

9.30 pm

Sir George Young (North-West Hampshire) (Con): I welcome this opportunity to share with the House the problems that confront social housing tenants who want to move from one part of the country to another. I am delighted to see in her place the Minister, who I am sure shares my concern about what has gone wrong in that area. I am also delighted to see in his place the right hon. Member for Greenwich and Woolwich (Mr. Raynsford), who has a longstanding interest in housing policy.

This is not a happy tale. Every Member of Parliament has some housing association or local authority tenants who want to move into or out of their constituency. Often there are compelling reasons for such a move. Elderly parents want to move to be nearer their families, perhaps so that they do not have to go into a home. Children want to move near their parents for help with child care and sometimes people have to move for job reasons. Therefore, there are important social and economic reasons for having an effective transfer market in social housing. Mobility is also important if we are to get the right-sized properties for the right households.

Unlike owner-occupiers or private sector tenants, who can simply up sticks and move, social housing tenants are less in control of their destiny. The stock distribution of their landlords is often based on local authority boundaries. If they want to transfer to a new landlord, the process can be complex. Over the years, several schemes have been set up to promote the mobility of social tenants, the history of which has been described by Simon Randall, in an excellent book called "Tenants' Mobility". I was a Housing Minister in 1981, when the national mobility scheme was launched by local authorities and new towns in England and Wales.

Later, in 1990, I was still a Housing Minister, although under a different configuration, and I took the view that there was a need for a new national mobility service for local authorities and housing associations. A new organisation, the Housing Mobility and Exchange Service, or HOMES, took over a multiplicity of different schemes, including the inter-borough nomination scheme or IBNS, the local authority mobility scheme or LAMS, the tenants exchange scheme or TES, the housing association liaison office or HALO, and the rest, as well as some successful London schemes. We had a target of 2 per cent. of local authority net lettings, and 4 per cent. for larger housing associations, to be made available to a central pool for tenants who wanted to move for social or economic reasons.

Some 100,000 tenants moved under that scheme. In addition, HOMES developed a separate home swap scheme to enable tenants across the UK to exchange homes. Between 50,000 and 100,000 people will have moved under that scheme. The popular and successful scheme was inherited by the new Labour Government in 1997. Last month, owing to mismanagement, the scheme collapsed, and a few days ago the remaining staff of HOMES, who had lost their jobs, left, and tens of thousands of tenants were left in the lurch. I understand that earlier this year, staff running the scheme were told not to deal with correspondence, leaving hundreds of unopened letters on the premises.

That failure has not had the national coverage of this Government's other IT failures. It does not involve the billions of pounds spent in error by the tax credits scheme, or the careers of junior doctors ruined by the Medical Training Application Service. But thousands of people who might have used a perfectly good scheme to move from one part of the country to another without losing the benefit of their tenure can no longer do so. One in five social tenants in a recent survey claimed to be either certain to move or likely to move to alternative accommodation in the next five years.

So what went wrong? In 2004, the Office of the Deputy Prime Minister awarded a seven-year £17 million contract to Scout Solutions Projects Ltd. Some surprise was expressed at the time about the choice of contractor. Scout Solutions took over HOMES, and the then Housing Minister said that the new scheme would make existing schemes more comprehensive. It has done the opposite.

By February last year, reports were appearing in *Inside Housing* saying that the scheme had ground to a halt because of problems making the software workable. One housing director told *Inside Housing*:

> "Technologically I think it is a huge waste of public money. It has gone very very quiet. The emails have stopped."

The ODPM admitted that it did not know when the new website was going to be launched. It was originally scheduled for 2005.

In March last year, the failure to get the new scheme, Move UK—the brand name under which it traded—going led a number of housing associations and councils to set up a competing scheme. Lesley Woods, the design manager at Circle Anglia, said of the site that it set up:

> "The site was developed out of frustration with the problems of MoveUK...we had been trying to join for three years and finally decided it was going to be delayed."

By July last year, the Department was saying that it was unable to provide any details of the scheme because it was

> "subject to legal confidentiality restrictions."

A spokesman for Move UK also refused to comment.

Numbers rehoused through the mobility scheme continued to plummet. A spokesman from Barking and Dagenham was quoted in *Inside Housing* as saying:

> "The general sense is that there is a gaping hole with MoveUK."

The newly appointed Secretary of State for Communities and Local Government was meanwhile promising, in her letter of appointment to the Prime Minister, to make improving social mobility a priority. But last September the DCLG announced that it was axing the contract, after spending £11 million on Scout Solutions, which had failed to provide a viable scheme.

At the point at which it was brought down, the already available HOMES website was the largest and most used public sector website in the UK, with

[Sir George Young]

10 million hits a month and more than 800 new home swap registrations online every day. In January this year a "Yes Minister"-type letter went out from the Department to those in the housing world, saying:

"Dear colleague

In the next few weeks, a number of changes will be made to the way landlords and customers access mobility services. It is an exciting time, but it is also a period of transition."

This was code for, "We're sorry, but the existing popular and successful mobility scheme has collapsed."

Another letter went out to tenants who were trying to move. It said:

Dear applicant

I am writing to let you know that the housing mobility service you applied for is changing.

If you registered for Homeswap—the UK-wide mutual exchange register and/or the Homes Mobility Scheme, unfortunately these schemes are no longer available.

You can still apply to move home through your existing landlord or local council. However your landlord or local council may have limited opportunities to facilitate moves to other areas."

The excitement that was mentioned in the letter to housing directors had to be communicated in the letter to the tenants. Someone who wanted to move to another part of the country and was told that this was no longer possible would have been surprised to be told:

"It is an exciting time but it is also a period of transition."

Move UK had taken over the existing services and HOMES staff, and those have gone down with Move UK. Move UK was contracted to link availability of houses to availability of jobs—a noble ambition. Not only has that not been achieved, but we have now lost the underlying scheme on which it was to be built.

Apparently all the IT arrangements originally operated by HOMES have transferred back to the DCLG, and I understand that it is possible without too much difficulty to resuscitate it; I want to return to that in a moment. However, it will very much depend on regaining the support of local authorities and housing associations alike, whose good will will have been dissipated by recent events.

There is now no way in which a tenant of Testway Housing in Andover could expect to move to a housing association based in Sheffield. That can be achieved only by laborious methods such as the ones that I recall when I first became a Member of Parliament some 33 years ago, with a tattered reciprocal exchange book and the individual negotiating skills of housing officers. Alternatively, tenants may rely on the newsagent's board or unregulated and unmonitored swap schemes.

More importantly, growth schemes in the UK need a successful Government-supported mobility scheme, and London is depending on the Thames Gateway to assist with its housing pressures. Such a scheme as the one that we used to have would ensure that housing associations, as the providers of new homes, would look to mobility applicants as well as dealing with local demand.

A job that technology ought to have made easier, quicker and cheaper—matching property vacancies to housing needs—has been bungled by the Government. Perhaps the Minister can tell us how much Scout Solutions was paid for this fiasco.

What should we now do? I am in favour of choice-based lettings, but they are not the answer to transfers. Choice-based lettings go to high-need applicants, not people who want to transfer from one local authority area to another. Lack of mobility traps tenants in poor property, as no one will ever swap with them.

I hope the Minister will not tell me that this is an exciting time. I hope she can find it possible to apologise to tenants, local authorities and housing associations for what has happened, for which her Department—although not she personally—is responsible. The former HOMES scheme could, and should, be put back on the road within months, if not weeks. The staff will need to be re-employed, the existing software could be reused, and the IT kit made available or updated. Sufficient commitment from the Department for Communities and Local Government will be vital to persuade local authorities and housing associations to come on board, against the background I have just outlined. What the Department has announced so far will take far too long and is not comprehensive, so I hope that the Minister will come up with an urgent programme for recovery and restore her Department's battered credibility in that important area of social policy.

9.40 pm

Mr. Nick Raynsford (Greenwich and Woolwich) (Lab): First, I congratulate the right hon. Member for North-West Hampshire (Sir George Young) on securing this evening's debate and on focusing it on an extremely important issue of real concern. I share many of the concerns that he has voiced.

I have been involved in the issue for almost as many years, if not more years, than the right hon. Gentleman. He referred to one of the embryo mobility schemes, which dates back a long time—the housing association liaison office, or HALO—and which, in a former incarnation, I was involved in creating. Like him, I feel a great sense of parentage towards the national mobility scheme that emerged from HALO, and whose collapse is the cause of our concerns, and of tonight's debate.

The Hills report, which the Government welcomed only two or three months ago, highlighted both the difficulties facing public sector tenants in transferring from one home to another, and from one area to another, and the importance of facilitating mobility. It is a further example of the strong case for trying to facilitate moves for that section of the population. As the right hon. Gentleman rightly pointed out, they often find great difficulty in making a move. Many Members will know, as I do, from constituency experience how difficult it is for individual tenants to find appropriate opportunities when they want to move across the border, to a neighbouring area or further afield, because the whole local authority housing mechanism is not geared towards such cross-border moves, which are important mobility opportunities.

I regard the collapse of Move UK as a regrettable outcome, and share the right hon. Gentleman's disbelief at the language in the communications from

the DCLG, referring to this as an exciting time. It is not an exciting time; it is a period of which everyone involved should feel profoundly ashamed, and which they should regret deeply.

We need new machinery, but where I may differ from the right hon. Gentleman is that I am not wholly convinced of the need to return to a national scheme of the previous type. I suspect that some of the problems are to do with attempting to create a national framework that can interface with the whole range of separate letting arrangements in individual areas. I have slightly more confidence in the development and expansion of existing choice-based letting arrangements. They have been successful in some areas of the country in providing cross-border opportunities, but they are limited, so there is scope for exploring how such schemes might facilitate wider moves. For the vast majority of tenants the likely move that is necessary or desirable from their point of view is not, as in the right hon. Gentleman's example, from Andover to Sheffield but, if he will excuse me moving to my area of representation, from Greenwich to Bexley or Dartford—closer geographical locations where there may be family, kinship and other links. There could be some merit in exploring the scope for expanding existing arrangements to facilitate such moves.

Whatever mechanism is found, I stress the fact that the Government must act very speedily indeed. The current framework is really not acceptable; the existing machinery has collapsed and there is no realistic opportunity for social tenants in many parts of the country to move outside their area.

I am afraid that this is a very serious position, and it is wholly in conflict with the stated objectives of Government policy and those of the Hills review. So I hope that my hon. Friend the Minister can at least give us an assurance that the Government take this problem very seriously indeed, and will consider ways to put back in place mechanisms that will secure opportunities for mobility for tenants, whether with a resurrected national scheme or, as I have suggested, possibly by the evolution and development of choice-based letting arrangements.

9.45 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Meg Munn): I congratulate the right hon. Member for North-West Hampshire (Sir George Young) on raising this important issue. Both he and my right hon. Friend the Member for Greenwich and Woolwich (Mr. Raynsford) share my concern that this issue should be resolved. The Government want social mobility to be a reality for people in the situations that they have described.

I shall briefly set out the history from 1997. Of course, I bow to the right hon. Gentleman's superior knowledge of the period before that and pay tribute to his involvement in setting up a scheme some years before then. Before 1997, three housing mobility schemes were available for social housing tenants to register and to move house: the homes mobility scheme, which provided a format for relocation for tenants seeking priority house moves for fleeing domestic violence, taking up a job offer, or caring for a sick relative or receiving care from a relative; the seaside and country homes scheme, which enabled over-60s to free up their London property and move to a seaside or countryside location; and a mutual exchange scheme to enable tenants to swap their homes. They were supplied under grant agreement by HOMES Ltd.

In February 2001, the Prime Minister made a commitment, as the right hon. Gentleman described, to put the Employment Service, which is now Jobcentre Plus, on a new footing to let it help people find new jobs across the country by identifying housing as well as job placements. A review of the services provided by HOMES Ltd was undertaken. There were concerns that the sponsorship arrangements were based too much on process and did not provide sufficient scope for innovative thinking. It was also unclear whether HOMES presented value for money, given the lack of competition to drive down prices. It was considered that an integrated new employment and mobility service would provide better value for money.

Following the review of services, in February 2004 the Department awarded a contract, known as the housing and employment mobility services agreement to Scout Solutions Projects Ltd, to provide geographical social housing mobility services to social housing tenants and link them with employment opportunities via the Jobcentre Plus internet job bank. That contract was more commonly known by its branding as Move UK and had the following principal objectives: to facilitate housing and employment mobility; to enable individuals and professionals to access a national service, providing information on job vacancies and housing opportunities services electronically; to provide relevant information to allow individuals to make informed choices about housing; to continue and enhance certain existing mobility services; and to involve service partners and encourage innovation.

Unfortunately, as the right hon. Gentleman has described, serious problems arose with the contract. There were concerns about the performance and fitness for purpose of the software developed by the contractor. In addition, services provided by Scout Solutions Projects Ltd after transfer declined by 70 per cent. from what was already considered to be a failing service during the Department's review of HOMES Ltd back in 2002. I do not have the figures on the number of placements that were made under the homes mobility scheme before 1998, but they were not at a high level compared with the demand. Whether that was the appropriate way forward and whether the scheme should be reinstated can be rightly questioned. The Department ended the contract on 20 January 2007.

Following termination, we put in place some interim services for our tenant applicants and landlords. The Department for Communities and Local Government wrote to approximately 2,300 landlords and 120,000 social housing tenant applicants to explain the change in arrangements and provided a general inquiries helpline telephone contact point, in an attempt to provide some comfort to tenants. I agree with the right hon. Member for North-West Hampshire and my right hon. Friend the Member for Greenwich and Woolwich that it was not appropriate to use the term "exciting" in a letter to tenants on the issue.

[Meg Munn]

In addition, the letter included the telephone number of the Department for Communities and Local Government for any additional inquiries. We also provided each applicant with details of updated website information pages that described how to apply for mobility schemes. Links were provided to the Jobcentre Plus database and information on housing-related matters and local area information. Following our letter, our customer helpline received more than 4,000 calls. The volume of calls has now tailed off to about 15 to 20 a day.

We have procured a team specifically to work with applicants and landlords of the seaside and country homes scheme. That high-demand scheme helps tenants aged 60 and over who want to move out of London and thus free up a property in a London borough. Nominations to void properties under the scheme are being made by the Department until alternative providers can take over the delivery of mobility schemes. The LAWN mobility scheme is a landlord-to-landlord scheme that facilitates moves out of London to properties in lower-demand areas in the north of England. The scheme remained unaffected by the termination of the housing and employment mobility services agreement. The mutual exchange, or home swap, scheme allows social housing tenants to swap their homes. It is facilitated by landlords, local advertisements and specialist websites that offer free-of-charge services.

For national mobility housing moves, we are keen to encourage the extension of choice-based letting schemes—this is where I agree with my right hon. Friend the Member for Greenwich and Woolwich—whereby housing tenants can apply for a vacant property that best suits their specific needs to cover low-cost home ownership options and properties for rent from private landlords, as well as social housing. We will continue to encourage the development of sub-regional choice-based letting schemes through our £4 million regional fund, which is available over three years to 2008. As the main demand for mobility schemes comes from London-based tenants, we have been working with London Councils to prepare proposals relating to the transitional delivery of mobility schemes.

I am pleased to report—this will be of some comfort to my right hon. Friend—that following negotiations with the Department for Communities and Local Government, London Councils will provide an initial interim service that will reinstate LAWN and the seaside and country homes scheme. London Councils is keen to establish a new mechanism to assist residents in social housing to exercise their right to execute mutual exchanges with other social housing tenants. It is examining possible options to provide a London replacement for the home swap service operated by Move UK. Discussions with the Department are under way on options including commissioning work to evaluate the options for facilitating mutual exchanges between tenants in London.

We have agreed with Directgov a short and medium-term plan to adapt the Government website to ease access to customers to facilitate moves. Local and sub-regional choice-based lettings schemes that would also be accessible through Directgov would then produce mobility moves other than those from out of London. Directgov already provides access to a wider array of mobility services and relevant information than Move UK was designed to do. There is also now direct access to a new section on the website. That section includes information about the changes to Move UK's services and directions on what tenants can do to make alternative arrangements; a facility to make direct applications to local authorities and housing associations and their housing exchange schemes throughout England; links to other service providers of mutual exchange services and information throughout England—most are free, although some charge a small fee—details of other housing schemes, such as home buy, right to buy and low-cost ownership home schemes, including the key worker living programme; and other information related to social housing.

As my right hon. Friend said, the Secretary of State commissioned the John Hills review of social housing. The report showed that social housing had improved in some areas and that several recent policy initiatives were having a positive impact. However, there are a number of areas of concern. In particular, it recognised the importance of social housing supporting social and economic mobility and it pointed out that there is an important link to employment services. We therefore need to ensure a wider range of housing options that are tailored to individual circumstances. We are working to address all the issues raised by the Hills review, including concerns about low levels of mobility. The review provides an objective, comprehensive platform that can inform our future development.

I can tell the right hon. Member for North-West Hampshire that, according to the statistics that are available, there are about 120,000 applicants on Move UK records. Scout Solutions moved fewer than 2,000 people per year and even before the change, we are talking about a figure of roughly 7,000. The number was no higher than 9,000 in 1999-2000. It is appropriate for us to consider the situation comprehensively and to deal with the issue of social mobility, because we entirely support the view of the right hon. Gentleman and of my right hon. Friend the Member for Greenwich and Woolwich: people need social mobility if we are to support sustainable, cohesive communities.

Sir George Young: The Minister has outlined a range of proposals that the Government are working on to replace what we have lost. How much has been paid to Scout Solutions, and does she envisage moving towards a national scheme rather like the national mobility scheme or HOMES, or is she thinking more in terms of introducing a network of much smaller schemes to replace the scheme that we have just lost?

Meg Munn: I am happy to write to the right hon. Gentleman with the figures on Scout Solutions; they may well be in my briefing, but I do not have them at my fingertips. We want to respond properly to the John Hills report, and to consider the proposal and the issues together in the round, so I am not able to give him the details that he requests today. What I have described is a range of interim measures that we put in place when Move UK was terminated, as well as a range of transitional schemes that enable people to experience some of the benefits that were previously available while we move to a point at which we can

provide something that addresses both the issues raised in the Hills report and the matters discussed by the right hon. Member for North-West Hampshire and my right hon. Friend the Member for Greenwich and Woolwich today.

I conclude by thanking those who participated in the debate. The issues are important and they were right to raise them on the Floor of the House. I hope that I have reassured them that the Government continue to take the issue of housing mobility for social housing tenants seriously.

Question put and agreed to.

Adjourned accordingly at three minutes to Ten o'clock.

House of Commons

Wednesday 6 June 2007

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

WALES

The Secretary of State was asked—

Severn Estuary (Electricity)

1. **Nia Griffith** (Llanelli) (Lab): What discussions he has had with Cabinet colleagues on Government support for a reappraisal of the options for generating electricity from the tidal flow in the Severn estuary. [140334]

The Secretary of State for Wales (Mr. Peter Hain): I have had discussions with Cabinet colleagues, and I am keen to see the Severn barrage go ahead, as tidal power represents a massive untapped, clean, green energy source.

Nia Griffith: Will my right hon. Friend seek commitments from UK Cabinet and Assembly colleagues to ensure that Welsh universities have the support to enable them to develop sustainable technologies—such as those harnessing wave, tidal or river current energy—in order to generate electricity and to help bring research and development jobs and manufacturing jobs to Wales?

Mr. Hain: We certainly want every opportunity to be explored. I welcome my hon. Friend's interest and support. The Severn barrage could create up to 35,000 jobs over the nine-year construction period, half of them in areas surrounding the Severn estuary. It is anticipated that in the longer term about 40,000 permanent jobs would result from the barrage, which would lead to economic regeneration in terms of recreation, transport, housing, industrial and commercial property, tourism and infrastructure development. My hon. Friend is right that renewable energy has enormous potential not only to fight climate change but to strengthen the economy and to create more jobs.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): Further to the question of the hon. Member for Llanelli (Nia Griffith), will the right hon. Gentleman also make sure that in-depth research is undertaken into the possible use of tidal lagoons in Wales, bearing in mind the New Zealand experience where that is a huge component in the energy mix?

Mr. Hain: I welcome the hon. Gentleman's interest in that issue, and the Sustainable Development Commission is looking into it. However, previous assessments suggest that a lagoon alternative in the Severn would produce less than a third of the generating capacity of the barrage, and in addition the barrage would save about two and a half times more carbon dioxide emissions than a lagoon. Prior to any further investigations at least, the barrage therefore appears to me to be a much better bet, and it would also offer the opportunity of a transport link between Taunton and south Wales, which could be of enormous benefit on both sides of the Severn.

Mrs. Madeleine Moon (Bridgend) (Lab): The Severn estuary is an internationally important site for wild birds. Does the Secretary of State agree that it is important that we protect the habitats that would be affected by the proposal, and that that must be taken into consideration before any development goes ahead?

Mr. Hain: Yes; my hon. Friend raises an important point. The European Union birds and habitats directives must be considered in relation to the project. However, I should draw it to the House's attention that the experience at La Rance river in France is that biodiversity can increase as a result of the construction of a barrage. Also, if we are not prepared to take bold steps to fight climate change, biodiversity will be, in a sense, a secondary matter. That will be the case if we get the terrible consequences to life on this planet that would come from climate change, which can be avoided by the adoption of projects such as the Severn barrage, which could create up to 5 per cent. of the UK's electricity-generating needs.

Lembit Öpik (Montgomeryshire) (LD): While I welcome tidal energy in the Severn estuary, is the right hon. Gentleman aware that there is enough tidal power off the north Wales coast to offset the need for a replacement nuclear power station in Anglesey? However, given that all bar one of the Labour deputy leadership candidates said on "Newsnight" that they support more nuclear power stations, including the right hon. Gentleman, how can anyone seriously believe that the second nuclear consultation is not destined to be as big a sham as the first?

Mr. Hain: It is not a sham. I have always made it clear that if a nuclear new-build is necessary in order to keep the lights on, it would be irresponsible to rule that out. As the hon. Gentleman knows, no one is more enthusiastic about clean, green renewable energy than me. Indeed, I often have scraps with Liberal Democrats about wind farms and other sources of clean, green energy, because they are in favour of green energy in principle, but in practice differences can arise. However, I think that we can work together to make sure that Wales benefits from all forms of energy. Sometimes there is a demand for a replacement nuclear power station. That is the case in Anglesey. The local council and my hon. Friend the Member for Ynys Môn (Albert Owen) support a replacement of the existing nuclear power station, and they deserve to be supported.

Albert Owen (Ynys Môn) (Lab): I very much thank the Secretary of State for those remarks. I support a rich and diverse energy mix, including tidal power.

However, will the Secretary of State assure me that funds and support will not be diverted from established and emerging options into one big project, such as the Severn barrage? If we are serious about security of energy supply and lowering carbon emissions, we need a rich energy mix.

Mr. Hain: We do, and we need our energy to be developed and sustained as much as possible in home-grown forms, so that we are not dependent on fossil fuels imported from abroad, including from many unstable areas of the world. So this is not just a climate change but a security of supply issue. However, I see no conflict here between strong renewable energy and considering the nuclear option in Anglesey, for example, if that is appropriate. The Severn barrage is a privately funded project; the construction companies—McAlpine, Balfour Beatty and others—that formed a consortium intend to fund it privately. Indeed, that is the point: there would not be a big draw on public funds.

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): Will the Secretary of State assure me that despite the obvious, early and absolute backing for the Severn barrage scheme given in answer to the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd), the Secretary of State is not going to rule out investigating tidal lagoons? Has he had the opportunity to read the research produced by Friends of the Earth showing that the generation cost from tidal lagoons is more economically beneficial than that from the barrage; and will he give this House and the people of Wales an absolute assurance that he will carry out full investigations into the environmental impact of the barrage and of the lagoons, and not rule out the lagoon option at this stage?

Mr. Hain: I can assure the hon. Lady that I am not ruling it out; indeed, the Sustainable Development Commission is looking at this option. However, the facts are reasonably clear—unless they are contradicted by any further study—that the barrage would generate masses more power and is lower in emissions, and there are other benefits. The risk in the Severn area of flooding, especially as sea levels rise, is enormous, and the barrage would clearly help by providing a much securer environment for local houses and businesses. It also offers the exciting prospect of a transport link, with Cardiff airport being just round the corner. So there are benefits, which is why there is a lot of support in the south-west of England for this proposal, especially along the coast. The local regional development agency, for example, supports the idea of a barrage. So that is where my preference lies, but obviously we will look at the evidence.

Mrs. Siân C. James (Swansea, East) (Lab): However bold the Severn barrage project is, we must not ignore the opportunities along other parts of our coastline. In Swansea, particularly Swansea bay, the lagoon has captured people's imagination and there is a great deal of support for it. There should be more localisation of power generation. Does the Secretary of State agree?

Mr. Hain: I completely agree with my hon. Friend. Indeed, Wales is supremely well placed to harness the benefits of tidal and wave power because we have such an extensive coastline, including in the Swansea bay area, which provides a great tidal power opportunity. We should look at all options there, including the one that she mentions.

MTAS

2. **Hywel Williams** (Caernarfon) (PC): What discussions he has had with the Secretary of State for Health on Welsh priorities in respect of the medical training application service. [140335]

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): My right hon. Friend has regular discussions with the Secretary of State for Health on a range of health issues. I understand that Wales has opted out of using MTAS for recruitment, and that the Department of Health had no difficulty with its doing that.

Hywel Williams: When I tackled the Secretary of State for Health on this matter some two weeks ago, I asked her where in the application form there was a reference to the qualification of being able to speak Welsh. Her answer was, I am afraid, woefully inadequate. Will the Minister take this matter up with the Department of Health, given that there are shortages of Welsh-speaking doctors not only in general practice but in paediatrics, psychiatry and geriatrics? There is a pool of Welsh-speaking doctors—not only in Wales—who could be recruited.

Nick Ainger: I saw the exchange between the hon. Gentleman and the Secretary of State for Health, and I can tell him that the current recruitment system in Wales does allow for applicants to complete their form and then be interviewed in the Welsh language, provided that they inform the recruitment panel in advance. As we are interviewing every applicant, there is that clear opportunity for them to make the case that they have this additional benefit—it clearly is a benefit in many parts of Wales—of being able to communicate with their patients in Welsh. When I have discussions with Edwina Hart, the new Welsh Assembly Health Minister, I will raise this matter.

David T.C. Davies (Monmouth) (Con): I welcome the fact that we are not going to be using in Wales a scheme that has been described by the British Medical Association as a disaster. Can the Minister assure us that any alternative that we do use will rely on doctors' experience and their proven ability to make people better, and not on their ability to write 150-word vignettes full of jargon, or even—dare I say it?—the ability to speak Welsh?

Nick Ainger: Well, the hon. Gentleman gives us his usual rant, but the system that is now being used in Wales—in which every applicant will receive an interview—has been warmly welcomed by the Welsh deanery and the BMA Welsh junior doctors committee. The process is working well in Wales and we now have more than 2,200 doctors in training in Wales. The number of training places in Wales will rise from 261 last year to 320 next year. The investment in doctors' training and medical students is proving to be a great success, and that is why we are seeing substantial improvements in the quality of care being provided in Wales and in England.

Hospital Waiting Times

3. **Mr. Philip Dunne** (Ludlow) (Con): If he will make a statement on hospital waiting times for Welsh patients in hospitals in England. [140336]

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): The Assembly Government are investing record amounts in the NHS in Wales and are delivering real improvements in the standard of service to patients. Waiting times for Welsh patients in English hospitals are falling.

Mr. Dunne: I am grateful to the Minister for that optimistic response. The Royal Shrewsbury hospital supplies tremendous service to Welsh patients, especially those from mid-Wales, but why do Welsh patients have to wait 29 per cent. longer than English patients for routine elective operations and 39 per cent. longer for a first out-patient appointment?

Nick Ainger: The facts are that there are no Welsh patients waiting more than eight months for treatment in hospitals, including the Royal Shrewsbury, compared with 900 a year ago, and in the past three years the number of Welsh patients waiting for more than six months for a first appointment at an English hospital has fallen by 61 per cent. Those are significant improvements. Yes, further improvements can be made, but the Welsh Assembly Government will spend £5.5 billion on the health service in Wales next year, amounting to £1,800 per person, something that could not be achieved by the hon. Gentleman's policy of sharing tax cuts with public service investment. That would mean a £21 billion cut.

Ian Lucas (Wrexham) (Lab): Much progress has been made in reducing waiting times for patients from Wales attending hospitals in England. In Wrexham, visits to the Countess of Chester and Gobowen hospitals have much shorter waiting times. I suggest, however, that there be close discussions with the new Welsh Health Minister on that issue and on cross-border funding issues. I suggest that my hon. Friend also discuss the matter with the new Assembly Member for Wrexham, Lesley Griffiths. I may have omitted to mention the fact that Wrexham was a Labour gain—

Hon. Members: Hooray!

Nick Ainger: Indeed. I congratulate Lesley Griffiths on her recent success. My hon. Friend is right that the investment in the health service in Wales is delivering real improvements and waiting times are falling. Local health boards in Wales need to talk to hospitals in England about local packages of care, but given the money that is now going into the health service in Wales, finance should not be a problem.

Mr. David Jones (Clwyd, West) (Con): The Minister mentions that the target waiting time for elective surgery is eight months. In fact, as I am sure he will agree, that is the target waiting time for in-patient treatment. The combined target waiting time for Welsh patients is a total of 68 weeks, whereas for English patients it is 31 weeks. Can the Minister explain why Welsh patients—who after all pay their taxes at the same rates as English patients—should be expected to wait in pain for an additional 37 weeks? Is that a policy decision by the Welsh Assembly Government, or is it incompetence?

Nick Ainger: As I said earlier, no Welsh patient is waiting for care in an English hospital for more than 12 months, compared with 900 last year. I suggest that the hon. Gentleman look back at the figures for 1996-97, which were substantially higher than those for last year. No patient in Wales waits longer than eight months for in-patient care, which means that many of them actually receive care long before the eight-month target time.

Cross-border Issues

4. **Mr. David Evennett** (Bexleyheath and Crayford) (Con): What discussions he has had with the First Minister on the National Assembly for Wales's legislative programme as it relates to cross-border issues. [140337]

The Secretary of State for Wales (Mr. Peter Hain): The First Minister will announce later today the Welsh Assembly Government's strategic and legislative programme for the coming months. He has already announced in plenary on 25 May that he will bring forward proposals in relation to child poverty, affordable housing, climate change and better access to health care.

Mr. Evennett: I thank the Secretary of State for his reply. How closely do the Labour Government in Westminster intend to involve Westminster MPs in scrutinising Welsh legislative issues? Is not the Secretary of State concerned—as Opposition Members are—that such scrutiny opportunities for Westminster MPs are limited to statutory instruments, secondary legislative bodies and Welsh Committees? What can he do to give more scrutiny by the House?

Mr. Hain: I very much support the principle of scrutiny, particularly pre-legislative scrutiny, which I took forward in my previous post as Leader of the House. The Welsh Affairs Committee has the opportunity to pre-scrutinise matters and only yesterday produced a valuable report, which noted that the whole House could be involved. Although it is a Welsh Members' Select Committee, other Members have the opportunity to give evidence to it and to contribute to the scrutiny process. There are other ways of achieving that, too.

Dr. Hywel Francis (Aberavon) (Lab): I welcome the Secretary of State's positive comments about our report. Would he be prepared to appear before the Select Committee to discuss the matter more fully? Like him and the whole House, we are keen to ensure that there is thorough scrutiny of all framework powers going through the Welsh Assembly Government.

Mr. Hain: Undoubtedly, the introduction of Orders in Council, as provided for in the Government of Wales Act 2006, to give the Assembly the opportunity to take extra measure-making powers is an important advance, and my hon. Friend's Committee will have a valuable pre-scrutiny role. He referred to framework powers, as

did the report, and my right hon. Friends the Members for Torfaen (Mr. Murphy) and for Islwyn (Mr. Touhig) have also raised the issue on the Floor of the House. It is an important issue, and an explanatory memorandum will of course accompany each proposed framework power in an England and Wales Bill and will be placed in the Libraries of both Houses. We need to make sure that a full explanation is provided by the Welsh Assembly Government so that Members have the chance to look at what they are being invited to endorse in a Bill.

Robert Key (Salisbury) (Con): In discussing with the First Minister his proposals for climate change legislation, will the Secretary of State ensure that the First Minister is fully aware of the controversial cross-border issues that will arise over proposals for the Severn barrage? Will the Secretary of State and the First Minister ensure that before they proceed they visit the barrage de La Rance at St. Malo, where they will see how over 40 years, and to generate only 3 per cent. of the electricity of Brittany, the environment has been devastated and biodiversity has been sterilised? The impact of the barrage on that part of France has been devastatingly bad and there will be great opposition to the Severn barrage on those grounds alone.

Mr. Hain: That is not my understanding, but obviously if the hon. Gentleman wants to put evidence before me I shall be happy to look at it. As I understand it, the evidence shows that La Rance river, which is the only equivalent project that I know about, has seen an increase in biodiversity. Given the support for the proposal in the south-west, from Bristol down to Taunton, including the regional development agency and local authorities, I think the Severn barrage could be of enormous benefit environmentally and in every other way.

Mrs. Cheryl Gillan (Chesham and Amersham) (Con): I am not sure that the Secretary of State will have time to visit the Rance project; after all, he did not have time, or was unable, to attend the opening of the Welsh Assembly yesterday. However, will he find time to ask the First Minister how he can claim to be leading a listening Government in Wales when he has not discussed his legislative programme with the other parties and did not even attend the televised debate between party leaders on the legislation last night? Is not the truth that Labour continues to take Wales for granted even when it has lost its majority and lost its authority?

Mr. Hain: This is from a Welsh Conservative party that did extremely badly at the 3 May elections and that has consistently lost ground in Wales over the past 20 years because of its anti-Welsh policies and the way in which unemployment went up and bankruptcies and public spending cuts increased in Wales under the Tories. All that would lie in Wales's future if Tory Ministers took power away from a Welsh Assembly Labour Government. Tory Ministers back in power and in charge of Wales is not something that the people of Wales want.

Social Housing

5. **Mr. Martin Caton** (Gower) (Lab): What recent discussions he has had with the Chancellor of the Exchequer on measures which could be taken by the UK Government to increase funding available for social housing in Wales. [140338]

The Secretary of State for Wales (Mr. Peter Hain): I have regular discussions on a range of issues, including housing. I welcome the extra £1 billion for Wales that my right hon. Friend the Chancellor provided in his Budget, which covers, of course, every public service.

Mr. Caton: I thank my right hon. Friend for that reply. Does he agree that council housing must be part of the social housing mix? Will he assure me that he and the Government will respond positively to the message coming from council house tenants such as those in Swansea who say that they wish to stick with the local authority as their landlord and want proper investment in council housing?

Mr. Hain: I am strongly sympathetic to the point of view that my hon. Friend argues. Indeed, the Welsh Labour manifesto pledged to invest £450 million in new social and affordable housing, thus bringing about 6,500 additional homes. It is important that we make housing a real priority, including that of councils and housing associations, because there is a real need for more affordable homes to rent in Wales and right throughout Britain.

Mark Tami (Alyn and Deeside) (Lab): If there is a fourth option for social housing, does my right hon. Friend agree that we need to make it realistic, rather than the vague possibility that it is at present?

Mr. Hain: Yes. Indeed, my right hon. Friend the Chancellor has recently signalled exciting new initiatives to take forward extra house building because that is one of the priorities for our next term in government.

Ambulance Services

6. **Mr. Mark Harper** (Forest of Dean) (Con): What recent discussions he has had with Welsh Assembly Ministers on the interaction between the ambulance service in Wales and neighbouring services in England. [140339]

9. **Mr. David Amess** (Southend, West) (Con): What recent discussions he has had with Welsh Assembly Ministers on cross-border issues affecting the ambulance service in Wales. [140342]

The Parliamentary Under-Secretary of State for Wales (Nick Ainger): I have regular meetings with the Assembly Minister for Health and Social Services on a range of issues, including the provision of ambulance services.

Mr. Harper: I thank the Minister for that answer. Ambulance services are a particular challenge in Gloucestershire, especially in Forest of Dean, given the nature of its geography. In some cases, it would make sense for the Welsh ambulance service to deal with patients in the southern part of my constituency. Will the Minister use whatever good offices he has to encourage Welsh Assembly Ministers to urge the Welsh

ambulance service to work seamlessly with its colleagues in Gloucestershire, because we do not want the Welsh border to become a barrier to effective health care? *[Interruption.]*

Mr. Speaker: Order. The House should come to order; it is unfair to those who are here for Welsh business.

Nick Ainger: The hon. Member for Forest of Dean (Mr. Harper) makes a very good point. I understand that the Great Western ambulance service, which covers his constituency, has joint working arrangements with the Welsh ambulance service to deal with specific sites such as bridges and tunnels. Those working arrangements are regularly reviewed. I understand that there are closer working arrangements and co-operation elsewhere on the border. I will shortly be meeting Edwina Hart, the Assembly Minister with responsibility for health, and I will take up the point that the hon. Gentleman makes.

Mr. Amess: Whatever the Minister says, the present arrangements do not seem to be working terribly well, with response times deteriorating from the present eight minutes. Is that the fault of the Minister, or the Welsh Assembly?

Nick Ainger: In fact, response times have improved dramatically in the Welsh Ambulance Services NHS Trust. It was formed in 1998, and for the past two months, it has exceeded its target of responding to 60 per cent. of life-threatening emergencies inside eight minutes. That is a result of substantial investment in staff and, especially, equipment. The service is meeting its targets and continues to improve. I am sure that the hon. Gentleman would appreciate some assistance from the Welsh ambulance trust.

Barnett Formula

7. **Mr. Peter Bone** (Wellingborough) (Con): What recent discussions he has had with the Chancellor of the Exchequer on the operation of the Barnett formula as it affects Wales. [140340]

The Secretary of State for Northern Ireland (Mr. Peter Hain): The Barnett formula has worked well in delivering funding for Wales, and I have been taking every opportunity to discuss the forthcoming spending review with the Chancellor and with the Chief Secretary to ensure that it continues to do so.

Mr. Bone: Public expenditure per head of population in Wales is £1,000 more than in England, yet patients in Wales have to wait significantly longer for NHS treatment. Five thousand patients in Wales are waiting more than six months for an NHS operation—what has gone wrong?

Mr. Hain: Waiting times in Wales are coming down progressively, and they are well down compared with the appalling scandal of long waiting times under the Tories.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [140249] **Ms Sally Keeble** (Northampton, North) (Lab): If he will list his official engagements for Wednesday 6 June.

The Prime Minister (Mr. Tony Blair): Before listing my engagements, as the House will know there has been fierce fighting in the south of Afghanistan in which UK troops are being deployed with considerable courage and commitment on their part. I know that the whole House will want to join me in sending our profound condolences to the family and friends of those who have fallen: Guardsman Daniel Probyn of 1st Battalion the Grenadier Guards, Corporal Darren Bonner of 1st Battalion the Royal Anglican Regiment and Corporal Mike Gilyeat of the Royal Military Police. This country should be very proud of the sacrifice they have made.

This morning I had meetings with ministerial colleagues and others. In addition to my duties in the House, I will have further such meetings later today.

Ms Keeble: I associate myself and my constituents with the expressions of condolence for the families of the service personnel lost in action.

Will my right hon. Friend join me in congratulating the Northampton climate change forum, which has its first meeting tomorrow evening under the excellent chairmanship of Terry Smithson of our local wildlife trust? As my right hon. Friend heads off to the G8, what message does he have for climate change campaigners in Northampton and elsewhere on what he hopes will be achieved in Germany?

The Prime Minister: I congratulate the Northampton climate change forum on the work that it does, which shows the interest that is taken in this issue in constituencies and communities up and down the country. What will be important at the G8 is first, that for the first time we manage to get agreement on the science of climate change and the fact that it is human activity that is causing it; secondly, that we manage to get agreement that there should be a new global deal that involves all the main players, including America and China, when the Kyoto protocol expires in 2012; and thirdly, that at the heart of that has to be a global target for a substantial reduction in greenhouse gas emissions. That should be followed through via the United Nations process. Those are the key things that we need out of the G8 agenda. I hope that my hon. Friend does not mind my saying, however, that we should not forget the necessity of also keeping to our commitments on Africa.

Mr. David Cameron (Witney) (Con): I join the Prime Minister in paying tribute to Corporal Mike Gilyeat, Corporal Darren Bonner and Guardsman Daniel Probyn, who were all killed in Afghanistan. They died serving their country.

Tonight, the House of Lords will vote on proposals to help the 125,000 people who are suffering because their pension schemes went bust. The Government fund set up to support those people has so far helped only just over 1,000, and yet it has cost £10 million to administer. Will the Prime Minister confirm those figures?

The Prime Minister: The total amount of the fund over the years to come will be some £8 billion. There used to be no help available to people in this situation; there is help available now. The difficulty with the House of Lords amendment—we have had this exchange several times—is that unless we can be sure that we can keep to those commitments within the £8 billion that has been set aside by the Government, it is irresponsible to hold out the promise that we can go up to 100 per cent. if we are not able to do so.

Mr. Cameron: The Prime Minister will not confirm the figures, but I have to say that they are unacceptable. Yes, we have had this exchange before. When I raised this with the Prime Minister two months ago, he promised a review of the unclaimed assets and said that he would try to get the maximum compensation level. What are the results of that review? Does he recognise that tonight's vote is probably the last chance that he has as Prime Minister, without any long-term spending commitment, to right the wrong that has been done to those people?

The Prime Minister: First, let me make one thing clear to the right hon. Gentleman—more than 100,000 people will benefit from the scheme. There used to be absolutely nothing for those people. Secondly, let me point out to him that the reason why we have not gone beyond 80 per cent. is that it is wrong to promise that we can go further than that unless we can say how it will be paid for. We simply cannot, on the basis of the Treasury loan scheme or the idea of unclaimed assets, make future spending commitments outside the £8 billion. That is not sensible and it is not responsible. As for suggesting that we are not helping people, it is true that more than 1,000 people have already been helped, but in the years to come there will be tens of thousands more.

Mr. Cameron: The reason the Government scheme was set up was because so many pension schemes went bust under the Prime Minister's Government. That is the problem. What the pensioners involved need is help now as thousands of them have reached retirement age. I have to say to him that when the Maxwell crisis was sorted out—*[Interruption.]* Yes, when the Maxwell crisis was sorted out, the Government of the day used a Treasury loan to advance money to those affected without putting long-term costs on the Exchequer. Why does the Prime Minister not do the same thing now?

The Prime Minister: It is not possible to do what we propose unless we set aside the money now, because what we cannot do is promise people that we will pay them more for their pensions, over and above the £8 billion commitment, which has been given to people for the first time and which will allow us to compensate them for 80 per cent. To end up promising more without saying where the money will come from is an idea that I might describe as completely "delusional".

Nigel Griffiths (Edinburgh, South) (Lab): Will my right hon. Friend join me in welcoming any decision by Edinburgh university to strip Robert Mugabe of his honorary degree, and will he ensure that neither Mugabe nor any of his henchmen are permitted to come to Britain with visas until democracy is fully restored to Zimbabwe?

The Prime Minister: I confirm that that is indeed our position on visas. It is, of course, a decision for Edinburgh university, but I entirely endorse the sentiments that my hon. Friend has expressed.

Sir Menzies Campbell (North-East Fife) (LD): I join the Prime Minister in his expressions of condolence and support for the relatives of those who have lost their lives in the service of our country.

With 200,000 people killed and 2 million displaced from their homes, what can the people of Darfur expect from the G8?

The Prime Minister: I hope that they can expect a recommitment to sanctions if the Sudanese Government do not abide by the peace accord that has been set out and do not stop bombing their citizens. The Sudanese Government should also welcome the hybrid African Union-United Nations force as that is the only way that we will keep the combatants apart. In addition to that, it is important that rebel groups abide by the peace accord. I am sure that Darfur will be raised in the course of the G8.

Sir Menzies Campbell: Is it not time not only for tougher sanctions against the Sudanese Government, but for a much more effective arms embargo and for much better logistical support for the African Union mission in Sudan? Will the Prime Minister tell the other members of the G8 that we cannot afford another Rwanda?

The Prime Minister: It is precisely for that reason that, in part as a result of pressure from this Government, we have an African Union force in Sudan. We are giving it logistic support, but it is true that we need to do more, as I have already said. I am afraid that the arms embargo will not, in this instance, meet the issue. What will do so is building up the African Union's peacekeeping capability. One of the things that we will discuss at the G8 is the progress that we have made since Gleneagles—for example, the UK has been involved in training some 11,000 peacekeepers in Africa. However, the only solution is a strong African Union peacekeeping force that can be deployed in such situations. Darfur has not slipped into being a Rwanda yet, but the right hon. and learned Gentleman is right—it is a parlous situation and it is essential that we take action, and we will be pressing for that action.

Q2. [140250] **Mr. Andrew Dismore** (Hendon) (Lab): This week marks the 40th anniversary of the Arab-Israeli war. What does my right hon. Friend think can be done now to try to resurrect the peace process, and does he agree that the University and College Union's boycott of Israeli universities is misguided, undermines academic freedom and contributes absolutely nothing to the attempt to bring peace to the middle east?

The Prime Minister: I agree with what my hon. Friend said about the boycott and I very much hope that that

decision is overturned because it does absolutely no good for the peace process or, indeed, for relations in that part of the world. He is right to emphasise that the only solution ultimately is to relaunch the framework for a negotiated peace with a two-state solution at its heart, and we will work on that.

Mr. David Cameron (Witney) (Con): The G8 agreed at Gleneagles that by 2010 everyone suffering from HIV/AIDS would have access to the medicines that they need. Will the Prime Minister confirm that, sadly, almost three quarters of sufferers still do not have access to that treatment?

The Prime Minister: There are 1 million more people who receive treatment, but the right hon. Gentleman is right to say that we need to go further. The commitment is to do that by 2010, and I hope that we will recommit to that at the G8 summit at Heiligendamm. In addition, the announcement by the Americans to double their HIV/AIDS spending from $15 billion to $30 billion is extremely important. The Germans have now committed an extra €3 billion of aid to Africa over the next four years, which is also important, and this country is making a huge contribution to fighting HIV/AIDS. Yes, we need to go further, but it is important to realise that, as a result of what was done at Gleneagles, 1 million more people are now receiving treatment.

Mr. Cameron: Charities such as ActionAid believe that the specific proposals set out in the draft communiqué do not go nearly far enough, and they believe that the goal agreed at Gleneagles is on the verge of collapse, which would result in millions of preventable deaths. We have long argued for interim targets, as the Prime Minister knows. Does he agree that it would be a disaster if the current wording of the communiqué is allowed to stand?

The Prime Minister: We are trying to strengthen that language and put in some specifics, particularly in relation to HIV/AIDS treatment. For obvious and natural reasons, pressure groups always say that not enough is being done or that the situation is in danger of collapse. Since Gleneagles, however, there has been almost $40 billion of debt relief; there have been substantial increases in aid, including to Africa; millions more children are in primary education; and, as I said, 1 million extra people are receiving HIV/AIDS treatment. As I saw for myself last week in South Africa, the possibility, if we expand the use of drugs for those people, is that we can save millions of lives, so we have to do so. It is precisely to achieve those types of commitments that we will go to the G8 and negotiate.

Mr. Khalid Mahmood (Birmingham, Perry Barr) (Lab): I congratulate my right hon. Friend on engaging in dialogue with some of the most distinguished Muslim leaders and scholars around the world at a recent conference at Lancaster House. He rightly wants the authentic and true voice of Islam to be heard in Britain. How does he believe that he can achieve that?

The Prime Minister: I thank my hon. Friend for the work that he has done in that area. What is interesting, and what came out very strongly from the two-day conference, is the fact that the moderate, reasonable voice of Islam is the majority voice of Islam. It is not heard enough, but it was interesting that people around the world, including some of the most distinguished Islamic scholars, made it quite clear that they wanted no truck with extremism.

Q3. [140251] **Tim Loughton** (East Worthing and Shoreham) (Con): Fifteen per cent. of school-age children are obese, and under-age drinking has doubled. Yesterday, the Children's Society said that 43 per cent. of parents are scared to let their children go out with their friends. Schools have become exam factories, contributing to the one in 10 children suffering mental health problems, to which the Prime Minister's solution is to force four-year-olds to take exams in mental health. Is he proud of his legacy on the state of our children, or is he just not "bovvered"?

The Prime Minister: I think that the hon. Gentleman is exaggerating the situation a trifle. Of course, there are pressures on children today: pressures through exams and through the type of things to which they have access a lot earlier than generations past. The majority of young people whom I meet are working hard and are extremely responsible, decent members of society who behave very well. There is a minority who either misbehave or are socially excluded and we need specific measures to help them. However, I do not think that the debate is helped by that type of hyperbole, if the hon. Gentleman does not mind my saying so.

Q4. [140252] **Mr. David Winnick** (Walsall, North) (Lab): Does my right hon. Friend accept that among the important reforms and changes that have occurred on his watch over the past 10 years is freedom of information? Why should Parliament alone, of all the public bodies in this country, be able to contract out of a law? Can my right hon. Friend explain why the two Front Benches are supporting the private Member's Bill, when it should be thrown in the dustbin?

The Prime Minister: Because I have enormous respect for my hon. Friend and because this may be the last time that he asks me a question at Prime Minister's questions, I do not want to disagree with him—but if I were pushed, I might. It is important—and this has been made clear—that on matters such as expenses, MPs continue to be very open. There is a consensus on that. A huge amount of scrutiny is given by the House about Members of Parliament and I do not think we should apologise for what we do in the House.

Q5. [140253] **Mr. Mark Lancaster** (North-East Milton Keynes) (Con): Does the Prime Minister agree that if communities such as Milton Keynes are to be truly sustainable, final decisions on their expansion should be made by democratically elected local authorities, not by unelected, unaccountable quangos?

The Prime Minister: Of course, local decision making is important, but I hope that the hon. Gentleman agrees that if we are to deal with housing issues, we have to expand the availability of housing because of the expansion in the number of households. I agree that a balance needs to be struck, but that must include proposals that allow us to make sure that our people, particularly our younger people, have houses to buy.

Jeff Ennis (Barnsley, East and Mexborough) (Lab): The 25p per week age addition to state pensions for the over-80s has remained at the same level since 1971. Does the Prime Minister agree that the time is right to review that derisory amount? Should the Government give consideration to, say, adding a £25 lump sum to the winter fuel allowance as an alternative?

The Prime Minister: Those are obviously decisions that have to be taken at the time of the Budget. Although I entirely understand the point that my hon. Friend makes, we are now spending, on an annual basis, about £11 billion a year extra for our pensioners. They have the winter fuel allowance, the free TV licences for the over-75s, and a substantial uplift in many of the payments that are made through the pension credit. There is one other thing that is worth pointing out: over the next few years we will move to a situation where the basic state pension is relinked to earning. That will benefit many of our pensioners to a far greater degree than even an extra £25.

Q6. [140254] **Paul Rowen** (Rochdale) (LD): Can the Prime Minister tell the House what evidence there is for his assertion that closing or downgrading accident and emergency departments such as Rochdale's saves lives?

The Prime Minister: Each of those decisions must be taken on the basis of local conditions, but they are driven by clinicians, not cost. In emergencies involving some of the most serious illnesses such as stroke or heart disease, it is better for people to be treated by paramedics in an ambulance and then taken to a specialised unit. The idea of changing accident and emergency, like maternity services or paediatrics, is therefore driven by the fact that there is increasing specialised provision that does the best for patients. I ask the hon. Gentleman to take account of that.

Mr. Denis MacShane (Rotherham) (Lab): The Prime Minister will be talking with Mr. Putin at the G8 and discussing the Litvinenko case. We have other problems with Russia—the threat to target missiles at European cities, the fact that Shell and BP have effectively been renationalised there, and the boycott of trade with Poland. All those are grave and troubling signs of a different approach from Russia. Will the Prime Minister talk frankly to Mr. Putin about those problems? We want partnership with Russia on Iran, Kosovo and other issues. Will he also talk frankly with his European partners, because it is European unity and sticking together that will achieve that?

The Prime Minister: There will be an opportunity to talk to President Putin at the summit. I have always had good relations with President Putin. We want good relations with Russia, but that can be achieved only on the basis that there are certain shared principles and shared values. If there are not, there is no point in making hollow threats against Russia. The consequence is that people in Europe will want to minimise the business that they do with Russia if that happens. A closer relationship between Europe and Russia is important, but it will be a sustainable relationship only if it is based on those shared values.

Q7. [140255] **Dr. William McCrea** (South Antrim) (DUP): The Prime Minister will know that Sinn Fein members have taken their places on the Northern Ireland Policing Board. Does he agree that it is totally unacceptable that a party that has members on the Policing Board also has leading members on the Provisional IRA terrorist army council? Will he therefore agree to take urgent steps to have that matter dealt with effectively?

The Prime Minister: The most important thing is that whoever is on the Policing Board and whoever is taking part in the politics of Northern Ireland does so on the basis of complete commitment to democracy and exclusively peaceful means. That applies to everybody. That is the central test, and it is a test monitored, as the hon. Gentleman knows, by the Independent Monitoring Commission.

Q8. [140256] **Shona McIsaac** (Cleethorpes) (Lab): Although I am sorely tempted to ask my right hon. Friend about grammar schools, I have decided to ask him whether he has read the Communities and Local Government Select Committee report on coastal towns and the problems that many of them face—for example, isolation, the outward migration of talented young people and high numbers of incapacity benefit claimants. Will he continue to liaise with his Ministers about coming forward with a coherent national strategy to tackle those problems in coastal towns?

The Prime Minister: The point that my hon. Friend has raised about coastal towns is very important. Because the focus is sometimes on inner-city regeneration, people forget that some coastal towns have large numbers of people who are either socially excluded or unemployed and that such local economies can be difficult. It is precisely for that reason that we are looking at what more we can do to support our coastal towns and to make sure that a fair proportion of the £20 billion that we are spending on regeneration gets to them to allow them to develop local economies that are sustainable in the future.

Mr. John Redwood (Wokingham) (Con): Why did carbon dioxide emissions in both the UK and the EU rise last year while falling in the United States of America, and what are the Government going to do about it?

The Prime Minister: It is correct that there was a small rise here and, indeed, elsewhere in Europe. It is precisely for that reason that we have agreed a new framework for the European emissions trading system. I know that the right hon. Gentleman may find it hard to support anything with the word "European" in it, but it is none the less important to recognise that it is only through that trading scheme that we will make a difference. The fact that the European Council has now set very ambitious targets for CO_2 emissions and greenhouse gas emissions is extremely important. Incidentally, this country will meet our targets under the Kyoto treaty.

Q9. [140257] **Mr. Adrian Bailey** (West Bromwich, West) (Lab/Co-op): In my local authority, Sandwell, there has been enormous demand for places at the new

Sandwell academy, and that interest has been reflected in demand for places at other proposed academies. Does my right hon. Friend agree that there is a developing consensus that excellence in education can be delivered without academic selection? Will he seek to build on that consensus, which I believe is both public and political?

The Prime Minister: I thought that there was a developing consensus, although it has faltered a little in the past few days. The academy programme is proving to be a real success story with parents, and it is providing excellent education for some of the poorest communities in the country. My hon. Friend is absolutely right: it is part of a change throughout schools in our country, where there has been massive capital investment and better results. As a result of investment and reform, we now have a situation totally different from that a few years back. The vast majority of our children are getting educated well. We need to go further—we know that we do—but the fact is that education in this country has been transformed in the past decade.

Q10. [140258] **Mr. Philip Hollobone** (Kettering) (Con): It is Government policy that in the next 15 years a substantial part of the green space in the borough of Kettering will be concreted over with the number of dwellings to increase by a massive one third. Given the Government's alleged new-found commitment to localism, does the Prime Minister think it fair that local residents effectively have no say on whether that development proceeds?

The Prime Minister: As I said to the hon. Member for North-East Milton Keynes (Mr. Lancaster) earlier, the green belt is being protected—we now have far more development on brownfield sites—and that is absolutely right, but we need to build more homes. If the Conservative party says that, in general, we need to give help to first-time buyers and those who need to get into the housing market, and help to ensure that we have proper housing, it cannot then, in particular, oppose every housing development in different parts of the country. That simply shows me that the Conservative party, in that area of policy as in many others, has still not worked it out.

Q11. [140259] **Kerry McCarthy** (Bristol, East) (Lab): I do not suppose that my right hon. Friend will have time between now and 27 June to visit Bristol, but if he did, he could see for himself the stunning new schools that are being built under the building schools for the future programme, especially the first BSF school in the country, which is due to open this summer at Speedwell. Will he join me in urging the 27 per cent. of parents who currently take their children out of the state sector at the age of 11 to visit the fantastic new school buildings, see what they have to offer and give Bristol schools a second chance?

The Prime Minister: My hon. Friend is absolutely right to say that the opportunities now exist because many hundreds of schools throughout the country have GCSE results that are well over 70 per cent. In addition, there have been thousands of refurbishments, some 2,500 extra sports facilities and we have the biggest school building programme under way that the country has ever seen. Consequently, standards are also improving. The great thing about many of the new schools—I have recently visited several—is that they are designed differently, their whole look is different, and the children feel that, for the first time, they are in an environment that will encourage them to do better and learn. That is all about our programme and our commitment to providing excellence not just for a few, but for all.

Q12. [140260] **Mr. James Gray** (North Wiltshire) (Con): The whole House will want to join me in warmly congratulating the Prime Minister on his appointment last week as the supreme chief for peace by the people of Sierra Leone. Does he expect to pick up a similar plaudit from the people of Iraq?

The Prime Minister: Sometimes, the best people to speak about Iraq are the elected politicians there. I refer the hon. Gentleman to the press conference—which, unsurprisingly, was not covered—that the President of Iraq gave here a few weeks ago. He said that however difficult the situation because of the terrorists, we should never forget what it was like under Saddam and that, if terrorists try to stop the country getting democracy, we should stand up and fight them, not give in to them.

Q13. [140261] **Mr. David Kidney** (Stafford) (Lab): Ask older residents in Stafford their top concern, and most would say the fear of losing their post offices. Will the Government and Post Office Ltd hurry up and announce which post offices are being considered for closure so that, conversely, reassurance can be given about the majority that are staying open? For those at risk, will the Government accept responsibility to do all they can to preserve postal services for older people through co-location of services, outreach and innovative ways of providing services, such as social enterprise and community shops?

The Prime Minister: My hon. Friend's point is absolutely right and reasonable. We are putting a huge investment—some £2 billion—into supporting our post office network. However, as he rightly implies, changes are happening that mean that the way in which post offices operate must change if they are to be viable in future. We will try to identify as quickly as possible the post offices that are at risk and those that are not. However, my hon. Friend is right that there is no point in kidding ourselves—we must find new ways of making the network viable and ensuring that people can use it to carry out a further range of transactions, but not close our eyes to the inevitable fact that many more people now take their money through their bank account and not the post office. There is a viable future, but it has to be on the basis of the suggested changes.

Q15. [140263] **Sir Nicholas Winterton** (Macclesfield) (Con): The Prime Minister has brought great style and flair to the high office that he has held for 10 years. Will he leave office with honour by giving an assurance in the House today that he will hand over no further powers or competences to the European Union without the referendum that I believe that he promised the people of the United Kingdom?

The Prime Minister: I thank the hon. Gentleman for his opening remarks. As he knows, my belief is that we do not need a constitutional treaty and that we should have a simplified and amending treaty. I can assure him that all the red lines that we have set out will be protected for this country, but it is also in the interests of this country that we find a way for Europe to operate more effectively with 27 members than it can under rules designed for 15 or fewer members.

Q14. [140262] **Andrew Miller** (Ellesmere Port and Neston) (Lab): Two days ago, General Motors brought its most advanced hydrogen-powered car into the Palace of Westminster for colleagues to see. Over the past few months, the Government have done a tremendous amount of work, led by my right hon. Friend the Chancellor, to ensure that General Motors succeeds in delivering investment into Ellesmere Port. Can we have an assurance that the Government will continue that work to help promote those new modern technologies? Does the Prime Minister agree that there is no incompatibility between the development of vehicle building and climate change issues when it is delivered by those sorts of hydrogen technologies?

The Prime Minister: I congratulate my hon. Friend's constituents on their work in the car industry and also on finding environmentally beneficial ways of ensuring that the car fleet is modernised to take account of the pressures of climate change. We are investing several million pounds in research into hydrogen fuel cell technology. I have no doubt that, partly as a result of agreeing that we will have a global target this week at the G8, there will be a big impetus behind those types of technologies for the future. I certainly hope that we can do so.

Point of Order

12.31 pm

Mr. Mark Harper (Forest of Dean) (Con): On a point of order, Mr. Speaker. I know you take very seriously the convention that Members should notify other Members when they go to their constituencies, so I wanted to ask for your advice about this matter. When the right hon. and learned Member for Camberwell and Peckham (Ms Harman) was conducting her deputy leadership tour on Friday 25 May, she not only appeared in my constituency, but featured in the local newspaper. My office has been in touch with hers to ask for an explanation of that oversight and still awaits a reply. Could you, Mr. Speaker, perhaps give me some advice about what I can do about it?

Mr. Speaker: Perhaps the hon. Gentleman could contact the right hon. and learned Lady and find out why she was—*[Interruption.]* Let me finish. If it was on a Labour party matter, it is nothing to do with me or the House. It is only when an hon. Member makes an official visit—*[Interruption.]* The hon. Gentleman is showing me some papers, but if it is a Labour party matter, it is not a matter for the Chair. These matters should be sorted out between—*[Interruption.]* I hope that the hon. Gentleman is listening, because he might learn something. These matters should be sorted out between hon. Members and not drawn to the attention of the Chair.

Armed Forces (Federation)

12.32 pm

Mr. Kevan Jones (North Durham) (Lab): I beg to move,

That leave be given to bring in a Bill to make provision for the establishment of a Federation for the Armed Forces; and for connected purposes.

I am pleased to have the opportunity to introduce this Bill today. Last year, I had the pleasure of serving on the Committee that considered the Armed Forces Bill. During consideration in Committee, I moved new clause 23, which would have established the formation of an armed forces federation open to serving and retired members of Her Majesty's armed forces, both regular and reserve. I have to say that I was neither surprised nor disappointed that the new clause was not accepted, but our consideration of it allowed the Committee to discuss the issues surrounding it.

I now believe that there is a groundswell of opinion among the public as well as among members of the armed forces that it is time that those members should have an independent voice to represent their interests. Recent controversies surrounding accommodation, the treatment given in medical facilities to injured personnel returning from Iraq—and, of course, the scandal at Deepcut—have highlighted the increasing need for members of the armed forces to have an independent voice and to ensure that it is heard.

There is also increasing evidence that members of Her Majesty's armed forces need to have access to independent legal advice. In the previous Parliament, I also served on the Committee that considered the Armed Forces (Pensions and Compensation) Act 2004. It was clear from those deliberations that members of Her Majesty's armed services needed independent employment advice and advice about their pensions.

I propose not a trade union but a federation along the lines of the Police Federation. I want to build on the excellent work already done by the British Armed Forces Federation, which was set up in 2006, has recently been incorporated as a company limited by guarantee, and is now recruiting members. The work of Douglas Young and his team at the BAFF has been important in raising awareness of such issues among members of the armed forces. The Bill would put the federation on a formal recognised footing with the Ministry of Defence.

The aim of the Bill is to encompass the 10-point plan put forward by the BAFF, which states:

"The federation's mission shall be to represent, foster and promote the professional welfare, and other legitimate interests of all members of the federation in their capacity as serving or retired personnel of the fighting services of the United Kingdom".

That will help to maximise the operational efficiency of our armed forces and improve retention and training.

The activities of the federation would cover five main areas: first, professional and career development through the provision of education and information; secondly, liaison, monitoring and response to proposals or developments within the armed forces and in Parliament, and the provision of services in the public or commercial sector for armed forces personnel; thirdly, advocacy and consultation to protect and improve the conditions

[Mr. Kevan Jones]

of service life, including pay, accommodation, medical and welfare services, resettlement packages and all other areas of support for armed forces personnel and their families; fourthly, support to personnel facing court martial or other legal proceedings in connection with their service; and finally, negotiation of commercial benefits for armed forces personnel and their families.

It is important that the federation is seen to be independent, and is not beholden to any political party, pressure group or defence interest. While the federation needs robust and adequate funding, it is important that it is not seen as just another pressure group for defence interests. The federation will not take a view on defence strategy or operational decisions, although it may raise individual, legitimate concerns affecting its members.

To clarify, I reiterate that the federation will not be a trade union for the armed forces. It will not conduct or condone any form of industrial action or insubordination within the armed forces. The federation will seek to work with the Ministry of Defence to put in place a form of understanding that could deal with such issues. It will also recognise the importance of the chain of command. If we look at the BAFF's website, we see that it clearly reinforces the point that the chain of command is to be recognised, not overridden.

The proposal might be seen as radical and dangerous by certain members of the armed forces, and possibly by some Opposition Members. But may I point out that many other nations, including the United States and Australia, already have such federations, which have the support of the military command in those countries? The proposal, however, is not to copy those, but to bring forward a British solution for the British armed forces. It will reflect the ethos and robust traditions of the three fighting services, but it will also meet the requirements of men and women who are serving in our armed forces.

The best example that I can give is that of the Armed Forces Federation of Australia. It is an independent voice on pay and allowances and represents members of the armed forces on employment issues. It also gives legal advice, financial assistance and advice, and allows for discounts and savings schemes nationally for all members of the Australian armed forces. The federation is controlled and structured by its members and is independent of the Australian military, although it has the backing of senior military figures. In the introduction to its latest handbook, Air Chief Marshall Houston says:

> "As an independent representative body for military personnel, I welcome the Federation's continued contribution to the development of personnel policies for the ADF".

He acknowledged the federation's "ongoing commitment and contribution" to the Australian armed forces.

The Bill would not set up an armed forces federation; it already exists. Instead, it would allow the BAFF to be recognised by the Ministry of Defence and be valued for providing a voice for ordinary members of our armed forces. The BAFF has already stated that if legislation, such as this Bill, were introduced, it would look to work with the Government and stakeholders to develop the appropriate structures for the representation of members of our armed forces. The Bill provides just that opportunity, and I urge the House to support it.

Question put and agreed to.

Bill ordered to be brought in by Mr. Kevan Jones, Mr. David Anderson, Mr. Iain Wright, David Wright, Helen Jones and Jim Sheridan.

Armed Forces (Federation)

Mr. Kevan Jones accordingly presented a Bill to make provision for the establishment of a Federation for the Armed Forces; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 19 October, and to be printed [Bill 117].

Opposition Day

[13TH ALLOTTED DAY]

NHS IT Programme

Mr. Speaker: I inform the House that I have selected the amendment in the name of the Prime Minister.

12.43 pm

Mr. Stephen O'Brien (Eddisbury) (Con): I beg to move,

That this House acknowledges the aims of the NHS National Programme for Information Technology (IT) and supports them in principle, recognising the potential benefits IT can bring to patients and NHS staff if implemented correctly; deplores the hasty conception of the National Programme under the noble Lord, Lord Hunt of Kings Heath, and the failure to consult adequately with service users; regrets the parallel failure by the Department of Health to implement successfully the Medical Training Application process; expresses concern about the impact of the Care Records Service on patient confidentiality; notes in particular the concerns of the Committee of Public Accounts, in the context of its criticisms of the Government's mismanagement of IT projects at large about the cost, delays in the Care Records System, the lack of a firm timetable for delivery, the struggles faced by suppliers to the programme, and the lack of engagement with frontline NHS professionals; regrets the opportunity cost to patient care and the disillusionment caused by the Programme amongst NHS staff; seeks assurances on the supply chain, particularly regarding iSOFT and an explanation for the delays in Choose and Book; and therefore calls for a full and independent review of the NHS IT programme.

I draw attention to my entry in the Register of Members' Interests.

Let me be clear from the outset: Conservative Members believe in ensuring that all patients in our NHS will get better care in future, from the expertise, dedication and wonderful work of NHS doctors, nurses, therapists and, yes, NHS managers, by harnessing information technology to improve the processes for patients' treatments and their clinical outcomes. So, yes, we endorse the aims of the NHS national programme for IT, known as NPfIT and succeeded by Connecting for Health, which we support in principle, but—it is a big "but"—the reason for the debate, in Opposition time and in the absence of the Government bringing such an important and costly programme for debate on the Floor of the House, is to highlight, sadly, the woeful shortcomings of the way in which the Government have first designed and then sought to implement this vital programme.

The fact that the shortcomings were identified and predicted by us and many others over the past five years puts the onus on the Government not only to account for their delays, design U-turns and serial incompetence, but to accept that it is the official Opposition who now offer a constructive way forward in the interests of NHS patients—a constructive approach that is consistent with all that my hon. Friend the Member for South Cambridgeshire (Mr. Lansley) so expertly epitomises at all times in wanting to make our NHS better for all.

Members should not expect a speech from me focusing on which ministerial heads should roll. Nor should those so disillusioned by the Government's amateurish cackhandedness in implementing their own policy through this IT programme that they would stop it in its tracks expect me to call for even an audit. That would imply, as audits do, that we want to look back at something that has stopped—finished. We do not. Rather, it is because we believe in the positive potential benefits of IT in the NHS, implemented correctly, for the good of patients and the morale and professionalism of all staff, that we now call for a full and independent zero-based review. We want to see a contrast with the Government's performance to date: we want to see the programme put right, because that is the right thing to do.

The review—and this is the difference between a review and an audit—can and must be carried out while work on the programme is in progress, to prevent even more lost time and, potentially, lost lives. If the Government do not agree to a full and independent review today as a result of our call, we will, as a matter of urgency, set one up ourselves.

Why is the need for a review so urgent? It is because this is some remote, geeky, abstract topic, with IT experts arguing about the best platforms, protocols and data-sharing mechanisms and employing all the gobbledegook jargon that passes for language in the ethereal IT world, but because the Department of Health itself claims that the care records service—only one part of the programme—will prevent "thousands of unnecessary deaths". As the programme is already at least two years late, by the Government's own admission the consequences of its incompetent implementation must be those very thousands of unnecessary deaths. That is the real cost of the delays, the incompetence and the lost opportunity—let alone the estimated financial opportunity cost of £1.4 billion of taxpayers' money. According to the National Audit Office, that was the cost last year, and it is rising.

Andrew Miller (Ellesmere Port and Neston) (Lab): I thank the hon. Gentleman, my constituency neighbour, for allowing me to intervene. Given that he does not want the system to be scrapped—and given that there are now 19,778 instances of IT deployment, the 250 millionth picture archiving and communication system record is now in existence, and the 22 millionth prescription since the last Conservative-initiated debate has been issued; the number has risen from 237 million to nearly 250 million—he must recognise that real progress is being made. Is not the motion merely a diversion? Is this not just political opportunism on the hon. Gentleman's part?

Mr. O'Brien: On the contrary. The hon. Gentleman has made something of a speciality of trying to understand this issue. He has read out some of the statistics in the Government amendment, but if he looks at the measures that the Government have set themselves, he will realise that the statistics in the amendment are irrelevant even to those. Furthermore, the electronic prescriptions account for only 5 per cent. of all prescriptions, which is way below the Government's own target. Those statistics are, in fact, a mark of the Government's lack of progress. Although they may indicate the progress that the hon. Gentleman would like to see, they are woefully short of what was promised or what could be achieved.

Mr. Richard Bacon (South Norfolk) (Con): I welcome my hon. Friend's answer to the hon. Member for Ellesmere Port and Neston (Andrew Miller), but I

[Mr. Richard Bacon]

caution him against the hon. Gentleman's "Soviet tractor production statistics" approach. After all, what matters is not the total number of deployments, but the total number of deployment of facilities of major importance such as patient administration systems for acute hospitals. Will my hon. Friend confirm that in four years British Telecom has not managed to install a single one of those systems in its local service provider area, London?

Mr. O'Brien: Evidence does not support the progress that the Government and many others would claim. The evidence from my hon. Friend, who has conducted a dedicated study of the issue, is much more reliable.

Labour Members are wrong to regard our motion as smacking of anything other than a genuine wish to make the programme work. We are calling for a review, not an audit. The Government have never presented their case on the Floor of the House: they have never put themselves up for scrutiny.

David Taylor (North-West Leicestershire) (Lab/Co-op): The hon. Gentleman asks for a review. Does he think that the outcomes of various reviews conducted by the Office of Government Commerce at various stages of this mega-programme would help bring to public attention any flaws that it might contain? If an article in this week's *Computer Weekly* is correct, the reports are being shredded rather than being brought into the public domain. That cannot be right, can it?

Mr. O'Brien: I also saw those reports, and I was distressed to read them. If that is what is happening, it must be wrong. I hope that those who are doing that are brought to account and to book.

There is another cost. Today we hear doctors formally declaring that they have lost confidence in the Government. Despite the fact that NHS professionals showed themselves to be open to the use of IT as soon as it became applicable to the health care setting decades ago, the Government have, according to the Labour-dominated Public Accounts Committee,

"failed to carry an important body of clinical opinion with it".

According to a Medix survey, in 2002, 67 per cent. of general practitioners said that the IT programme was an important priority for the NHS. By November 2006, only 35 per cent. did.

I grant the Minister's boss, the Secretary of State for Health, one accurate prediction about the NHS IT programme. In September 2003, as Secretary of State for Trade and Industry, she said of ID cards:

"The principle, the civil liberties and the practicalities of great big IT projects and databases have a horrible habit of going wrong".

Why she did not heed her own advice and act on her own predictions once she got to the Department of Health two years later, to preside over the Government's biggest IT project, I do not know.

Norman Lamb (North Norfolk) (LD): I return to the intervention by the hon. Member for North-West Leicestershire (David Taylor). We understand that reviews have been conducted internally and by the Office of Government Commerce. Should not they be published now?

Mr. O'Brien: I agree. All reviews should be published. It must be nice to see them, but we are calling for a zero-based, full and independent review because that is the only thing that is likely to carry the authority and respect that will win the day and help the professionals to get the thing right. I hope that we will see the hon. Gentleman join us in the Lobby to make such an endorsement.

As one newspaper leader yesterday put it, commenting on the most recent and excellent authoritative work of the Public Accounts Committee on the Government's ability to deliver IT projects generally,

"the Government's chronic inability to manage costly IT schemes effectively...has become one of new Labour's trademarks...At the heart of the problem is the slapdash approach to the management of high value projects that would not be tolerated in the private sector".

Whether we are looking at the multi-billion pound fiasco of the Chancellor's tax credit system, the potential ID card system or NHS IT, this is crass and amateur procurement on an industrial scale.

Mr. Jeremy Hunt (South-West Surrey) (Con): My hon. Friend is making an excellent case. Does he agree that confidence in NHS IT projects in my constituency has been fundamentally shaken by two failures in the past six months? First, because of an IT failure, ambulances were diverted from taking patients to Royal Surrey county hospital and took them to Frimley Park hospital. Secondly, a failure in the choose and book system made it difficult for GPs to book people into appointments at Royal Surrey county hospital, as opposed to neighbouring hospitals. What did they both have in common? They took patients away from Royal Surrey county hospital, which is currently threatened with closure.

Mr. O'Brien: I am grateful to my hon. Friend for making sure that the House is aware of those incidents, which caused concern, most importantly, for the patients themselves at the time. There is a lack of accountability and the lack of an explanation of why those incidents took place.

It is important to ensure that there is no misunderstanding among various Labour Members. To be constructive and to move forward, we must understand how we came to be here. Therefore, let us briefly track back. In 1998 the Government published their own information for health strategy. February 2002 saw the Prime Minister hold

"a seminar in information technology",

another great headline-grabbing initiative, but how many clinicians were present at the meeting? Perhaps we shall soon learn, as the outgoing Prime Minister rushes his memoirs to the printers, but do not hold your breath, Mr. Speaker.

April 2002 brought the Wanless report, which recommended that IT funding should be doubled and ring-fenced. By June, the national programme for IT was launched by Ministers with the title "Delivering 21st century IT support for the NHS". The published version of that omitted both the high-risk scoring and the costs estimate included in the draft—then £5 billion, a figure brilliantly unearthed by my hon. Friend the Member for South Norfolk (Mr. Bacon),

whose forensic and relentless work in that area has been, and remains, parliamentary scrutiny of the highest order. I pay tribute to him. Can the Minister tell us why that £5 billion cost estimate was left out of the document? I look forward to the answer.

In December 2005, the problems really began.

Mr. Mark Todd (South Derbyshire) (Lab): Will the hon. Gentleman give way?

Mr. O'Brien: I will in one second.

The 100 per cent. choose and book target, and the original deadline on patient records were missed. By March 2006, as the recent National Audit Office review reported

"actual expenditure at £654 million (estimated outturn) spent against expected expenditure of £1,448 million, reflecting the slower than planned delivery".

In April 2006 problems began at supplier iSOFT. In September, Accenture pulled out of the NHS IT programme, booking a £240 million provision for expected losses from the work. In March 2007, even the downgraded 90 per cent. choose and book target was missed, just as the electronic patient record pilots began. Pilots for care records were due to be in place by 2005.

Mr. Todd: I thank the hon. Gentleman for belatedly giving way. He has moved on from the point that I wanted to ask him about. If you allow me, Mr. Speaker, to catch your eye later, I will expand on some of the issues relating to proper management of information technology in both the public and private sectors, but I was concerned at the hon. Gentleman's rather naive view that the private sector is innocent in the matter. Has not he represented any constituents who use British Gas services and who are currently plagued by some of the difficulties arising from its change programme?

Mr. O'Brien: No doubt we look forward to the speech that the hon. Gentleman will make, if he catches your eye, Mr. Speaker, but this debate focuses on proper procurement and delivery, with the use of taxpayers' funds, in the public sector of something that is really important: the health of our constituents and health care services. We must understand how the problem came about.

The only consultation to take place after the publication of "Delivering 21st century IT support for the NHS" in June 2002 looked at the care records element of the programme, and that was a consultation not on the substance of the programme, but on the technicalities of care records. There was no consultation on the other elements of the programme, namely choose and book, the electronic prescriptions service, the N3 broadband network, smartcard access, telecare, and the picture archiving and communications system, known as PACS. The latter and the N3 broadband network are the only bits so far that have been successful, so let us give credit where it is due. *[Interruption.]* As I have just said, PACS has been successful, if the hon. Member for Ellesmere Port and Neston (Andrew Miller) will listen for once. As Professor Peter Hutton said to the Public Accounts Committee during its review:

"key decisions were taken in the early period without proper clinical input".

The seeds of the Department's failure to engage clinicians, condemned by the PAC, were sown at that time.

Dr. John Pugh *(Southport) (LD):* I think that we would all accept that PACS is successful, but that project went on for some time before NHS Connecting for Health got going. Therefore, it is a pre-existent project.

Mr. O'Brien: The hon. Gentleman makes a valid point. It has often been confirmed by our local expert, the surgeon commander on my right, my hon. Friend the Member for Westbury (Dr. Murrison), that that system was working perfectly satisfactorily and did not need to be hugely improved under the current system. However, there are still other systems that must be brought up to standard.

One of the major concerns with the NHS IT programme, and one which an independent review must address, is the seeming lack of an evidence base for it. In a recent *British Medical Journal* article on the subject, one trust director was quoted as saying

"One of the things they haven't done very well is to clarify some of the benefits...I haven't seen a good list of benefits".

Cost-benefit analysis is basic to any capital project, let alone one of this scale, costing billions, and especially when it is taxpayers' money. The paucity of the evidence base testifies to the hurried planning and procurement of the programmes. With at least £12.4 billion of taxpayers' money being committed, some cost-benefit analysis should have been done, and a robust business case established.

The growing cost of the programme has been the inevitable and wholly avoidable consequence. The programme was launched with the putative cost, as we know, of £5 billion, which was excised from the document. Once the contracts were signed, the ministerial line was that it would cost £6.2 billion over 10 years, although Lord Warner admitted on "Newsnight" that

"the full cost of the programme was likely to be nearer £20 billion".

The NAO put the figure of £12.4 billion on the programme, and the PAC has suggested that even that massive sum may be surpassed. To October 2006, only £918.2 million-worth of that sum had been delivered.

Despite the highest paid civil servant being in charge of Connecting for Health, the programme has suffered from a lack of leadership. In two years, there were no fewer than six "senior responsible owners" of the NHS IT programme at Richmond House. Lack of leadership was one of the key themes of this week's PAC report into Government IT. It highlighted the failure of Ministers across Government to meet the senior responsible owners of mission-critical and high-risk IT programmes, or to take a grip by meeting them sufficiently regularly. It also highlighted the low profile and high turnover of chief information officers and the lack of clarity about their roles.

To all of that we must add that one of the design flaws of the NHS IT programme has been its massive centralisation. The programme structure has, in effect, established several regional monopolies through local service providers. From the original four, there are now three providers serving five regions: the CSC Alliance

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in the north-west and west midlands, the north-east and the eastern clusters; Fujitsu Alliance in the southern cluster; and the Capital Care Alliance—CCA—in the London cluster. CSC took on two clusters from Accenture when it pulled out of the programme in September 2006.

Hospitals have been forced to accept the IT imposed on them by those local service providers, or in some cases have had to invest in costly interim solutions due to delays in the programme. A recent BMJ study into the implementation of the programme suggested that the Connecting for Health software is more expensive than software on the open market. One medical director said:

"A lot of things are being sold to us at a much higher price than we would have been able to get if we'd been in a real market situation, so the total costs to the NHS have been very high indeed".

Those regional monopolies have caused serious supply-chain concerns. The exit of Accenture—at an estimated loss to it of £250 million—was a big blow to the credibility of the programme. The supplier that has been most in the public eye is iSOFT. Its share price has plummeted twice—that is public information—and on 6 April the shares fell a further 40 per cent. It appears that iSOFT's previous accounting policy, which it has now had to abandon, was based on its receipt of letters of credit, centred around advance payments from NHS Connecting for Health. In evidence to the PAC on 26 June, Richard Granger of Connecting for Health stated that it would make an advance payment only when covered by a letter of credit from a bank. That is nice work if you can get it. *[Interruption.]* That completely undermines the Department's claim that suppliers get paid only when they deliver. *[Interruption.]* But as the Minister cannot be bothered to listen, she will not understand that.

iSOFT is now looking for a buyer. Its main customer, CSC or Computer Sciences Corporation, has opposed a bid by an Australian firm. *[Interruption.]* The Minister says from a sedentary position that she finds what I am saying boring. The trouble is that she is so bored by IT that she has not bothered to have regular meetings, or to supervise or take a grip of the process. She needs to listen to a proper critique of where the Government are wasting taxpayers' money, and to take control for once of a programme for which the Government are deeply responsible.

Mr. Stewart Jackson (Peterborough) (Con): My hon. Friend is making a strong case. Is not the real issue that on a day-to-day, week-to-week basis Ministers do not know what they are doing? In May 2006, the Minister advised us that the programme was

"already the focus of regular and routine audit, scrutiny and review."—[*Official Report*, 24 May 2006; Vol. 446, c. 1877W.]

In the same month, her colleague, Lord Warner, said that the likely costs of the project would be not £2.3 billion as originally envisaged, but £20 billion. Does that not sum up the Government's mismanagement of the programme?

Mr. O'Brien: Absolutely. My hon. Friend makes a valid point, although the Minister would no doubt immediately say that the £20 billion was meant to encompass the total expenditure on IT across the NHS and not only the Connecting for Health programme. Either way, it is monumental incompetence to double one's costs in a short period.

As I have said, iSOFT is now looking for a buyer. Its main customer, CSC, has opposed a bid by an Australian firm, IBA Health. It was announced yesterday that iSOFT is beginning legal proceedings against CSC; and CSC today said it was continuing to review its options

"and does not exclude the possibility of making an offer for iSOFT".

I have tabled written questions to the Secretary of State asking what responsibility she has for the matter; typically, she has said that she has none.

The programme has been a masterclass in how not to do procurement. I expect that the Minister will stand up and crow about the speed of the procurement, which was begun in February 2003 and completed by February 2004, but what has it led to? Suppliers are leaving or collapsing, and the system is both dysfunctional and late, with costs burgeoning against minuscule delivery—despite the statistics in the Government amendment, which are, in any event, not measured against their own targets, showing that they dare not do that.

Rob Marris (Wolverhampton, South-West) (Lab): The hon. Gentleman mentioned iSOFT and the role of the private sector. Following on from the remarks of my hon. Friend the Member for South Derbyshire (Mr. Todd), may I caution the hon. Gentleman about IT projects in the private sector? IT projects across the piece—in both the private and public sectors—are notoriously difficult. This project comprises several programmes and we are all aware that it has not gone smoothly. However, it is wrong to have a rose-tinted view that things go smoothly in the private sector. The difference is that the private sector hides things. Moreover, when iSOFT was booking revenues and declaring them against future revenues, which is very dodgy accountancy practice—it has been caught doing that—the chair of its audit committee was that private sector champion, Sir Digby Jones.

Mr. O'Brien: Whether or not things were hidden or inefficient in the private sector, at least scrutiny was exercised by both competition and shareholders. It appears in the public sector that the Government have also been seeking to hide things. Why else have they not had a debate on this subject on the Floor of the House? The Opposition have had to secure this debate. Furthermore, taxpayers' money has been used and the Government have created a series of monopolies for delivery, and they are not exposing that to the true test, which is competition. Competition is one of the best ways of making sure that things are not inefficient and not hidden.

The two most controversial elements of the programme are the care records service and choose and book. Under the care records service, the patient record was supposed to have been fully rolled out by December 2005. The first pilots went live only in March this year, and we are still awaiting a timetable for full roll-out. Above all, widespread and deep-seated

anxiety about patient confidentiality has troubled many as they come to appreciate the Government's design for their private and personal information.

The Government made a notable U-turn when they decided in December last year to allow individuals to opt out of the summary care record: we welcome that option. However, serious concerns remain. The Government insist on saying that

"only basic data will be held on the summary care record".

However, that includes information about prescriptions, from which, as any doctor will confirm, any illness or range of illnesses being treated can be fairly easily extrapolated. Will the Minister remove prescription data from the summary care record, or at least stop using the word "basic", which is deceptive in this context?

Moreover, when the Government announced the opt-out, they failed to make it clear that it is still not a full opt-out. Patients can opt out of having their medical details uploaded to the spine, but they still cannot opt out of having their demographic information updated, such as name, address, date of birth and NHS number. Will the Secretary of State come to the House to state that that will be made clear in the literature going out to patients at the pilot sites? Furthermore, the Government have not yet come clean on whether they intend to join up their identity cards programme with the NHS IT programme; this debate gives the Minister the opportunity to clear that up, and I hope that she will do so.

Finally, we have not yet received the assurances we need about the security of the system. The Minister might stand up and rehearse arguments about "legitimate relationships", "role-based access", smart cards and audit trails, but we know that smartcards are shared in hospitals, and an audit trail—if it works—merely tries to shut the door after the horse has bolted.

Andrew Miller: Will the hon. Gentleman give way?

Mr. O'Brien: I shall not give way to the hon. Gentleman; he has already had a go, and it did not work last time.

We must also not lose sight of the fact that the vast majority of people who go to hospital are at least lightly conscious even if they are very ill or seriously injured, and even if they are unconscious, doctors will still follow proper professional diagnostic procedures, rather than tap away at a laptop next to the patient to find out what has been wrong with them in the past. There seems to have been no consideration of that reality. If a proper business case had been submitted and consultation with front-line staff had taken place, the fundamental need for this type of IT base might have been reconsidered.

The choose and book service was supposed to be 100 per cent. delivered by the end of December 2005. When the Government missed that, they set a target of 90 per cent. delivery by March this year—a target they have missed by miles. A mere 38 per cent. of bookings are being made through choose and book, with some primary care trusts achieving rates as low as 8 per cent.

In an interview on "Newsnight" about the national programme for IT, broadcast a year ago, Lord Warner, the former Minister responsible for NHS IT, said that he would resign if choose and book was not delivered by this March. He got out well in advance—last December. So no Minister has taken responsibility for the delay, and—surprise, surprise—to replace Lord Warner the Government have re-appointed Lord Hunt, who designed the thing in the first place.

In addition, it transpires that half these bookings are done by patients themselves on the phone. Their doctor gives them a list of hospitals and their telephone numbers, and it is up to them to go home, choose their preferred hospital and try to make the booking, instead of its being done at the doctor's surgery, as it should be. Choose and book, where it is working, is rarely working properly.

Mr. Hunt: Does my hon. Friend agree that choose and book might have been a lot more successful had there been proper consultation with key stakeholders—namely, the GPs who use the system? They complain frequently that one of the main problems with choose and book is that they can book appointments only at particular hospitals and not with individual consultants. However, many GPs want to book an appointment with a consultant whom they know is particularly good at a given task.

Mr. O'Brien: My hon. Friend is absolutely spot on—such consultation is precisely the issue. Moreover, patients want choice as part of their freedoms and opportunities. At the same time, they want to continue to engage the expertise of those upon whom they rely.

So we have to ask, is choose and book, which is not yet working fully—far from it—as currently designed really the improvement in services that patients are crying out for? When will the Government give a proper timetable for choose and book, if it can be delivered? If it cannot, when will they abandon it?

Margaret Moran (Luton, South) (Lab): To hear the hon. Gentleman speak, one would think that choose and book is a complete disaster. However, are not nearly 98 per cent. of GPs using live choose and book? Moreover, and as the hon. Gentleman has just indicated, surely the issue is whether the service to patients is effective. For example, are not hospital records, which were previously turned around in two to three weeks, now turned around in two to three days? Does the hon. Gentleman not count that as a success?

Mr. O'Brien: I am surprised to discover that the hon. Lady has not been listening, because that is certainly not what I said. Anybody relying on that 98 per cent. figure will discover on examination that even a doctor who has used choose and book once and found it to be totally useless has been included in that figure. The true figure—as shown in a parliamentary answer given by one of the Minister's own colleagues—is about 38 per cent., although it might have gone up by one or two points since that answer was given. So the hon. Lady should rely on facts, rather than on the Whips' handout.

I turn briefly to electronic prescriptions. In 2004, the Department of Health set an overall aim of "implementing a national service" of e-prescribing

"by 2005 for 50 per cent. of all transactions, with full implementation by 2007."

However, just 0.1 per cent. of all prescriptions issued in the NHS in December 2005 were issued by that method.

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Although the latest available figures show that in the week to 28 May 2007, 5 per cent. of all prescriptions were issued using the electronic prescriptions service—that is a better measure than the one paraded in an earlier intervention and in the Government's amendment—figures uncovered by us show that less than 2 per cent. of those prescriptions were downloaded by pharmacists for dispensing. So much for the boast in the Government's amendment! Despite even this very low take-up rate, NHS Connecting for Health still insists that,

"By 2007, every GP surgery (for use by the GPs, nurses and other prescribers working from the surgery) and community pharmacy and other dispensers will have access to the service."

We witnessed the sight in Woolwich as recently as 25 May of the incoming Prime Minister saying in his campaign—against nobody—to head the Labour party that

"we need prescriptions to be translated to people, directly to the chemist, in a way that you don't have to queue up at the doctor's for a repeat prescription".

However, this is the very Chancellor who presided over a Treasury that explicitly provided the money, which he announced in his Budgets, to be spent to achieve all this by 2005. What monumental incompetence caused him not to know where that money had gone and that it had failed to achieve its stated goal—so much so that he had to announce that goal as the very first of his new ideas? The system was meant to have been in place for more than 18 months now.

Speaking of monumental incompetence, I shall leave the subject of the parallel scandalous failure of the Department to implement successfully the medical training application scheme for junior doctors to my expert colleague who will wind up for us today—the surgeon commander, my hon. Friend the Member for Westbury. *[Interruption.]* Yes, surgeon commander, and to be respected.

Today we are calling for a full zero-based independent review of the programme. To date, rather chippily, that has been ruled out by Ministers and by the chief executive of the NHS, yet the latter has acknowledged the "clash" between a national programme and the need for it to be delivered locally. He described the programme as

"too much, on far too big a waterfront",

and referred to the "bunker mentality" that Connecting for Health has built around it. I cannot argue with his critique of the programme as far as it goes, but when are the Government going to make the necessary U-turn and devolve complete power to local hospitals? One of the original architects, Lord Hunt, who is now back in post, said just last month—*[Interruption.]* Ministers might like to listen to this. Their own colleague who is now back in post and in charge, said that now is the right time

"to make the shift towards local ownership".

That is what we have called for all along—local contracting, with nationally set interoperability standards.

Mr. Andrew Lansley (South Cambridgeshire) (Con): We said that five years ago.

Mr. O'Brien: Indeed, and look what has happened in the interim. The Government have failed on the job. Above all, that is what the users—doctors, be they consultants or GPs, nurses, therapists and managers—really want. Then, they will buy into this and use IT to improve health care for patients. Only a full, zero-based independent review can bring us to that point, and the Minister should now have the grace to accede to having one.

It is in the interests of patients and our constituents, and of the morale and professionalism of the wonderful and dedicated staff in our NHS, that I urge the House to vote for the motion.

1.16 pm

The Minister of State, Department of Health (Caroline Flint): I beg to move, To leave out from "House" to the end of the Question, and to add instead thereof:

'recognises that a modern IT system is vital for delivering good healthcare; welcomes the NHS IT Programme which provides safer, faster and better healthcare for NHS patients, giving them more choice and control over their care; supports the objectives of modernising medical careers; further supports the aim of connecting over 30,000 GPs in England to almost 300 hospitals and giving patients access to their personal health and care information; congratulates the NHS on having already delivered 93 Picture Archiving and Communications Systems across the country including a 100 per cent. achievement in London, delivering faster results for patients; further congratulates the NHS for sending over 21 million electronic prescriptions so far, reducing inefficiencies and errors; welcomes the fact that over 85 per cent. of all GP practices have used Choose and Book to refer their patients to hospital and that almost 3.8 million Choose and Book bookings have been made so far, allowing patients to choose appointments that are at convenient times to fit in with their lives; and welcomes the news that approximately 1.2 million NHS employees now have access to the new broadband network N3.'.

It is laudable that the Opposition support, as the hon. Member for Eddisbury (Mr. O'Brien) acknowledged today, the aims of the national programme for IT. However, it is deplorable that they continue to condemn the delivery of this programme and the necessary investment to achieve the aims that they so loftily support. It is noteworthy that when the Conservatives were last in government, the NHS was one of the last bastions of garage-built computer and paper systems. Despite the Labour Government's inheriting from the Conservatives in 1997 an NHS that was spending approximately 2 per cent. of its overall budget on computer systems, the one thing that unified almost all the systems bought for the NHS by that Conservative Government was their incompatibility and their inability to pass information from one site to another.

It should be noted that, despite our having led the world in the computerisation of GP practices, the one thing that we could guarantee patients was that their electronic records within a GP practice could not be transferred electronically to another practice—even between systems bought from the same vendor. That lamentable state of affairs is now viewed with a quaint 1950s nostalgia by Opposition Members as being more desirable than the successes delivered by this Government through the national programme for IT.

Far from being a "hasty conception", the NHS's national programme for IT learned from the mistakes that a Tory Government made. In 1998, we launched a

well thought through four-year programme to develop pilots of electronic records. The electronic record development and implementation programme, known as ERDIP, led to a number of small-scale yet successful local installations. The key issues that contributed to this programme's not being sustainable in itself were the need for it to be taken up on a national basis and to deal with the unaffordability created by this local development. Such affordability issues were driven by significant cost inefficiencies as a consequence of small-scale local procurements and a high degree of variability in the software from one NHS location to another. During 2001 and 2002, it was with these lessons in mind from the preceding three years that we established a strategy group under the auspices of Professor Sir John Pattison, then director of research analysis and information at the Department of Health, in order to pull together a strategy that we published in 2000, entitled "21st Century IT for the NHS". It is therefore an act of gross revisionism to suggest that the Government hastily conceived the national programme under my noble Friend and Minister, Lord Hunt.

Mr. Todd: Bearing in mind what the Minister has said, I doubt she will be surprised that the mental health trust in Derbyshire has, certainly until recently, operated with 19 separate information systems and that it is virtually impossible to obtain appropriate management information in such a fragmented systems environment.

Caroline Flint: My hon. Friend is right. We are trying to catch up with the fragmented communications in the NHS, large as it is, and the essential requirement behind change is patient safety and better services. That might mean some inconvenience for staff, but that has to be faced if we are to put patients at the heart of our health service.

Dr. Pugh: Will the Minister give a guarantee that software provided by the various local service providers—quite a few of which are still left—is all interoperable?

Caroline Flint: We are obviously trying to ensure that. I am happy to write to the hon. Gentleman to clarify that point, but we need to achieve step-by-step change. I shall come to how we have had to take stock of development and its timetable to ensure that we get it right.

The Opposition's failure to recall the extreme difficulties that they experienced in government in specifying systems, many of which never went live and were a gross misuse of public money, contrasts sharply with this programme, which has been tightly managed—as endorsed by the National Audit Office. I will concede that there are unavoidably a number of users who have not been consulted, but during the four-year pilot process the NHS Information Authority, and predecessor organisations such as the information management group, undertook extensive consultation with end-users about the content of the national strategy. We now have a system in place through a rolling programme of service implementation, led by a veteran NHS manager, Richard Jeavons, to ensure that before the implementation of systems all users, especially those on the front line, are satisfied with what they are receiving and how it will be implemented.

Unfortunately, I have to tell the hon. Member for Eddisbury and his supporters that the Opposition's activities in fuelling negative media coverage often prejudice the opinions of end-users prior to their receipt of systems. Connecting for Health and the Government have had to answer misinformation provided by the Conservatives and others. Day by day, however, more and more staff are recognising the value of the new system and putting it into practice.

Mr. Stewart Jackson: Opticians must be doing well because the Minister is wearing rose-tinted spectacles. What unique insight into the programme has been missed by the *Health Service Journal*, the BMA, GPs, 23 eminent IT specialists and parties in this House? It is not only the Opposition who question the implementation and efficacy of the programme; it is all those experts, who have all been disregarded by the Minister and her colleagues.

Caroline Flint: Nobody is being disregarded. We recognise that there have been delays because we need to be sure that what we are trying to achieve and the practical implementation of the programme are understood. I make no apology for that. I would rather spend a little time getting it right than do it wrongly. There is a difference between constructive engagement and that based on no real evidence but on speculation and misinformation put into the public arena. I will give specific examples on particular groups later.

The national programme for IT in the NHS has established a number of well respected national clinical leads, and recently appointed a full-time clinical director. It has also established user forums for live systems and continues to improve these systems in line with feedback from users. Perhaps the greatest example of the way in which the national programme for IT does listen to its end-users relates to the picture archiving and communication systems, or PACS. Today in London, every NHS hospital is now equipped with that type of system. That means that patients wait significantly less time for reports and follow-up consultations, that films are no longer lost and that care is delivered more safely and efficiently. Picture archiving was not part of the programme when the contracts were let in 2003. Those systems were added to the contracts in 2004 in direct response to feedback from front-line clinicians and groups representing patients, so the system has been updated and remains as flexible as possible to take account of new IT developments.

Meg Hillier (Hackney, South and Shoreditch) (Lab/Co-op): I have seen PACS in operation in the Homerton hospital. It had its teething problems, but it is now very welcome in London hospitals. I have a more personal point to make, which is that patients in Hackney who have an appointment with a hospital or a community service now receive a text message to remind them of their appointment. If we are to bring health care into the modern world, that is an improvement that should be welcomed on both sides of the House.

Caroline Flint: I agree. Would it not be wonderful if the media and other commentators talked more about where the system is working well for people? Then people in other parts of the country could ask their

[Caroline Flint]

health chiefs and officials for the same service. That would be community engagement and patient engagement, which is what we want for people all over the country.

Andrew Miller: My hon. Friend correctly referred to the way in which PACS was added on the basis of consultation with end-users and clinicians. Will she also confirm—to correct misinformation from the Opposition—that the technology involved in PACS is such that it could not have been rolled out on a mass scale under the previous Administration or indeed before we did it?

Caroline Flint: Absolutely. We had to have national oversight and direction, as well as the resources to make that wonderful development happen. Money is really important. It is interesting to hear from the Opposition about how they want to stall the national programme—

Mr. Stephen O'Brien: On the contrary.

Caroline Flint: Well, another inquiry would bring progress into question. The Opposition have never told us what they would have been prepared to spend to provide the service that is benefiting patients and assisting NHS staff. There is a difference between talking the talk and walking the walk and making the services that we should expect as a matter of course in the 21st century something that everyone can experience.

I acknowledge that in some cases we have had to take stock, delay implementation or adjust our thinking based on what we have been told by those on the front line. I am also willing to acknowledge that some of the systems that have been implemented under the programme have not proved popular with end-users as they introduce benefits to patients that may not be to the convenience of NHS staff on all occasions. One such example is the choose and book system. It benefits a patient nearly every second of any day. However, the additional work required by GPs to deliver this improved service to patients has been controversial and I recognise that the early versions of the software have been improved as a consequence of direct feedback from doctors.

Several hon. Members were present at an event hosted by Computer Sciences Corporation—CSC—last night in Portcullis House. They would have heard from Dr. Angela Rowland that far from the systems being unresponsive to the needs of end-users, her work environment as a doctor has now been radically improved as a consequence of the delivery of these new systems.

Andrew Miller: I stayed at the CSC event throughout because I am interested in the work that it has done on picture archiving at the Countess of Chester hospital and I was concerned to note that, despite invitation, not a single Conservative Member turned up.

Caroline Flint: That is an interesting piece of information. The Conservatives obviously like to listen to people only if they are saying what they want to hear.

Angela Watkinson (Upminster) (Con): What advice can the Minister offer my constituent, Mr. Pegler, whose GP decided that he needs an urgent appointment as he has a family history of cancer? He was advised to use the choose and book system and given the telephone numbers of four hospitals, yet it has proved impossible to get an appointment from any of them. He subsequently contacted the patient advice and liaison service, but is still waiting for a response. Mr. Pegler has been trying to get an appointment for nine weeks. I do not know whether Hackney hospital was one of the four to which he was directed, but I should be grateful for any advice the Minister can give him.

Caroline Flint: I am very concerned to hear about that situation. If it had happened to one of my constituents, I should have been knocking at the GP's door to ask what was going on. I shall be happy to take the information away and look into the matter because we know, and I hope the hon. Lady acknowledges, that the access times for diagnosis and treatment of cancer have improved enormously over the past 10 years. However, I am happy to talk to her about how best to represent her constituents.

It is the case that in some aspects of the programme extended consultation with end-users has led to some delays from the original timetable, which was established in 2002. One such example is the summary care record, where an extended consultation exercise with members of the public and professions working in the NHS was led by Harry Cayton, the national director for patient involvement at the Department of Health. It resulted in modifications both to the requirements and the consent model from what was proposed in 2002. Far from regretting that aspect of delay in the programme, I think it was a prudent course of action. In our opinion, to have proceeded hastily with the delivery of the system, in the absence of consensus for the consent model and the content of the summary care record, would have been ill advised.

With regard to front-line clinician support for the summary care record, I refer the House to coverage on BBC Radio Manchester on 31 March, when Dr. Natha of Kearsley medical centre in Bolton stated that patients would benefit greatly from the summary care record. For example, any doctor outside a GP practice who makes an emergency visit to a patient in the middle of the night would have an up-to-date and accurate summary of the patient record in front of them without having to put questions to an elderly patient who may or may not know the answers, or even be in a position to give them.

A point was made about the medical training application system. My right hon. Friend the Secretary of State for Health has already answered questions about MTAS and we have expressed our regret for the difficulties with the system. However, it should be noted that the security and end-user assurance arrangements within the systems deployed by the national programme for IT—at this point, about 19,500 systems used by more than 350,000 front-line NHS staff—have to date prevented such difficulties from occurring. We have avoided hostages to fortune through the provision of cast-iron guarantees in that respect.

We take patients' concerns about the confidentiality of their records extremely seriously. We have established

a consent model in the NHS in England that respects the wishes of patients to control the flow of their information, while establishing an arrangement that is administratively efficient and pragmatic. Although much may be heard within the confines of Westminster about the public's concerns about confidentiality, it is the case that less than 0.2 per cent. of patients in the early adopter communities for the summary care record have so far expressed a wish to opt out of the summary care record as it is launched.

It would be wrong for Opposition Members to suggest that arrangements they oversaw in the NHS, which relied on post, faxes and phone calls, were something that a 21st-century Government would want to perpetuate. It is a necessity on the grounds of efficiency and safety that the NHS move from those islands of electronic information and a dependency on paper into the 21st century, with information moving on a secure basis to support patients as they are cared for in numerous locations.

Meg Hillier: My hon. Friend will acknowledge the excellence of the City and Hackney primary care trust, one of the top seven of the 32 in London. However, although that excellent PCT welcomes the community support system—the RiO system—which will, for example, track childhood immunisation and is vital in tackling public health, it says that it is "a massive task" and that we shall have to find lots of extra resources to support it. Can my hon. Friend expand—if not now, perhaps in writing—on how NHS IT services can help PCTs that are already as good as mine to ensure that we have decent public health IT systems as well as the acute systems that she has been describing?

Caroline Flint: I thank my hon. Friend for that contribution. As the Minister responsible for vaccination programmes and public health, I am concerned to ensure that we have joined-up systems in terms of vaccination. There are clearly real issues in London in respect of the movement of families from one side of the city to another. I have taken them up by holding meetings with Connecting for Health and Department of Health officials responsible for immunisation so that we can tackle some of the problems and make sure that the systems are fit for purpose. The issue is complex and it is a challenge tracking the movements of families with children, especially those who may be vulnerable and not in a steady residential situation. If my hon. Friend wants to talk to me further about the circumstances in her neighbourhood, I shall be happy to meet her.

We have put in place security standards known as e-GIF—electronic Government information framework—level 3, which provide the highest level of civilian security around users accessing systems. Furthermore, all staff in the NHS are bound by professional codes of conduct, and the wide area networks being used between NHS sites are, by civilian standards, secure. Clearly, it would be misleading of me to offer the House an absolute, cast-iron guarantee that there will never be leaks of information, but we have taken all reasonable precautions to ensure the security of information being stored and transmitted within the system. We take it very seriously if any member of NHS staff makes inappropriate use of their access to information.

Mr. Todd: Given the existing Lloyd George record system, which despite the incredible professionalism of NHS staff can only be described as extraordinarily vulnerable in security terms, it is worth bearing in mind the different context. In that system, the exposure to risk is within a relatively limited environment, whereas once information is placed on a network the exposure to risk is much wider. Can my hon. Friend expand on how that problem will be tackled?

Caroline Flint: We are of course looking at exposure risks in the networks—at issues relating to access, PINs and smartcards—as well as the offences that are appropriate if individual members of staff misuse their security access and clearance. Any organisation, whether in the public or private sector, faces such challenges when dealing with information about customers, patients or users, but I am pleased to say that we are operating at the highest standard of civilian security in terms of data—probably the highest anywhere in the public sector. In many respects, the national IT programme has learned from previous Government IT programmes; that is acknowledged and the system is being driven forward in a way from which other public and private sector systems could learn.

I am sure that Opposition Members will join me in congratulating NHS Connecting for Health, which was commended even in the recent Public Accounts Committee report on IT projects. The outgoing chief executive of the Office of Government Commerce, John Oughton, said:

> "I think the procurement process for Connecting for Health was an exemplary example of procurement. It was run to a very tight and rapid time scale; it started when it was intended and completed when it was intended; and it produced a very good result. I do not think any of the suppliers were disadvantaged in that process."

Furthermore, I am sure that Opposition Members will also join me in commending NHS Connecting for Health for what was described by the NAO at the conclusion of its 18-month investigation into the national programme as

> "a very positive report, which confirms that the programme to modernise the NHS computer systems is...much needed...well managed...based on excellent contracts...delivering major savings...on budget...has made substantial progress".

Far from being badly run and over budget, the national programme for IT has been independently reviewed already by the NAO, which found that the

> "previous model of IT procurement was haphazard"

and that this

> "programme has the potential to deliver substantial financial, safety and service benefits for patients and the NHS".

I am sure that Members of the Conservative Opposition are familiar with the content of the report because it was laid before Parliament on 16 June 2006. I am sure that they do not rely only on the opinions of such people as Tony Collins of *Computer Weekly*, who has, I understand, provided briefings solely to members of the Conservative party and produced material for publication by Conservative party think-tanks.

Mr. Bacon: It is interesting that the hon. Lady says that Mr. Tony Collins of *Computer Weekly* has provided briefings solely to the Conservative party. I happen to know that David Nicholson, the chief executive of the

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NHS, invited Tony Collins to a seminar, which he agreed to attend. How can that be consistent with what the Minister just said?

Caroline Flint: Does that not demonstrate that we are open to listening to all voices in the debate? We do not approach this from a narrow, partisan point of view. I suggest to the hon. Gentleman that it is useful if people are transparent about who they are providing advice to and the parties for which they are writing IT policy.

In our opinion, it is lamentable that a programme that is focused on the delivery of safer and more efficient health care in the NHS in England has been politicised and attacked for short-term partisan gain when, in fact, it is to the benefit of everyone using the NHS in England that the programme is provided with the necessary resources and support to achieve the aims that Conservative Members have acknowledged that they agree with.

Owing to delays in some areas of the programme, far from it being overspent, there is an underspend, which is perhaps unique for a large IT programme. The contracts that were ably put in place in 2003 mean that committed payments are not made to suppliers until delivery has been accepted 45 days after "go live" by end-users. We have made advance payments to a number of suppliers to provide efficient financing mechanisms for their work in progress. However, it should be noted that the financing risk has remained with the suppliers and that guarantees for any advance payments have been made by the suppliers to the Government. That contrasts sharply with the policy of the Conservatives when they launched the now abandoned policy of financing IT projects through the private finance initiative. The national programme for IT in the NHS has successfully transferred the financing and completion risk to its suppliers.

It is untrue that there is not a firm timetable for delivery. It is sadly the case that extended consultation and a knock-on effect regarding delays in specification led to two years' delay in the delivery of the summary care record functionality. However, each software delivery from BT, the contractor concerned, has been on time for more than 12 months. Similarly, the quality management analysis system for GP payments was delivered on time. The picture archiving system is on time. The core software for choose and book and the electronic prescription service has been delivered on time, and the network underpinning all those applications was delivered—[Hon. Members: "On time?"]—early.

I find it perplexing that Conservative Members have suddenly developed a deep relationship with some struggling IT suppliers. Are they suggesting that the Government should indulge in a little bit of dodgy state aid, or perhaps bung a few tens of millions of pounds to failing suppliers as a consequence of a supplier's failure to fulfil its obligations? It would be interesting to hear what the Public Accounts Committee would think about such a policy.

Rob Marris: My hon. Friend is absolutely right and underscores the fact that the official Opposition do not really understand the computer industry. I do not claim to be an expert on it, but I spent some of the previous Parliament as a member of the Work and Pensions Committee, which produced a report on computers. The Conservative motion calls for a "full and independent review", but the NAO has already carried out a review. Given that the nature of the industry is such that there are few suppliers, where on earth would the Conservatives get an independent body to conduct such a review? It does not exist. If there were a big enough body with sufficient expertise to carry out a review, it would certainly be in the system of government already.

Caroline Flint: I agree with my hon. Friend. The review is a red herring and part of the attempt constantly to undermine the good progress that is being made under the national programme. The Conservatives are trying to build in more stalling mechanisms, instead of constructively engaging on delivery.

When the Department of Health published the principles of the procurement arrangements for the national programme in January 2003, it stated clearly that it intended to transfer financing and completion risk to the supplier community. All suppliers bid voluntarily for the delivery of services to the NHS under those contracts, and in a small number of cases there have been significant supplier failures. While that is unfortunate in itself, it is fortunate that the costs of those failures have not been borne by the taxpayer. Simply pouring further funds into inefficient and often paper-based administrative processes might be what is recommended by the experts advising Conservative Members, but the Labour Government believe that a properly supported and financed national programme for systems in the NHS is absolutely essential to how we deliver health services in the 21st century.

There is strong evidence pointing to the fact that the chaotic and ad hoc procurement of local systems delivers poorer care as a consequence of tests being unnecessarily repeated, patients' treatments being delayed and appointments having to be rebooked when information is not available. Properly networked systems operating across multiple locations with a high degree of standardisation are the common-sense solution.

Far from there being a significant opportunity cost to patient care, efficiencies are delivering significantly better patient care as a consequence of the NHS having a universal wide-area network, an online demographic service that is accessible from more than 7,000 locations and used by more than 50,000 front-line staff each day, and a picture archiving system, the deployment of which throughout the whole country is nearing completion. It would be naive to imagine that the implementation of such long overdue and complex systems would not be without disruption. Many end-users are far from disillusioned; they are delighted to have modern tools available. That is especially the case in community settings, where staff, especially nurses, were frequently dependent on paper and often needed to visit offices to obtain notes and details of further visits.

The NHS IT programme has already been subjected to a number of reviews, including an 18-month full and independent review by the NAO. I note with some sadness that 23 individuals, some of whom are well respected academics, have called for a review of the

programme. As was mentioned earlier, I understand that representatives of the group met David Nicholson, the chief executive of the NHS. Unfortunately, Professors Ross Anderson and Martyn Thomas were unable to articulate any firm grounds to substantiate an independent review, other than the existence of a large volume of negative media coverage—I have seen it—some of which they generated. Is that really a basis for a review when so many of our patients are already benefiting from a better NHS? We, the Government, think not.

Thousands of NHS staff and many thousands more patients are already benefiting from the national programme for IT. In the trusts covering the constituency of the hon. Member for Eddisbury, Connecting for Health systems are already used by 645 GPs and 335 pharmacists. To date, more than 20,000 direct bookings have been made through choose and book in his area, which is already benefiting from the picture archiving and communications system. Our ambition is that all NHS staff and the public throughout England will gain from the enormous benefits that the national programme for IT is enabling. With pride and confidence, I commend the Government amendment to the House.

1.47 pm

Norman Lamb (North Norfolk) (LD): It is extraordinary to listen to Ministers talking about this subject because there seems to be a complete disconnection between the world that they inhabit and that inhabited by most people working in the NHS whom I meet. If one talks to a room full of doctors, whether they are GPs or consultants, one hears a universal groan when one mentions Connecting for Health and the national programme.

Rob Marris *indicated dissent.*

Norman Lamb: The hon. Gentleman's experience must be completely different from mine because I have noted a remarkable loss of confidence in the system among NHS professionals. The same mindset that we have seen regarding MTAS seems to exist for this system. The hon. Gentleman at least acknowledged that there had been problems with the programme. Indeed, he went a little further than the Minister's tentative acknowledgement of some sort of discontent. He has been forthright in his concerns about MTAS. I suggest that he listens more to the many health professionals with genuine concerns about aspects of the programme that we are considering. I fully understand and acknowledge that many of the constituent parts of the programme have real merit. However, several of its aspects cause genuine concern.

Andrew Miller: Does the hon. Gentleman agree that the underlying problem is that any large-scale change management programme brings out the conservative—with a small "c"—nature in people, and that it is very difficult to carry 100 per cent. of the staff with it?

Norman Lamb: Of course, I accept that change brings about resistance, and that that is sometimes because of a conservative refusal to move on—[Hon. Members: "With a small "c".] I readily acknowledge that I meant a small "c". However, everything that I have read and that I have heard from the clinicians to whom I have spoken shows that people's concerns go beyond that. My plea to Ministers and to Labour Back Benchers is that they should acknowledge that there are genuine anxieties and problems. What winds up health professionals most is Ministers simply refusing to acknowledge that there is a problem. The Minister did tentatively acknowledge that there were concerns among some health professionals, but with very carefully chosen words. That is exactly what happened with MTAS. There should be a greater willingness to recognise people's concerns.

Mr. Stewart Jackson: Is not the more fundamental problem the lack of information that is available to Ministers in the Department of Health in making decisions? I refer the hon. Gentleman to the hon. Member for St. Ives (Andrew George), who, when he challenged the Minister on 24 April, elicited from her the answer that the Department did not collect data on the local efficacy or otherwise of choose and book. If that sort of information is not collected, how can we possibly know whether it is working?

Norman Lamb: That is a fair point. This is far too centrally imposed and grandiose a scheme. If one goes for a centrally imposed, grandiose scheme, of course one has to collect data from everywhere, which makes the whole thing rather unworkable. A better approach would have been to go for something much simpler and more locally based, as has happened in other European countries and the United States.

Margaret Moran: Does the hon. Gentleman accept that Ministers and Labour Back Benchers have acknowledged that things have not necessarily gone according to plan in a major IT operation of this scale? Does he also accept, however, that there are examples of progress to be applauded in areas such as mine? Luton and Dunstable hospital was having to hire taxis to take X-rays and scans down to Harefield hospital, but those imaging facilities are now available within Luton and Dunstable hospital, infinitely improving in-patients' quality of service and life.

Norman Lamb: I am pleased that we have yet another acknowledgement from a Government Member that there have been problems—we are making progress. I accept that there is a powerful case for investment in appropriate IT. I also accept the Minister's assertion that there had been a failure adequately to invest prior to this. However, that does not make the whole package right.

Let me deal quickly with the motion itself. Liberal Democrat Members agree with most of its content, particularly its call for an independent review. In fact, we called for an independent review in March. I will return to the case that we made then and the aspects that we think should be included in it. However, I have concerns, which I think may be shared by the hon. Member for South Norfolk (Mr. Bacon), about the opening assertion of the motion. It says that the aims of the programme are supported in principle. That prompts the question of what the aims are, because they have not been clearly articulated and have changed as time has gone on. The National Audit Office itself

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was pretty vague about defining them in the section of its report that dealt with the objectives. It made one wonderful assertion:

"The Programme is intended to enable the NHS to become more effective in treating patients."

I suspect that we can all agree with that. If that is the aim of the project that the Conservatives support in principle, I am fully with them on that. However, one begins to have a problem when one gets into greater detail. The Public Accounts Committee said:

"The central vision of the Programme is...to introduce an integrated system called NHS Care Records Service"—

or the national spine. That is where we have a problem. We do not believe that the case has been made to demonstrate that the benefits of a national spine outweigh either the costs to the NHS, given all the other priorities in the service, or the civil liberties and privacy concerns that have been expressed by many people, including the Information Commissioner. I will come back to the concerns that he raised within the past few months in his written evidence to the Select Committee on Health.

The Government reject the call for a review out of hand, but I fail to understand why. They are keen to quote independent reviews when they are positive about the Government. Reviews that say that 90 per cent. of patients are satisfied are great, but when a review is suggested that they find uncomfortable, they resist the proposition. However, given the scale of the concerns that have been expressed by a wide range of people, it would be in their long-term interests to agree to an independent review in order to work out properly where the whole project is going and how best to adjust it given the problems that have occurred.

Mr. Todd: Perhaps I should have challenged the Conservative spokesman, who is the hon. Gentleman's friend in this matter. What exactly is this independent review? Who is supposed to do it and with what brief, what is its scope, and how is it empowered?

Norman Lamb: I am grateful for that intervention; I intend to deal specifically with what the review should cover.

Let me first explain why I reached the conclusion that a review was necessary. One of the leading people centrally involved on the private sector side of the project made two assertions to me, which were equally horrifying given that this is the biggest ever IT health care project anywhere in the world. First, he asserted that when the project was launched, there were insufficient numbers of adequately skilled people to implement it, and that that is still the case. Secondly, he asserted—

Mr. Kevin Barron (Rother Valley) (Lab): Who was it?

Norman Lamb: I cannot say who it was, because the discussion was on Chatham House rules and it would be wrong for me to do so, but he is a very senior person who is heavily involved in the project.

His second assertion was equally shocking—that there has never been a thorough systems review. The Minister said that end users are now being consulted all over the place, but that is supposed to happen at the start, not much later on.

Mr. Todd *indicated assent.*

Norman Lamb: I am pleased to see the hon. Gentleman nodding; I assume that he is agreeing with me.

The person told me that it is necessary to bring together at the start the builders of the system, the purchasers of the system—the people who will be spending the money—and the users of the system to ensure that there is a common understanding of what it is supposed to achieve. It was remarkable to hear that there had never been an adequate process of that sort. It is absolutely scandalous to embark on the biggest IT health care project in the world without it. I suspect that the hon. Member for Wolverhampton, South-West (Rob Marris), who is remaining remarkably still and not demonstrating any body language at all, is quietly agreeing with me.

In April 2006, some 23 computer academics—experts in IT—sent an open letter to the Health Committee. The Minister referred to that submission, and she accepted that some of those people—she said some, not all—were highly respected. They called for an independent technical assessment of the project, and they said:

"the programme appears to be building systems that may not work adequately and—even if they worked—may not meet the needs of many health trusts."

That is precisely why we need a thorough systems review at the start. We are building systems that may not work, or that may not be what is wanted, and that is of concern.

We are struggling with an unacceptable degree of secrecy, too. We have heard that reviews have been undertaken, both internally by the Department, and by the Office of Government Commerce. Why can we not see them? Why not publish them?

Mr. Todd: They never do.

Norman Lamb: That is not a reason not to do so. There is a powerful case for those internal reviews to be published, so that we can all see what they have to say.

Mr. Todd *rose—*

Norman Lamb: I will not give way at this moment.

Mr. Todd: The hon. Gentleman is possibly too well informed to give way.

Norman Lamb: I am happy to give way, just to demonstrate that that is not the case.

Mr. Todd: I have raised the issue of the availability of OGC gateway reviews in the House on many occasions. The standard answer, which I do not entirely accept, is that if they were published, it would ruin the confidentiality of the process and make it difficult for suppliers and other participants in a project to communicate frankly about it. I do not entirely accept that argument, but it does at least deserve recognition.

Norman Lamb: That was a fair intervention, and I was right to allow it.

Dr. Pugh: Noble, even.

Norman Lamb: Indeed, it was noble. I note that the hon. Member for South Derbyshire (Mr. Todd) does not entirely accept the argument for secrecy. Earlier, he asked what the proposed review should cover. In March, we put it that first there should be an assessment of whether it is still possible to achieve the original stated objectives, and if so, within what time scale. I shall return to this point later, but given that many IT experts state clearly that it is not possible to achieve those objectives, there is a powerful case for including that consideration in the review. Secondly, the review should consider the impact on health trusts and on general practitioners' surgeries of the delays in completing delivery of the project. The hon. Member for Eddisbury (Mr. O'Brien) made the point that hospital trusts are having to acquire interim solutions because they cannot wait any longer. That is pretty crazy, and it is an extraordinary waste of resources.

Margaret Moran: Will the hon. Gentleman give way?

Norman Lamb: Let me complete the points about what should be included in the review. Thirdly, there should, for the first time, be a proper cost-benefit analysis to determine whether the scale of the project can be justified. To my knowledge, that has not properly been undertaken; if it has, it certainly has not been made public. Fourthly, there should be a full assessment of the civil liberties implications of the national spine. I hope that Labour Members share our concern about ensuring that people's rights are not undermined or compromised because of the risk, even with summary records, of very sensitive information getting into the wrong hands.

Andrew Miller: I agree with the hon. Gentleman's observation—it is important that records are properly protected, but conversely, does he accept that in years to come, when the system is fully flowing, if the No. 73 bus hit him, it would be rather a good idea for the first responder instantly to blood-match him, identify his allergies and so on? There are costs and benefits to be traded off, and we need to work carefully on that.

Norman Lamb: The hon. Gentleman proves my point: a cost-benefit analysis has to be done, so that we can balance the potential benefits. On the example that he gives, when I talk to clinicians, they are somewhat resistant to the idea that it would be valuable for them, if I got knocked over by a bus in Cornwall, readily to access my records on-screen in Cornwall. They say that there are protocols that they would follow in those circumstances, and that if there was any error in the national records, mistakes could be made. I repeat that the hon. Gentleman makes the case for me that a cost-benefit analysis needs to be conducted.

Finally on the review, there should be a proper and thorough consideration of where we go from here. If there are genuine concerns about whether the programme can achieve its original objectives, surely we should determine together how best to move the project forward so that we can achieve the objectives that are achievable. An enlightened Government would announce a review in response to this debate. Alongside that review, the Secretary of State, or the Minister, should acknowledge the scale of the problems, rather than seek to deny them.

Margaret Moran: On the hon. Gentleman's complaint about delays with the project, is not one of the problems with his proposal the fact that it will cause injury to patients, as his review would further lengthen the time needed for the implementation of valuable projects? Reviews have taken place, not only at the gateway stage but throughout the project, and that has indeed caused delay. On the gateway reviews, is it not important that there be a degree of confidentiality, so that consumers, end-users and suppliers can be honest in any dialogue about what works and what does not? Surely that is more important than the hon. Gentleman being able to read gateway reviews, if he so chooses.

Norman Lamb: I pray in aid the Minister's comments: she said in her speech that it was better to get it right than to rush ahead. That is precisely what she said in justifying the delays that had occurred. The experts whose opinion I have read who have argued the case for review say that it would be possible to conduct a review quite quickly; it would be a matter of weeks, and not months. Surely it is in the Government's long-term interests to conduct such a review, and to make sure that wherever we go from here, we have the backing of clinicians and, hopefully, everyone in the House. That would be better than the Government simply pressing on, with their head in the sand, without acknowledging the scale of the problems.

Rob Marris: Will the hon. Gentleman give way?

Norman Lamb: If the hon. Gentleman does not mind, I would like to make a little progress. I am sure that he planned to make a helpful intervention, so I shall be happy to return to him later.

In arguing the case for a review, I want to deal with three key areas: technical concerns, costs and delays, and the civil liberties implications. On the technical side, I refer again to the 23 IT academics who raised concerns. I refer, too, to the written evidence of Tom Brooks, who submitted a paper to the Health Committee. He has substantial experience in the NHS and with the national programme, so we should take his evidence seriously, as I am sure that Labour Members will agree. He focuses on the central infrastructure for the national patient data, and he highlights the fact that Connecting for Health has not published any details of the calculations that it made to demonstrate that implementation on the scale envisaged is technically achievable. He says that Connecting for Health has not presented that evidence to us. He asks what records clinicians should rely on if there is a difference between the records on the national register and those held locally. It is quite possible that there may be a difference between the two because of inputting errors. Who is accountable for clinical or care errors resulting from reliance on the national summary record? He has direct experience of the national programme, and his conclusion is that the Government should acknowledge that the original goal is unattainable. He says that work on the national records

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system should be suspended, because that is his particular area of concern. I am not an expert, but I take the concerns of someone with that experience extremely seriously, and I hope that the Government do so, too.

Turning to the history of the problems that have occurred, Queen Mary's hospital in Sidcup was one of the first to introduce a patient records system, but it found that it was frequently unavailable. In November last year, *E-Health Insider* reported hospital plans to replace the patient administration system just 18 months after it had been introduced. The Nuffield orthopaedic centre reported problems with the installation of Cerner software, with patient records disappearing. We cannot be happy about such experiences. An insider described the system as a "white knuckle ride". Is that something that should give us confidence? In September last year, *Computer Weekly*, which has already received a fair airing in our debate, referred to the fact that there had been 110 major incidents—incidentally, Tony Collins has spoken to me, too, so it is not just the Conservatives to whom he is talking—that impacted on patient care. In July last year, the Computer Sciences Corporation data centre broke down, leaving 80 trusts without admin systems for several days.

Caroline Flint: Does the hon. Gentleman agree that under previous systems, particularly before 1997, there were numerous examples of systems breaking down, not for days but for weeks? The paper system, as well as a system in which computers could not even communicate from one GP practice to another or from one hospital to another, left much to be desired in terms of patient safety. I acknowledge the fact that there have been some breakdowns, but it is wrong to distort the problem by failing to compare it with the systems that the NHS operated in the past, both electronic and paper.

Norman Lamb: I fully accept there were many problems, but that is no reason for failing to be concerned about the situation or failing to acknowledge the concerns of people working in the system about the problems that are occurring here and now. In April this year, 79 doctors and admin staff in Milton Keynes hospital wrote that the patient administration system was "not fit for purpose". It was reported in May this year that the Royal United hospital in Bath had still not had its Cerner software installed. The system was supposed to go live in November 2005, but the hospital was still waiting in May. In the same month Manchester reported hundreds of inaccurate patient records in the online booking system. The Minister ought to be concerned that those problems are still occurring.

All those technical problems have led to extra costs and delays. Reference has been made to the fact that many of the costs arising from the problems have been incurred by the private sector—I acknowledge that that has been a feature of the contractual arrangements—but it would be naive to believe that that does not have an impact on the delivery of the system. The private sector appears to be in a mess financially: Accenture is in all sorts of financial difficulty, and it has withdrawn from the system. Those problems have an impact on the delivery of the system, and I am pleased that the Government acknowledge that.

The plan was hatched in February 2003. Despite Government claims, there was no proper analysis of need or of the purpose of the whole scheme. The original budget was £2.3 billion, but it was adjusted to £6 billion, and the National Audit Office referred to £12.4 billion. We have heard estimates from insiders of a total budget of £20 billion to £40 billion—the figure keeps going up. Targets have been missed. The Minister referred to all the targets that had been hit, but what about the fact that 155 of the 176 acute trusts, according to Connecting for Health, should have been operating systems by the end of 2006-07? Only 16 of the 155 got there. We heard about the problems with iSOFT and the fact that it is under investigation by the Financial Services Authority. That is fine—we can say that it is iSOFT's problem, but iSOFT was a key player in this whole thing, and it has an impact on the delivery of systems, so we ought to be concerned.

The Foundation for Information Policy Research says that the reason for the delay in the care records service is that it is the wrong system to build in the first place. It says that it is not how the rest of the world works. It says:

> "Connecting for health is watched with appalled fascination by colleagues overseas".

Finally, may I deal with civil liberties and privacy issues?

Rob Marris: Will the hon. Gentleman give way?

Norman Lamb: Yes, I shall do so now, as the hon. Gentleman has been patient.

Rob Marris: I am grateful to the hon. Gentleman for his usual generosity. I should like to take him back to the review, because the tenor of his remarks suggests that he has overlooked the fact that this is not one IT programme, which would complicate any review that were carried out. There is the spine, the picture archiving and communications system, the care records service, choose and book, the electronic prescriptions service, NHS mail, a quality management and analysis system, and GP to GP transfer. There are eight or nine different systems, so given what the hon. Gentleman said about iSOFT and so on, as well as the fact that there are a limited number of experts, who would carry out the review, or reviews? From where he is coming from, we would need a review of eight or nine systems, and perhaps a review of the reviews, even though he is talking about delay.

Norman Lamb: I am sure that the 23 IT academics could come up with some names to carry out the review. To suggest that it may be difficult to find appropriate people to conduct such a review is no argument at all against the need for proper analysis of where the system is and where we should go from here.

May I deal with civil liberties issues, starting with the opt-out point? The plan is that individuals receive a letter from their local PCT telling them that they have a period of time in which to opt out. If they do not do so within that time their consent is implied. I am seriously concerned about that—I do not know whether other hon. Members share my concern—because we are

dealing with elderly and vulnerable people, as well as people with learning difficulties. Should we assume their consent, as sensitive information could be shared on a national basis? The more widely such information is shared, the greater the risks involved. The House may be interested to know that, this week, *Pulse* reported that in Bolton, which is the site of the trial, GPs are falling out over the project. A group of GPs has sent a letter expressing concern, particularly about the issue of implied consent. They say:

"Much can be gleaned from knowing what drugs a patient is taking, so why does the first stage not require 'explicit' consent? Nationally 67 per cent. of GPs oppose implied consent."

The Minister's notion that a tiny number of people have objected is no reason to be complacent or to believe that there are not legitimate concerns about the confidentiality of patient information.

The Parliamentary Under-Secretary of State for Health (Mr. Ivan Lewis): May I ask the hon. Gentleman a simple question? Considering the benefits of making the system work, would he opt out from it, or would he want his own family to do so?

Norman Lamb: That is an interesting point. My sister is a GP. I talked to her last night, and she said, "I wouldn't, for one moment, agree to my personal medical information going on to the spine." That was a very simple assertion, and she has a genuine ethical dilemma. If, as a doctor, she would not agree to that, how can she recommend that her patients go on to the spine?

It is interesting that in a survey conducted by *Pulse* only a third of GPs—*[Interruption.]* This is an example of the disconnection between the Minister and what people in the NHS think. According to the latest survey by *Pulse*, only a third of GPs would advise their patients to have their information go on to the national spine. That is not one person. That is a representative sample of GPs. If one talks to GPs, one finds that that view is representative of the concerns across the country. The Government would do well to take them seriously.

Mr. Barron: The hon. Gentleman can speak about his sister as a GP, or about the views of over 63 per cent. of GPs. Can he tell us why I, as a patient, cannot opt out of my personal record being on my GP's computer? I must be on his computer, or I cannot be a patient there. That goes for millions of people throughout the country.

Norman Lamb: I am not entirely sure of the point that the right hon. Gentleman is making.

Some 80 per cent. of GPs believe that patient confidentiality is threatened by the national spine. The Government and the Chair of the Select Committee ought to take those concerns seriously. Dr. Fiona Underhill, a London doctor—not my sister, but another independent doctor—was quoted as saying that she could not recommend her patients going on to the system

"because we have no guarantees as to who can have access to it."

I spoke to two GPs in Norfolk a few weeks ago who pointed out to me that across the practice all staff had their cards, personal identification numbers were shared around, and there was no proper security to control access to information.

Caroline Flint: Is the hon. Gentleman against the concept of electronic transfer, or is he in favour of finding a system that can meet the concerns that he, I and every Member of the House share about confidentiality and tackling abuses of the system? If he supports that, he should work with us to make sure that the system works. His arguments go in the direction of defending the existing system which does not offer the safeguards that some GPs suggest and does not engage the public in the information that is carried on their behalf on systems, whether paper or electronic, in various parts of the NHS.

Norman Lamb: The answer to that is that I have strong objections to the national spine. I do not object to local sharing of information, provided that the principles are in place to ensure security of information.

A doctor told me this week that doctors have no advice on the storing of PINs. No advice has been received from the Department of Health about how to store PINs. The doctor told me that the PCT has a store of all the PINs. No guidance has been issued about the security of those. No principles have been issued about the care of smartcards. There are concerns about viewing online and the potential for exploitation of vulnerable elderly people by relatives who might want sensitive information about their health. In her speech the Minister acknowledged that she was considering the penalties that would apply. I am pleased to hear that, but it is rather late in the day. The principles should have been in place much earlier.

Andrew Miller: Will the hon. Gentleman give way?

Norman Lamb: No. I shall make progress.

Labour Members dismiss concerns about patient confidentiality, but have they read the Information Commissioner's written evidence to the Health Committee? He writes that he is

"conscious that these plans inevitably pose significant data protection risks",

including confidentiality and accuracy. He refers to challenges posed by policing, consistency and security of access. He is concerned about potential abuses. In a letter to me referring to MTAS the Information Commissioner writes:

"I have no doubt that the experience serves as a stark illustration"—

the hon. Member for Wolverhampton, South-West will sympathise with this—

"of the issues which arise where security of sensitive data is not treated with the utmost seriousness".

That is why the Government should take greater note of the concerns expressed in the House and outside.

The Information Commissioner reserves judgment on whether controls over access will work. He says that it is too early to tell. He has listened to the assurances, but that is not to say that they will work. He refers to a particular case where smartcards had been shared among a group of consultants in accident and emergency. He says that that increased the risk of breaches of security and confidentiality. He also expresses concern about the potential for enforced

[Norman Lamb]

access to HealthSpace, potentially as a condition for securing employment. These issues have not yet been dealt with.

It is remarkable that we have a system that poses such potential risks to individual confidentiality without these matters having been properly resolved. The Information Commissioner speaks of the whole system being vulnerable to the unlawful obtaining, procurement and disclosure of personal data—blagging, as I am told it is called. He raises a host of concerns. The Minister should be taking the concerns of the Information Commissioner, if not of the Opposition parties, extremely seriously.

The written evidence to the Select Committee makes fascinating reading. The NHS Confederation has a number of serious reservations, as do Patient Concern, the Renal Association, and Londonwide LMCs representing 5,000 GPs in London. Many individuals who made submissions to the Health Committee raise serious concerns about the way in which the project is developing.

My message to the Government is that they should learn the lesson from MTAS. They should learn what happened when they did not listen to all the concerns that were being expressed, and stop digging when they know they are already in a hole. They should acknowledge the problems and agree to an independent review.

Madam Deputy Speaker (Sylvia Heal): Order. Several Members are hoping to catch my eye. The time left for Back-Bench contributions is somewhat limited, so I hope contributions will be brief.

2.27 pm

Mr. Kevin Barron (Rother Valley) (Lab): I apologise for my late arrival for the debate. With other members of the Health Committee, I went to see the IT system at Homerton hospital in Hackney this morning, as part of our evidence gathering for our inquiry into electronic patient records. I apologise for being late and missing some of the speech of the hon. Member for Eddisbury (Mr. O'Brien).

The hon. Member for North Norfolk (Norman Lamb) read out a litany of concerns. I wonder how many of the doctors whom he quoted are involved in the national programme.

Norman Lamb: All of them.

Mr. Barron: Part of the criticism is that the programme has been a long time coming. There are difficulties with the programme, some of which are dealt with in the report, such as the engagement of staff, clinicians and others involved in various aspects of the national health service. That is one of the reasons for the delay, so let us not say that the delay shows that there is a weakness in the programme. The delay has been caused in part by what the motion calls for—engagement with clinical staff in the development of IT programmes.

The Opposition Front-Bench team say that they support the national IT programme. The press releases and the debates that we have had in the House over the past six months seem to contradict that—unless, as has been said, we are to interpret the word "support" in the same sense as the rope supports the hanged man. For months we have heard criticism from the Opposition Front Bench about aspects of the programme. As Chair of the Health Committee, I can say that we will report our findings in relation to electronic patient records in due course. The Opposition have gone far wider, and have been extremely negative in their interpretation of what has taken place.

The Opposition motion mentions

"the hasty conception of the National Programme".

I shall provide an example from out in the field relevant to that, which happened quite a long time ago. When Labour was in opposition I was shadow health spokesman for a while, and I went to my local hospital to look at the patient administration scheme. That hospital, Rotherham district general hospital, is now famous for its work with Gerry Robinson, which was on BBC television earlier this year.

When I visited the hospital, it had just introduced a pass scheme. I watched the nurse fill in a discharge sheet for a patient. The discharge sheet was typed up wonderfully well. I said, "What happens to that?" The nurse said, "On the night shift, it's printed out and sent in the post to the GP." I said, "What happens if the patient needs some attention, such as an injection from a district nurse or some aftercare, having just got out of the acute sector?" The nurse replied, "We would phone the district nurse or the GP surgery to make sure about that aftercare."

What upsets me more than anything else is that, like everybody else in this Chamber, I am a taxpayer. We have been paying for electronic patient systems in the primary and acute sectors for decades. Those sectors have had the choice to buy what they believed to be right for their little part of the national health service. We have allowed patients, some of whom have ongoing medical needs, to be discharged from the acute sector without anybody asking the question, "Why can't we contact the primary care sector electronically, so that the ongoing care that this patient needs is provided?" I am not saying that that is happening today, but that is one of the major issues behind the national programme. As someone who is concerned about health care and the use of taxpayers' money, I say that something should have been done decades ago. There should have been some choice about what was put into surgeries or hospitals, but such bodies should at least have had the ability to talk to their immediate health family neighbours about the needs of the patient. That did not happen, and that is what the national programme is about.

The national programme has been criticised by some health professionals, because they believe that their choice will be eroded if they are told that they must introduce one of seven systems in their GP surgery. As Members of this House, we should talk about not only clinicians' choice in how they spend our money, but patients. Where does the patient come in all this? In Homerton hospital today I saw a great system, and other members of the Health Committee saw it, too. It allows appointments to be booked electronically in clinics before discharge. It does not allow the hospital to talk to the local GP practice, but the system is a bit better than that used at Rotherham district general

hospital a few years ago; for example, the discharge report is printed out and handed to the patient on discharge.

The hon. Member for Eddisbury said that there was no evidence about how good the system is now. I say that hon. Members should visit their local GP surgeries. My local GP surgery has had choose and book since the middle of last year, and the system works. Hon. Members should go to the Homerton hospital and see the system, which is being improved by clinicians. The introduction of that system has taken a long time and there have been delays, but it is likely to be in all London hospitals in a few years' time.

The hon. Member for North Norfolk has mentioned the medical training application service—MTAS—which, as I have said before, is a separate issue. What happened to medical training had nothing to do with the national programme. Opposition Front Benchers are agitated, but I think it wholly wrong to bring those issues together. There are clearly issues about MTAS, but it should not have been included in the Opposition motion, because it has nothing to do with this system. I have said that that is scaremongering by backwoodsmen and luddites, and I do not resile from that description of Opposition Front Benchers in that area.

Norman Lamb *rose—*

Mr. Barron: We have been asked to be brief, and I am going to be. The hon. Gentleman has had a bit more time than Back Benchers have, so I will not give way. I normally give way, which gets me into trouble with timing.

On care records and patient confidentiality, hon. Members will have seen the Public Accounts Committee report on the national IT programme. I shall refer to evidence taken in response to a question asked by the hon. Member for South Norfolk (Mr. Bacon) on confidentiality. The man from Fujitsu was the only person to give evidence to the PAC, and according to my information, things have moved on dramatically in the national programme since June last year, when the evidence was taken. He said that we should not return to the old myriad of systems. *Computer Weekly* magazine described him as a critic, and, following its article, he had been suspended by the time he gave evidence to the Public Accounts Committee. On data confidentiality, he said:

> "Personally, I see no concern around data confidentiality because a lot of effort is going into making sure that is dealt with adequately."

The Health Committee report is ongoing, and we have been looking at other systems. The biggest single database of health records in the world is American veterinary records. We have spoken to the people who run that database and visited Canada to look at databases. The issues will be covered in our report. I do not want to second-guess the report, but people in America and Canada looked quizzical when we discussed confidentiality and security of systems.

Although I was an engineer, I am not technically capable of giving a view on the security system, but if the Health Committee's information is correct, the security used for national patient records is similar to that used by banks. Although there are often security breaches involving people's credit cards, those breaches are not due to the system itself, but occur because credit cards have been copied.

We took evidence on the independent review. I questioned one of the 23 academics in some detail about the independent review. The academics initially said that they wanted a technical review. In my view, any type of review that slows down the implementation of the national programme would not be in the interests of the NHS. Hon. Members should go to Homerton hospital, where health professionals do not have to wait for X-rays. X-rays appear on a screen, which allows different parts of the hospital to discuss them. Clinicians do not even need to be brought together when they conduct a diagnosis.

When I asked Professor Martyn Thomas about the review, he went on and on. Eventually, I told him—I do not think that this was an unkind comment, and hon. Members can read the transcript—that he wanted an inquest rather than a review. There is no doubt that a number of the 23 academics are against the programme, and some of them are against all public sector national IT programmes.

I hope that when the Health Committee considers the electronic patient record, we will make recommendations and contribute serious points to the debate so that we can look after patients' interests and ensure that we use IT in the 21st century to improve their quality of life and care.

2.39 pm

Mr. Richard Bacon (South Norfolk) (Con): I am grateful for the opportunity to speak in the debate. I have followed the national programme for IT in the health service for several years, principally because of my membership of the Public Accounts Committee and that Committee's interest in value for money, delivery, effectiveness, efficiency and economy. Of course, IT projects are notorious, across Governments of different political persuasions, for failure to deliver. The national programme for IT in the health service is the largest civilian IT project in the world. For that reason alone, I have been following its progress with great interest.

I am not a specialist in health matters or in IT, but I am greatly interested in value for money. The hon. Member for South Derbyshire (Mr. Todd), who is a former member of the PAC, will confirm that serving on that Committee makes one put on spectacles that are primarily non-party-political, because one is considering value for money. That is what we do. I say in parenthesis that I agreed with the hon. Gentleman's point about private sector IT contractors. Of course, things go wrong with such contractors and they are better at hiding it. I hold no brief for any national or local IT contractors or any specific supplier.

It is extraordinary and regrettable that the important national programme for IT has become party political. I can think of nothing less party political than a computer system. There are legitimate matters for political debate—perhaps fewer than existed 30 years ago, but many remain, including housing and—dare I mention it?—schooling. However, computer systems are not among them. There are computer systems that work and computer systems that do not work. We should all want the former—and that should be it.

[Mr. Richard Bacon]

Serious technical problems remain with the system, which needs to be put back on track. However, the Department of Health's current proposal for the local ownership programme is not the right way to do it. The right answer involves more choice for trusts and more competition between suppliers to get the confidence and business of the trusts. One gets ownership through choice and successful delivery through ownership.

Where needed, the Government should review the operational performance of the local service providers against their original contractual obligations and examine how they have accounted financially for their actions. I believe that forensic accountants would reveal some interesting facts about millions of pounds of losses being hidden. I also want to comment briefly on the Computer Sciences Corporation and iSOFT; we learned this morning that CSC is considering a bid for iSOFT.

It is indisputable that the programme is not working properly technically. I was surprised to note in the presentation made to the Prime Minister on 19 February the sentence:

"The key challenges and risks to delivery are now not about technology to support the NPfIT but about attitudes and behaviours which need to be the focus of senior management and ministerial attention as we move forward".

Of course, getting the right attitudes and behaviours to support the programme—and, indeed, any IT programme—are central. That is why experts say that many problems are not about IT but getting human beings, especially well-paid, intelligent and independent-minded human beings, to operate in the right way. Of course, change management must happen, but the idea that no serious technical problem remains is nonsense. The fact that the Prime Minister is being told that there is no serious technical problem is worrying, because it suggests that Ministers have not always been told all the facts that they need to know.

One need look no further than the visit that took place on 14 May by David Nicholson, chief executive of the NHS, and Richard Granger, director general of IT, to Milton Keynes to examine the problems there. One IT contact of mine charitably described the visit as a catastrophe. It followed a letter, to which the hon. Member for North Norfolk (Norman Lamb) referred, from 79 doctors, nurses and secretaries at Milton Keynes general hospital, which said:

"We are doctors, nurses and secretaries at Milton Keynes General Hospital. From our early experience of the new Care Records Service computer system it is not fit for purpose.

In spite of heroic efforts from our IT staff and from the installing company, start-up glitches have been unacceptable and particularly bad in outpatient clinics. More seriously the software is so clunky, awkward and unaccommodating that we cannot foresee the system working adequately in a clinical context.

In our opinion it should not be installed in any further hospitals.

If it is not already too late there is a strong argument for withdrawing the Care Records Service system from this hospital."

Milton Keynes is in the southern cluster, where Fujitsu is installing the product from Cerner Millennium. The staff say that it does not work, is not fit for purpose and should be withdrawn.

Let us consider the position of the other clusters—the north-east, eastern, north-west and west midlands—where CSC, following the withdrawal of Accenture, has control of three clusters and is installing iSOFT Lorenzo. The only problem is that iSOFT's Lorenzo product has not yet been written. It is therefore nonsensical to claim that there are no technical problems. It is worrying that the Prime Minister has been told otherwise.

When David Nicholson and Richard Granger visited Milton Keynes, they acknowledged the scale of the problems. Yesterday they were cited in *E-Health Insider*, which stated that a spokesman had said:

"Mr. Granger and Mr. Nicholson gave the Trust their full support resolving issues related to CRS. The Trust is committed to working with CfH to improve CRS".

However, big problems remain.

I now turn to iSOFT—and I note that the hon. Member for Newcastle-under-Lyme (Paul Farrelly), who has done much work in this area, is now in his place. The funny thing is that page 6 of the iSOFT Group plc's 2005 annual report and accounts says:

"Available from early 2004 LORENZO was the first solution on the market targeted to meet the demanding requirements of healthcare providers around the world."

I stress, "available from early 2004". Yet when CSC and Accenture, which was still involved at that point, wrote a review of Lorenzo in February 2006—some considerable time after the statement about its availability—they concluded:

"There is no mapping of features to release, nor detailed plans. In other words, there is no well-defined scope and therefore no believable plan for releases beyond Lorenzo GP."

Lorenzo GP is a basic version for GPs. The review continues:

"There is a significant risk that an evaluation of the 'gap' between the needs of CfH and the capability of the generic solution will require significant re-work of product and platform layers. This will likely lead to schedule slippage. Additionally, there is a risk that the generic solution will contain features that are not required by CfH, lengthening the time taken to deliver the CfH solution."

When iSOFT's financial results were published—rather late—it said:

"We intend to begin delivering LORENZO functionality to users within the NPfIT before the end of 2007, and for individual solution modules to become available on a phased basis through 2008."

How can a firm begin to deliver functionality to users in the NPfIT before the end of 2007, and individual solution modules on a phased basis through 2008, for something that its 2005 annual report claimed was already available in 2004? Perhaps that is why it has been under investigation by the Financial Services Authority. It appears that in the past it has been making statements to the stock market that are not justified by the facts. Those statements probably caused the share price to be higher than it otherwise would have been. Many directors subsequently sold their shares. However, that is a matter for the Department of Trade and Industry, and probably outside the scope of the debate.

Mr. Stephen O'Brien: My hon. Friend's expertise is invaluable. In evaluating the risks to the programme's progress, we want to be constructive about the Government's difficulties. What is valuable in iSOFT at

the moment if there is no developed product? Is it simply that it happens to have the Government contract?

Mr. Bacon: That is a good question. The company has a range of other products. Many experts would say that some of them, especially some GP systems, work well. However, what people would be paying for if they bought iSOFT is a moot point. It is especially worrying that CSC announced this morning that it might consider a bid for iSOFT. The idea of having a vertically integrated model under which the local service provider actually owns its main software subcontractor is very worrying at a time when the Government, the Department of Health and the NHS are only just beginning to acknowledge the need for more choice locally.

In that environment, if CSC actually owns iSOFT and the area is controlled by CSC, it is hard to see how, if that bid went through, other suppliers of competitive products for mental health and other aspects, such as primary care, would get a look-in. It was an odd reflection on customer relations when iSOFT sought last week to improve its relationship with CSC, which must be one of its biggest customers, by saying that it was probably going to take legal action against it. That is not what one normally thinks of as a way of improving relations with one's biggest customer. The company seems to have come to its senses yesterday, saying that it was probably going to suspend the legal action for the time being.

Paul Farrelly (Newcastle-under-Lyme) (Lab): The hon. Gentleman rightly saw me rummaging through my notes on iSOFT, whose affairs I have followed since July 2004, with my old investigative journalist's hat on. I note that the hon. Gentleman is not criticising the Government for putting investment into IT, but is making some good points about the way in which they are doing it, which I believe the Government should listen to. Clearly, it is not the Government's fault that iSOFT is a thoroughly dodgy company, but does the hon. Gentleman agree that it would instil more confidence in the programme and the regulatory environment if the City authorities speeded up their investigation into iSOFT—and, indeed, if the DTI also took up the case?

Mr. Bacon: I very much agree with that, as these investigations take far too long. The hon. Gentleman referred to his previous role as an investigative journalist, and I commend him for the work that he has done. I also commend the excellent work of Simon Bowers on the financial pages of *The Guardian*. Yes, the DTI should get involved and the current investigation by the Financial Services Authority should be speeded up. No, it is not the Government's fault if iSOFT is a dodgy company, but it may be their fault if, not having exercised sufficient and due diligence, they continue to make advance payments through the local service provider and in effect prop up a dodgy company that has failed to deliver, has made false statements about the availability of its products to the stock market, and has misled investors, the public and the NHS.

The way forward—clearly, there must be one—proposed by David Nicholson, the chief executive, is to put greater emphasis on the local side through the local ownership programme. It sounds good in theory, but I fear that what it means is something different. I quote a piece from *E-Health Insider* of 25 May, which pointed out that the chief executive said that the aim of the local ownership programme was

> "'to reinvigorate the programme.' This includes 'giving the SHAs, with their trusts and PCTs, greater participation in the choice of NPfIT products and in the planning and timing of deployments.'"

That sounds fine, but does it mean that if people do not want to, they will not have to install Cerner Millennium? No. Does it mean that if they do not want to, they will not have to install iSOFT's Lorenzo—apart from the fact that it has not been written yet? No, it does not, so they do not really have choice. I fear this is all about not real localisation, but the decentralisation of blame. It is about handing over to others the responsibility for implementing the unimplementable, and then being in a position later to blame them when they cannot do it. I thus have my doubts about the national local ownership programme.

Mr. Stewart Jackson: Does my hon. Friend agree that if iSOFT is unsuccessful in refinancing its business in November, it will be the fourth IT company to bail out of this particular IT programme?

Mr. Bacon: It probably will, which is one of the reasons why I suspect that CSC has been sniffing around with iSOFT's banks. By the way, iSOFT was not aware of this until after it had happened, but CSC—the local service provider for three fifths of the programme—has been talking to its main software subcontractor's banks about buying iSOFT's debt, presumably because that would put it in pole position for a bid, should it wish to make one. I believe that it is incumbent on the Government to state their view of local service providers owning a main software subcontractor and the potential impact on competition and choice, which are essential if we are to get out of this mess. Greater choice, I believe, is essential.

If the notes to the Prime Minister may not have been completely accurate in saying that technology was not a problem, it remains true—as I mentioned earlier, and I saw the hon. Member for South Derbyshire nodding in agreement—that a lot of the problem is about human behaviour, changing attitudes and so forth. In order to do that, we have to have ownership. The question is how we get ownership, and the answer is through choice, and by making local trusts accountable for choosing what they want, and then accountable for delivering it. That, rather than having systems foisted on them that they do not want and will not use, is what is needed. We must have more choice.

Some hon. Members have referred to the Public Accounts Committee report, which I had some hand in. I want to draw the Minister's attention to two particular paragraphs: one a recommendation, the other a rather worrying conclusion, which the Government should reflect on far more than they have so far. The first is recommendation 4 on page 5 of the report, which says:

> "In view of the slippage in the deployment of local systems, the Department should also commission an urgent independent review of the performance of Local Service Providers against their contractual obligations."

[Mr. Bacon]

My belief is that such a review of the performance of LSPs against their contractual obligations would strengthen the Government's arm in the negotiations that would be necessary if the value of the contracts were reduced. Let us look at what has been going on with British Telecom in London, for example. BT employed the software firm IDX for a considerable period, and my best estimate is that about £200 million was spent before it sacked the firm and moved over to the Cerner product. The effect is akin to owning a Ford transit van, getting rid of it, then buying a Mercedes van, but still trying to do the maintenance with the old Ford transit manual; it does not work.

The money is completely wasted, yet neither BT in London nor CSC in its areas—not to mention Fujitsu in the south—has done anything to try to account for the losses that must have been made. At least Accenture had the honesty to come up front and say that it was making provision for $450 million. I am certain that the other local service providers are hiding millions of pounds—probably hundreds of millions—of losses. The Government ought to be aware of that now, because it has consequences for the behaviour of the LSPs in trying to claw back money because they did not make any on the contracts.

Finally, I want to say a quick word about CSC and iSOFT. I have already mentioned them in passing and in response to interventions. We cannot overstate the importance of the fact that three fifths of the national programme for IT in the health service depends on this relationship between CSC and iSOFT, so it is of considerable interest that the president of European business development, the president of the northern region of the UK and the Netherlands, the senior vice-president of global infrastructure services for Europe, the middle east and Africa, the vice-president of service delivery for Europe, the middle east and Africa, the service delivery director of the NHS for the original contract in the north-west region, the vice-president for new NHS accounts, the chief operating officer for Europe, the middle east and Africa, the vice-president for service delivery to BAE Systems, the president for CSC southern region, and the director of services for global accounts have all resigned quite recently. I therefore wonder in what fit state this company is, in terms of its senior management, to continue to be a local service provider, let alone to bid for one of the main software subcontractors.

It is interesting to note that CSC in Europe, the middle east and Africa has recently announced a continuation of the two-year freeze on all training. What does that mean for the NHS? Contrary to what the Minister said earlier, I do not think that Opposition Members have any interest in protecting local service providers or IT suppliers. We want to see competition and choice and things working. It is not obvious to me from the available evidence that CSC is in a particularly healthy position.

Dr. Pugh: Might not the company become heavily dependent on the expertise provided by local hospitals rather than use its own—with costs to local hospitals?

Mr. Bacon: In so far as I have understood the hon. Gentleman's question—it is important to have expertise locally in hospitals. As the hon. Member for North Norfolk mentioned, one of the great problems has been a whole incubus of a central layer trying to impose what happens locally from a great distance. Plainly, one size does not fit all.

I shall now conclude, as other Members wish to speak. I hope that the Government will acknowledge that the criticisms of the programme are not made in a party political spirit, at least not by me. I would like to see the programme work. If it is to work, however, serious problems need to be overcome.

2.59 pm

Mr. Mark Todd (South Derbyshire) (Lab): To give my background briefly, I was an IT director before coming to this place. At one time in the distant past, about 15 years ago—which shows how easy it was to conceive of such things—I did an acquisition study of a small company that sold systems to general practitioners, in which I dismissed the original purpose of the acquisition and instead set out an argument for a network in information provision in the NHS. At that time, my company did not choose to buy into that—it was correct in thinking of the huge risks that lay ahead. Nevertheless, it was possible some years ago to conceive of many of the things discussed today in relation to the NHS IT programme.

To be honest, any IT programme is misunderstood in this place; we are talking about business change programmes facilitated by technology. Some key preconditions exist for success in that area. First, the project must be rooted clearly in a business strategy. Challenging targets must be set by the business that wishes to run the project. A clear understanding is needed of the environment in which the project will operate. There also needs to be an understanding of the politics of the organisation, any professional constraints that might be in the way, protectionism—which is almost inevitable, and on which other Members have touched briefly—where the accountabilities lie for delivery of the project, and the balance between local and central decision making in delivering outcomes.

As the hon. Member for South Norfolk (Mr. Bacon) said, any project is largely about people, not technologies. More than 10 years ago—given that I have been in the House for 10 years—I used to advise my company that its task was to conceive of the business that it wished to run, and that by and large we would find the technologies to deliver what it conceived of. In relation to people, the critical issues to be resolved are normally their motivation, their engagement with the goals of the project, and how to retain them through a process of disruption and change, which many might find unwelcome. The project needs clear organisational leadership, both professionally and at board level—and, in the context, at political and ministerial level—to ensure a clear direction for the project. That leadership needs to be focused on delivering the benefits identified in the first place, and on resisting creep and diversion, which are all too readily put forward as the directions that any project should take. I shall return to that issue.

A robust risk analysis and approach to managing the risks identified is needed. There are some obvious risks

in the collection of projects under discussion, and there are problems inherent in working within the NHS. One is a lack of what most people in the private sector would regard as corporate accountability. General practitioners are effectively small businesses, with their own IT choices and a history of making such choices. Consultants are not actually employees, but carry out duties within a defined contract. There is also a huge problem of scale.

There are also problems inherent in working in a political environment, such as the likelihood of high-profile opposition to what is being attempted, and changes in political leadership—not changes of Government, but the reshuffling of Ministers, once they get some grasp of a subject, into another job in double quick time. A learning process is involved, and the management of projects of such a scale and complexity takes time.

Other problems have been introduced from outside. One of those is the restructuring of primary care trusts and other trusts through the project, so that partners established at local level to deliver certain parts of the programme have changed, and have had to reapply for their jobs and reconsider their futures, which is certainly a risk that would have to be taken into account. I was surprised by the view expressed by some Opposition Members that there is no local process, and that everything is centrally driven. In fact, each trust must produce its own business case for implementing substantial parts of the programme. Bearing in mind that skills and enthusiasm are differential, passing that task on to those trusts has also introduced significant risks to the project. Most suppliers would have started by thinking that the project was likely to be a bed of nails.

Many of the people involved in working in the NHS would have had dissenting opinions. However long we consulted, we would not have consulted all those who wished to have an opinion on the matter. I genuinely accept the view, which I have heard expressed by Richard Granger, that the consultation was at great length. It would not have covered everyone who had an opinion, however, because opinions are numerous in that organisation. The consultation could be going on now and still leave many unsatisfied. I am not therefore surprised at the dissenting voices.

Bearing in mind the very tough purchasing model used, which has transferred risk to suppliers, there have also been supplier problems. Too many suppliers were tempted by the scale of the opportunity and the potential for sell-ons of technologies developed under the contract into other environments. I attended a briefing with CSC yesterday, and it was reasonably clear that that was its view, and it was certainly its interpretation of Fujitsu's view of how it participated in the programme in the first place. In spite of my repeated question as to whether CSC were making money, it was extremely careful about what it said in response.

I say robustly to Opposition Members that it is surely better that suppliers bear some of the damage of failure to analyse risk appropriately, rather than the taxpayer, as is normally the case in major IT programmes. I congratulate Richard Granger and his team—a view shared by the National Audit Office—on the robust purchasing process now. I accept the point of the hon. Member for South Norfolk that taking too hard a line with one's suppliers will eventually lead to a position in which one might face failure to deliver and failure to maintain. As the project continues, we will face the challenge of how to strike that balance correctly.

Any major project or collection of projects of this kind should be under constant review, but within a robust environment—I mentioned project creep—in which changes introduced at late stages to meet whims of individual partisan forces within the customer base are resisted. I have been involved in cancelling a major IT project, and there are points at which one must simply say, "We are not achieving what we set out to do, and we should be brave enough to own that." I assume that there is a proper review process within the project; certainly, there is a process through the Office of Government Commerce gateway mechanism to examine how the project works. The NAO has also produced its report.

I am not averse to a properly qualified, objective, external input to that process. I cannot believe, however, that a full-blown external review—as I have understood it from the extraordinarily limited information given by the Opposition as to what in heaven's name they mean by the process—would be of great assistance. Inevitably, it would distract resources and encourage delay.

Mr. Bacon: The review in which I am interested is outlined in the recommendation in paragraph 4 of the PAC report—a review of the contractual obligations into which local service providers originally entered. My contention is that that would strengthen hugely the arm of the Government and release resources, as it would show that LSPs have in many ways failed to meet those obligations.

Mr. Todd: If the hon. Gentleman is interpreting the motion, and if that is what it means, I would accept that that is a helpful step. That has not been explained, however, in the vague and sometimes naive remarks made on the subject by those on either Opposition Front Bench.

There certainly needs to be further robust engagement on the care record, its design and security. I say that partly because I have a concern myself, but also because we have an opportunity to reassure the profession and re-engage them in the project. The argument for sharing the care record was extraordinarily well made by the appalling incident of the woman who repeatedly contacted an out-of-hours service but there was no inherited memory of her previous contacts with it and what had been said. As a result, she received no proper treatment for her condition. Obviously, having a decent care record even within one organisation would have been a huge benefit in that example, and the case for it to be shared on a wider scale is clear.

We need to keep the project under continuous review, and an external input into that process should be welcomed but qualified. Incidentally, I have corresponded with a group of academics on the subject and found it difficult to define their goals. As I looked through their compendium of information, I saw that it was essentially a collection of press cuttings. I was looking for a much more technical and robust approach to what they were saying than simply a reiteration of various press remarks.

Dr. Pugh: Will the hon. Gentleman give way?

Mr. Todd: I am conscious of the time and that other people wish to speak, so I shall not.

I would welcome the group of academics being clearer on their agenda. However we should welcome some external input. We need to re-engage with stakeholders, and looking at the care record and some of the choices that are delivered at a local level would help us to do that. With those qualifications, we should hold our nerve.

3.12 pm

Mr. Stewart Jackson (Peterborough) (Con): I pay tribute to the knowledge and experience of the hon. Member for South Derbyshire (Mr. Todd), who is at the very least smooth, and almost plausible, in his defence of the Government's position.

At times like these it is clear that we have a poverty of ambition as a Parliament in holding the Executive to account. Frankly, that would not be the case were we in the House of Representatives in the United States. The Government have criticised the Opposition for bringing to the attention of the House the fact that an IT programme initially mooted to cost £2.6 billion is now likely to cost £35 billion or perhaps £50 billion. As you will have seen yesterday, Mr. Deputy Speaker, *The Daily Telegraph* reported the bizarre and appalling situation, especially given the warm words of our new Prime Minister un-elect that he is open and listening, of civil servants, under the auspices of the Office of Government Commerce, being encouraged to shred documents, in particular reports that are critical of the mismanagement of the NHS IT programme. How we can be lectured by the Government that it is inappropriate that we should draw that to the attention of the House and the electorate is perverse.

As my hon. Friend the Member for South Norfolk (Mr. Bacon) said, we are dealing with a huge programme involving 30,000 general practitioners and 300 hospitals, and which has risen exponentially. The last official figure was in June 2006, when the National Audit Office put the cost at £12.4 billion, but in May last year, Lord Warner no less said that it may be £20 billion or more.

The Public Accounts Committee has on several occasions drawn attention to the shortcomings of the IT projects undertaken by the Government. It said in July 2005 that Government IT projects are characterised by

"delay, overspends, poor performance and...abandonment."—[*Official Report*, 26 January 2006; Vol. 441, c. 1594.]

I notice that the Minister did not quote that in her remarks. The Government have generally sought to disregard the PAC's report, published in April 2007, but its remarks need repeating. Being critical of the Government and the way in which the programme has been handled is not to say that we inherently disagree with the programme. Of course we believe that it is right to proceed in that way, but individual Members of Parliament with an interest—I have the honour and privilege to serve on the Select Committee on Health under the chairmanship of the right hon. Member for Rother Valley (Mr. Barron)—have a right, duty and responsibility to draw failings to the attention of the House, and there have been many failings.

The report says specifically that the pilot schemes are two years late, especially in relation to the care record service, and that no fall-back date is in place, although Ministers disagree with that. Cost estimates are opaque and have not been fully quantified. There has hitherto been no proper cost-benefit analysis on what will have been delivered to the NHS when the contract ends in 2014. We have heard that Accenture has pulled out of the project at a loss of anything between £240 million to £385 million, along with other IT providers, IDX and ComMedica. Other companies with the skills and experience have not come on board for the programme. We learned earlier that iSOFT faces an uncertain financial future, and we will see whether it manages to stay afloat after its refinancing later this year.

The key point is that despite protestations from the Government, health care professionals up and down the country have not voted to support the programme with their opinions and have voted with their feet. I said that it is all very well for Ministers to say that choose and book is working, but if they do not collate the figures properly, there is no way they can fully understand the efficacy of that particular record system.

As we heard from my hon. Friend the Member for Eddisbury (Mr. O'Brien), the number of GPs that support the programme has plummeted from about 55 per cent. a year or so ago to the most recent figure of only 26 per cent. We have a North Korean-style thumbs down from readers of the *Health Service Journal*. In a poll of its readers, 97 per cent. said that they did not believe that the choose and book target could be met by March 2008. Incidentally, that is the third target; the other two were missed. We now have approximately 38 per cent. take-up of choose and book, although we do not have the raw data to confirm that.

The Government often quote the NHS Confederation and pray in aid its opinions to support their viewpoint. It has said:

"The IT changes being proposed are individually technically feasible but they have not been integrated, so as to provide comprehensive solutions anywhere else in the world."

It is reasonable for people who make their living as professionals and experts in information technology in the academic world to express a value judgment on the success or otherwise of the programme. It is right to draw attention to the fact that core software has not yet been delivered, as my hon. Friend the Member for South Norfolk said. There are issues about technical architecture, project planning and detailed design, and about the estimate of the amount of data and the traffic in the programme when it is fully operational. That is a fair point to make.

There is a degree of complacency. I draw the House's attention to the Minister's comments last year, when she said:

"The National programme is already the focus of regular and routine audit, scrutiny and review."—[*Official Report*, 24 May 2006; Vol. 446, c. 1877W.]

That patently is not the case. The Chairman of the PAC said:

"This is the biggest IT project in the world and it is turning into the biggest disaster."

That is hardly a ringing endorsement of progress. As at February 2007, only 18 hospitals had the patient

administration system. Incidentally, the Department of Health promised a year before that 35 acute trusts would have it in place.

I have some key questions for Ministers. Before I ask them, however, I want to deal with the questions asked by the hon. Member for North Norfolk (Norman Lamb) about privacy.

I was present when the Health Committee heard evidence from the Patients Association and others recently, and I must respectfully tell the hon. Gentleman that I think he over-egged the pudding slightly in describing the dangers involved in privacy issues. It is incumbent on him, and on others, to prove that the changeover would have a significant negative impact on most or all patients. However, he made an important point about accountability. At present patients benefit from a degree of accountability through their local primary care practices and local trust, but that accountability will be removed if all data are transferred to a national system. We are talking not about articulate, intelligent, well-read middle-class people but about the most vulnerable, those who are least able to say: "I do not want my medical records to be online."

These are my questions to Ministers. When will they engage properly with health care professionals to win their support for the implementation of a system that has demonstrably failed so far? Will they ring-fence primary care trust funds for expenditure on opt-out information? Will they concede that there has been a systemic failure as a result of the dichotomy between national contracts for procurement and the local delivery of those contracts?

We need action now. I strongly agree with my hon. Friend the Member for Eddisbury that we need a full, zero-based review as well as an audit. We need an annual statement of where we are now and where we will be in 2014. As one or two Members have said, we need to disaggregate local delivery to local trusts where appropriate, with a wider range of suppliers in the IT market. We need to review current performance, and we need to communicate the importance of the programme to all health care professionals more effectively. I agree with the hon. Member for South Derbyshire in that respect.

The consequence of failure is massive. The expenditure of £50 billion of public money should give us all pause for thought. As my hon. Friend the Member for Eddisbury said, this is not just a "techie" issue; it is about the importance of reforming the NHS through choose and book, about electronic prescriptions, and about the care records service. If mistakes are made, people may die.

As the right hon. Member for Rother Valley observed, patients should be at the very heart of our considerations. The Government must get a grip on the situation. They owe it to patients, they owe it to my constituents, and they owe it to the whole country. It is right and proper for us to call the Government to account today, and for the Government to explain why this has happened and how we can adopt a bipartisan approach to ensure that we deliver the results that patients expect.

3.23 pm

Andrew Miller (Ellesmere Port and Neston) (Lab): The Opposition argued that nothing had been published about the purpose of the project and the safety case for it. That is manifestly untrue. The introduction to a document entitled "Supporting the Patient Safety Agenda" clearly explains the purpose of the scheme. It tells us:

> "Every day more than a million people are treated safely and successfully in the NHS. However, despite the dedication and professionalism of staff, evidence tells us that in complex healthcare systems things will and do go wrong.
>
> Improving the quality... of patient care therefore lies at the very core of the National Programme for IT... which has its origins in the vision articulated by the Department of Health in 'Delivering 21st Century IT Support for the NHS National Strategic Programme'."

That, then, is the core reason for the programme's existence. I shall say more in a moment about the work undertaken thus far—enormous strides have been made—but I am glad to see that the shadow Secretary of State, the hon. Member for South Cambridgeshire (Mr. Lansley), has arrived, as I am about to refer to him. He wrote the foreword to a document called "Computerising the Chinese Army—Information Systems in the NHS", which has been mentioned tangentially by a number of Opposition Members. That is not surprising, because it originated from a Conservative think-tank. Contributors include Tony Collins of *Computer Weekly*, the shadow Secretary of State and Dr. Simon Moores of the Conservative Technology Forum.

Having read the document closely—particularly chapter 10 on the proposed action plan—I can see the genesis of the Opposition motion. It is the result of people thinking very carefully about how to exploit what is, after all, a complex change management programme, described in some detail by my hon. Friend the Member for South Derbyshire (Mr. Todd). In a sense, it is pushing at an open door.

I have experience of dealing with change management programmes, having been both poacher and gamekeeper. As was acknowledged by the hon. Member for North Norfolk (Norman Lamb), people have been put on the spot. They do not like having change imposed on them. The net consequence is a potential for what could be described as insubordination in the ranks. In one company with which I dealt, a senior director fed shop stewards information to undermine what he saw as the damaging impact on his bailiwick of the change management programme.

If I have any criticism of Ministers, it relates not to the superb work being done by Richard Granger and his team, but to the management of people in the process. In preparing for the debate, I noted how successful the roll-out has been—contrary to what one would believe from some assertions, and contrary to what I must tell my colleagues on the Public Accounts Committee was a very out-of-date PAC report. As I said earlier, there have now been more than 250 PACS records: as of this week, 25.981 million digital images have been stored. That is a fantastic success. The roll-out has made enormous progress, complex though it may be.

Mr. Bacon: Will the hon. Gentleman give way?

Andrew Miller: No. The hon. Gentleman spoke for 20 minutes, although I thought that there was an agreement between the parties.

[Andrew Miller]

We are dealing with some interesting relationships. Many people who are getting puffed up about the programme have vested interests. Let us look first at the Big Opt Out organisation, or bigoptout.org. Professor Ross Anderson from Cambridge university is in that organisation. He is now one of the advisers to the Select Committee on Health, and I will refer in a moment to an exchange involving him. Also in that organisation is Councillor Helen Wilkinson, who is involved with the Conservative party. There are interesting links with NHS IT 23, which is where Ross Anderson appears again.

Also in NHS IT 23 is Professor Geoffrey Sampson. I do not want to do a disservice to the Conservative party—I am not sure whether it threw him out of the party because of his extreme views on racism. I have a feeling it threw him out, but I might be being totally unfair—*[Interruption.]* I have the cuttings here if hon. Members want to have a look. I am referring to Professor Geoffrey Sampson, who is a Conservative member of NHS IT 23 and was a Conservative councillor.

Anne Main (St. Albans) (Con): Will the hon. Gentleman give way?

Andrew Miller: No. The hon. Lady has only just turned up.

Dr. Andrew Murrison (Westbury) (Con): Will the hon. Gentleman give way?

Andrew Miller: No. The simple fact is that those links are fascinating. The Foundation for Information Policy Research, which was referred to earlier, recently received an e-mail from Ross Anderson saying:

"I've been asked, much to my surprise, to be one of the Health Select Committee's special advisors for their enquiry into the Electronic Patient Record. I pointed out to them that I have 'form'".

Well, he has. He continues:

"I'm a member of the Gang of 23",

along with Professor Sampson who Conservative Members seem never to have heard of. Professor Anderson continued:

"I support TheBigOptOut."

In response to a subsequent exchange, he says:

"I hope that Archrights will write to the committee"—

the Health Committee—

"expressing its view on the ethics, legality and operational desirability of having all English children's medical records sitting on half a dozen big server farms, linked in to all sorts of interesting database apps for everything from cancer research (sob sob) to the prediction of antisocial behaviour (identify Tory voters at birth and ASBO them)",

and a smiley is tagged on at the end. It is no wonder the Tories do not like this: these are the kind of people they are taking advice from and who have fundamentalist views about the opt-out. *[Interruption.]* I do not criticise my right hon. Friend the Member for Rother Valley (Mr. Barron) for, as Chairman of the Select Committee, taking a balanced view and having special advisers from both sides, but it is important that we understand that there is a link between the Big Opt Out organisation, the No2ID people, the NHS IT 23 team and the other people to whom I have referred.

Conservative Members seem to think that that issue is not relevant. On 24 April, those same hon. Members who think it is a big joke and who appear never to have heard of the people I mentioned, would have read Professor Sampson's letter in *The Daily Telegraph*, in which he fundamentally criticises the NHS IT programme. Those hon. Members say that they have never heard of him—perhaps they do not read *The Daily Telegraph*. Professor Sampson is at the university of Sussex. He has been fundamentally critical of the work of the project, and here we have a complex interaction between people who may not be members of the Conservative party—I am not sure where they fit in—but who are heavily engaged in some outside bodies that are seeking to influence Conservative party thinking.

Against that background, we look at the reality of what is happening in the NHS IT programme. That is where it becomes mission-critical. We should dismiss the motion out of hand as it is ridiculous. There are, of course, ongoing reviews within the management of the process. As my hon. Friend the Member for South Derbyshire said, reviews took place in both the industry and the Department, and there is an argument for such reviews being more transparent. However, the facts cannot be refuted: there are now some 354,559 users of the NHS IT system within the NHS and among prescribing pharmacists and others.

I agree that there are issues to do with security of data. The hon. Member for North Norfolk (Norman Lamb) expressed concerns about that, and it is inevitable that there will be security issues. However, it is not unreasonable to state that the vast majority of those who manage our NHS on a day-to-day basis—the doctors, clinicians, pharmacists and administrators—are fantastic and fundamentally honest people who work their socks off for the benefit of the NHS. Having said that, there will of course be the odd rogue among them who will sell data, as there is among police forces and in any other organisation that holds data; and we should rigorously apply data protection rules. I would make further recommendations if I had more time.

The system is growing. This week alone, almost 7 million picture-archiving and communication records were added to it. This year, a further 307,000 new studies were added, taking the overall figure to more than 11 million. As the system is growing effectively and consistently at a great pace, it does not require an immediate review. The Tory party wishes to force that on it because it wants to make cheap, opportunist attacks on the Government. What the system needs is firm management to take it through some of the difficulties that it has faced, so that we can make sure that we have a world-class and world-beating IT system that leads to the improvement of the health of all citizens.

3.37 pm

Adam Afriyie (Windsor) (Con): Considering the time, I shall keep my comments brief. Over the past 20 or 30 years, the world of technology has changed rapidly. There has been the move from mainframe computers to desktop personal computers, and there have been distributed systems, centralised systems and

the internet. In any major IT project—the one we are discussing is the largest in the world—account must be taken of the technologies that are developed and those that are under-developed.

I spent about 20 years in the IT industry; other Members, including the hon. Member for South Derbyshire (Mr. Todd), have also spent a long time in industry and have had dealings with the IT sector. Anyone who has worked in and around the IT industry comes to learn bitter and painful lessons about the implementation of IT systems. One thing that we learn fairly early on is that if we choose a brand new, bespoke system—one that has never been used before and is created specifically for one purpose—we are bound to come a cropper. We in the IT industry use the term "bleeding edge"—rather than leading edge—technology. That is where the purchaser and the person responsible for a project endure a lot of pain in the attempt to deliver something that ends up not being delivered.

There is also a point to be made about automating inefficiency. If the system currently in service in the NHS does not work efficiently, by automating it we simply make the inefficiency even more part of the system, which is not good. In letting large IT service contracts from the public sector, we must also consider motivation. If a civil servant or a Secretary of State is not accountable for the failure of an IT project, their motivation is to play safe—to get in consultants to make the points that they wish to hear from them, so that ultimately they can say it was the supplier's fault or the consultant's fault. I fear that in this case, that is what has been going on.

We must bear in mind the fact that if one is paying a consultant by the hour, their motivation is no doubt to prolong matters for as long as possible—unlike my speech, which I shall end now by saying that it would be far better if patients were able to choose whether to be part of the national patient record system. It would also be far better if GPs could choose from various systems, and if the Government now chose to accept a review, which would highlight some of the deficiencies in their approach.

3.40 pm

Dr. Andrew Murrison (Westbury) (Con): It is a pleasure to follow my hon. Friend the Member for Windsor (Adam Afriyie) and his expert remarks. *[Interruption.]* The Under-Secretary of State for Health, the hon. Member for Bury, South (Mr. Lewis) scoffs, but if some of his hon. Friends had been a little briefer, we might have heard more from my hon. Friend.

I begin with the comments of the Minister of State, Department of Health, the hon. Member for Don Valley (Caroline Flint)—or rather, the lack of them. She accused the previous Conservative Government of spending less than 2 per cent. on IT, but she did not know how much she has spent. She touted our figure of 2 per cent., but she should have known that in 2005-06, she spent 1.92 per cent.—revenue and capital—which is rather less than the 4 per cent. that Wanless recommended. So let us kill that one at the outset.

If the Government cannot guarantee the security of records on 30,000 doctors, what hope is there for 50 million patients?

The right hon. Member for Rother Valley (Mr. Barron), whose remarks I usually value, did not want to draw parallels between MTAS and the national programme for IT. I say to him in all respect—dream on. The MTAS debacle has lost the confidence of a generation of junior doctors. The very people whom the Government need to operate NPfIT have seen how the Department of Health mishandles its own confidential material.

In gentler times, last month's High Court judgment, which described MTAS as "flawed" and "unreliable", and said that it had "disastrous consequences", "did not work", and that its victims

"have an entirely justifiable sense of grievance",

would have secured the resignation of a Minister. Apparently, however, these Ministers do not think this matter serious enough. It is hardly surprising that the Medix polling organisation found that 79 per cent. of GPs feel that the national electronic care record service will damage confidentiality, and that 51 per cent. would not upload records on to it without explicit consent. The remarks of the hon. Member for North Norfolk (Norman Lamb) about GPs' reluctance in the Bolton pilot in that respect were very relevant.

A cohort of doctors will grow up bruised by the experience of having their addresses, phone numbers, sexuality, faith and criminal records displayed for all to see, with nobody apparently responsible. We know that nobody was prepared to take charge, because when "Channel 4 News" asked a Minister to respond to the MTAS security breach in April, nobody was available. However, the Health Secretary did eventually pop up to reassure the House that only a couple of dozen or so unauthorised users had found the relevant MTAS URL. Unfortunately, one of them just happened to be "Channel 4 News".

The Health Secretary hinted darkly at that time that criminals might be involved. Was this a smokescreen to prevent further discussion? If not, six weeks on, how many charges have been brought, what involvement has the Criminal Records Bureau had, and what disciplinary action has she taken? Given the monumental scale of this disaster and the inevitable contempt in which doctors will now hold Department of Health IT systems, it is vital that appropriate action be taken if there is to be any NPfIT buy-in by the health care professionals whom the Health Secretary expects to operate this system.

It is not as if the Department of Health was not warned. Emily Rigby of the British Medical Association medical students committee said in April:

"We raised concerns about online security for medical students' applications last year after the system was hacked into. We were given explicit assurances it wouldn't happen again."

The British Orthopaedic Trainees Association, representatives of which we have met on a number of occasions, raised similar concerns with the Department months before the data ended up in the public domain. The Public Accounts Committee report that has been cited today, to which my hon. Friend the Member for South Norfolk (Mr. Bacon) and the hon. Member for Southport (Dr. Pugh) contributed, concluded:

"The Department has much still to do to win hearts and minds in the NHS, especially among clinicians."

[Dr. Andrew Murrison]

It went on to say:

"The Department has failed to carry an important body of clinical opinion with it."

That was before the MTAS debacle. Ministers must now start from scratch in engaging health care professionals.

How typical of this Government that their interpretation of the IT needs of the NHS should be centralist. They have produced a lumbering expensive creature that will allow a bewildering and expanding array of public and private sector inquisitors to tap into our most intimate affairs. Our Government are going it alone. Why do Ministers suppose that other health care economies have rejected grand designs of the sort on which they are intent? The hon. Member for North Norfolk referred to the appalled fascination with which other countries regard NPfIT, and rightly so.

How will patients benefit from having their medical records so freely available?

Paul Farrelly: Will the hon. Gentleman give way?

Dr. Murrison: No, I will not.

Ministers say that it will be handy in an emergency to have medical records freely available in the way that they wish. I have to say that that is pure supposition without a shred of evidence to support it. If Ministers were genuinely exercised about the need for transportable medical records, why have they not been promoting more vigorously the simple devices that already exist for people at risk? If Ministers imagine that doctors will spend time bashing away on computers trying to download the details of—they hope—the patient in front of them, Ministers need to get out more. I am struggling to recall times when I was a casualty officer and the absence of the sort of data that Ministers assure us is so critical genuinely affected the outcome for my patients.

As a patient, I may well opt out of the unquantified benefits of being on the national spine, because based on the Department's form I have no confidence that my records will not end up on Channel 4 news. What elements of NPfIT will patients be able to refuse? Can the Minister assure me and my hon. Friend the Member for Peterborough (Mr. Jackson) that the option to opt out will be fully explained to patients? Can he say—*[Interruption.]* I hope that the Minister is paying attention, because my last question is very important and I would like a specific answer to it. What back-pedalling will be necessary, given the divergence that emerged last month between Europe's data protection commissioners and the Government in respect of the electronic patient record?

Ministers believe that NPfIT will help patients get treatment right across the country, but the great majority of us will only really be interested in accessing care within our local health community. Why then, in a system with finite resources, are ministers obsessed with the need to exchange data with geographically remote providers with all that that implies in terms of capacity for mishandling records?

There are signs that Ministers have at least begun to look around them and seen that their grand scheme is unique in the western world. Belatedly, they have developed an enthusiasm for what they are pleased to call "local ownership" and in March they issued a tender for bids to become "additional systems suppliers" from which individual trusts will be able to buy. Given NPfIT's sheer scale and its extraordinary cost, why has the Minister not come here of his own volition to explain an apparently significant change of tack? Is it because he would have to admit that his troglodyte stateist solution has caused good local systems that were working effectively to be dumped? Is it because he would have to admit to having alienated the very people that he now invites to make the national programme work—our long-suffering health care professionals? Or is the Minister's apparent enthusiasm for localism a ruse to decentralise blame from the Department of Health to health authorities and trusts?

We know that the Department has been reviewing NPfIT, as well it might. But the Government are appealing an order to publish information on gateway reviews. In the meantime, it transpires that Treasury officials have ordered the destruction—the shredding—of relevant documents. That is a serious matter. Will the Minister explain how the public interest—not his political interest—is served by withholding the gateway reviews that the hon. Member for South Derbyshire (Mr. Todd) suggested should be published? If that was his suggestion, I would certainly agree with him. Better still, given the Department's appalling track record, let us have a full and independent review of the whole of its IT circus.

3.49 pm

The Parliamentary Under-Secretary of State for Health (Mr. Ivan Lewis): The Opposition are against electronic patient records—against sharing data that can save lives: they are stuck in the past and not fit to govern. The Labour Government made a bold decision in 2002: to undertake a 10-year programme to computerise the national health service. That was right then and it is right now.

Although thousands of localised systems were implemented in the 1990s, few of them were joined up, as people acknowledged. To have delivered so many systems in so many locations over the past three years is a testament to the success and direction of the Government's strategy. Of course we continue to review and examine what we are doing, but there is absolutely nothing to suggest that we have made a fundamental or structural error in adopting a strategy of ring-fencing central funding for a number of standardised systems delivered by major contractors.

Opposition Members should be frank about the conclusions of the National Audit Office in its report on the project published in June 2006. The conclusions were

"much needed...well managed...based on excellent contracts...delivering major savings...on budget...has made substantial progress".

That was an independent objective review.

It is essential that we hold our nerve in the implementation of the systems. Although we do not deny that there are difficulties, the majority of the programme has gone well. Considering the programme on a 10-year basis, there are no significant time-scale issues; the difficulties experienced by suppliers were predicted and the costs were not borne by the taxpayer.

As a Government we will continue to support the delivery of the national programme for IT in the NHS.

Paul Farrelly: Will my hon. Friend give way?

Mr. Lewis: I cannot give way.

We shall of course continue to apply best project management practice, including ongoing evaluation and review.

The hon. Member for Westbury (Dr. Murrison) referred to the relative proportion of spending on IT by his Government and by our Government. In 2005-06, the Government invested more than 3 per cent., rising to 4 per cent. in 2008—the level predicted by Wanless and twice the amount spent by the previous Government. The hon. Gentleman accuses us of an over-centralised system, but in fact the systems are implemented locally and efficiently procured centrally; in short, wherever patients are treated, they will receive much safer care. He implied that such systems were frowned on internationally, yet other countries such as Canada and Australia are adopting our practice. We are leading the definition of international standards in the field.

The hon. Member for North Norfolk (Norman Lamb) wants more than anything an independent review, but the programme has been reviewed repeatedly—by the National Audit Office, the Public Accounts Committee and other bodies, including the august Select Committee on Health. At this stage, another review would add nothing to the interests of patient care. The hon. Gentleman raised legitimate issues about patient confidentiality, but the question that must be asked of a responsible Government is: have they done absolutely everything in the design of the scheme to protect patient confidentiality and private information? The answer is that the Government have done everything possible to protect confidentiality and the individual rights of patients. The hon. Gentleman referred to PINs. All primary care trusts have been sent advice about best practice for the storage of PINs.

In an extremely practical way, my right hon. Friend the Member for Rother Valley (Mr. Barron) talked about the reality for a patient in his local hospital. He described the outdated, luddite handling of a discharge, which would have led to the patient not receiving the care that we would expect a modern health and social care system to provide. Use of the technology is about making a reality of our aspiration to a patient-centred national health service, as well as empowering front-line professionals to do the job as they want to do it.

The hon. Member for South Norfolk (Mr. Bacon) is not exactly an objective observer on these matters. He refuses to acknowledge the system's benefits of archiving, networking and core infrastructure. He selectively marshals evidence that does not represent a true or balanced picture of the benefits of the system. He referred to Milton Keynes, but the local organisation in Milton Keynes refused help from both the strategic health authority and Connecting for Health. Since our intervention, many of the problems have been resolved and significant progress is now being made. The hon. Gentleman also referred to questions about the iSoft group. The press statement on that issue that was released today is readily available.

My hon. Friend the Member for South Derbyshire (Mr. Todd) is an expert specialist in this area. He defined the characteristics and components that represent a good approach on the project management of the system. His main message was that he believed that best practice was being applied on the whole. He made it clear that he thought that the key was for the Government to hold their nerve. At this stage, it would be wrong to go into reverse on the project because that would have a damaging impact on the NHS and patient care.

The hon. Member for Peterborough (Mr. Jackson) raised the question of the disposal of documents by the Office of Government Commerce. Of course, that has nothing to do with the Department of Health. Connecting for Health was fully submitted to the OGC's process of gateway rating and was given a green rating virtually every time. The hon. Gentleman also talked about escalating costs, but every time that the programme has been examined independently and objectively, it has been acknowledged that, on the whole, the programme is on budget and not in overspend. I would have thought that he would welcome that.

My hon. Friend the Member for Ellesmere Port and Neston (Andrew Miller) talked about the vested interests that sometimes apply when opposition is articulated against the project. He also referred to the motivation of some individuals with a common view about the use of technology to improve public services. That view is out of date. If we truly want to provide responsive, modernised and person-centred public services in a modern world, advanced technology and the sharing of information and data are absolutely crucial.

Paul Farrelly: I welcome the investment in the NHS, not least because I hope that the Department will sign off on a new £400 million hospital for north Staffordshire in the next few days. However, I have by no means been uncritical of the IT system, and I have followed iSoft along with Ian Griffiths, a former colleague who has investigated its affairs. Does my hon. Friend agree that it is a shame that the contributions from official Opposition Front Benchers were not as thoughtful as that of a Conservative Back Bencher, although he was critical, namely the hon. Member for South Norfolk (Mr. Bacon)?

Mr. Lewis: I do not agree with my hon. Friend.

The Government have saved and repaired the national health service. However, our challenge is now its transformation. To achieve that, we need to use the full potential of modern scientific and technological advances so that we can make people better and save lives; provide health care closer to patients' homes in a way that is tailored to individual needs; give patients maximum information, choice and control; empower doctors, nurses and other professionals so that they can offer world-class patient care; and tackle the health inequalities that are an affront to a civilised society. We need advance and progress that are rooted in the Government's principle that the NHS should be free at the point of use, irrespective of ability to pay, and

[Mr. Ivan Lewis]

funded through general taxation. That principle is not negotiable with the Conservative party or any faction in the British Medical Association.

In contrast, the Conservative party uses every opportunity to run down the NHS, its staff, its ethos and its progress. I quote:

"It is time to get rid of this Stalinist system and provide everybody in this country with access to the same level of high-quality health care, when they need it at no huge additional cost.

The way forward is compulsory insurance. It is up to the Conservative Party to think innovatively and radically about a health shake-up that will benefit all."

That is not the view of one, two, three or four Tory MPs, but of at least 28 Tory MPs known as the Cornerstone group. Perhaps it is not a case of a grammar school in every town but of a private insurance policy for every family. We look forward once again to the smack of firm leadership from the right hon. Member for Witney (Mr. Cameron) in dealing with his colleagues.

I urge the House to reject the motion and support the amendment standing in the name of my right hon. Friend the Prime Minister.

Question put, That the original words stand part of the Question:—

The House divided: Ayes 226, Noes 282.

Division No. 133] **[4 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Bone, Mr. Peter
Boswell, Mr. Tim
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, rh Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, rh Mr. David
Campbell, Mr. Gregory
Carmichael, Mr. Alistair
Carswell, Mr. Douglas
Cash, Mr. William
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clegg, Mr. Nick
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duncan, Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Foster, Mr. Don
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hermon, Lady
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holmes, Paul
Horwood, Martin
Hosie, Stewart
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Kennedy, rh Mr. Charles
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Letwin, rh Mr. Oliver
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
MacNeil, Mr. Angus
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Mitchell, Mr. Andrew
Moore, Mr. Michael
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Oaten, Mr. Mark
Öpik, Lembit
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Rogerson, Mr. Dan
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spring, Mr. Richard
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Taylor, Matthew
Teather, Sarah
Thurso, John
Tredinnick, David
Turner, Mr. Andrew
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Watkinson, Angela
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Williams, Mark
Williams, Stephen

Willis, Mr. Phil
Wilson, Mr. Rob
Wilson, Sammy
Winterton, Ann
Winterton, Sir Nicholas
Wishart, Pete
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Andrew Rosindell and
Mr. Crispin Blunt

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Bailey, Mr. Adrian
Balls, Ed
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Beckett, rh Margaret
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Creagh, Mary
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Davies, Mr. Dai
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Francis, Dr. Hywel
Gardiner, Barry
Gerrard, Mr. Neil
Gibson, Dr. Ian
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hanson, rh Mr. David
Harman, rh Ms Harriet
Healey, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodgson, Mrs. Sharon
Hoon, rh Mr. Geoffrey
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Mactaggart, Fiona
Mahmood, Mr. Khalid
Mallaber, Judy
Marris, Rob
Marsden, Mr. Gordon
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McDonnell, Dr. Alasdair
McFadden, Mr. Pat
McFall, rh John
McGovern, Mr. Jim
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Milburn, rh Mr. Alan
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, rh Mr. Elliot
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Pearson, Ian
Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prosser, Gwyn
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andy
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, David
Taylor, Dr. Richard
Thomas, Mr. Gareth
Thornberry, Emily
Timms, rh Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Ussher, Kitty
Vaz, rh Keith
Walley, Joan
Waltho, Lynda
Ward, Claire

Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Wills, Mr. Michael
Winnick, Mr. David
Winterton, rh Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Frank Roy and Tony Cunningham

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments), and agreed to.*

MADAM DEPUTY SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House recognises that a modern IT system is vital for delivering good healthcare; welcomes the NHS IT Programme which provides safer, faster and better healthcare for NHS patients, giving them more choice and control over their care; supports the objectives of modernising medical careers; further supports the aim of connecting over 30,000 GPs in England to almost 300 hospitals and giving patients access to their personal health and care information; congratulates the NHS on having already delivered 93 Picture Archiving and Communications Systems across the country including a 100 per cent. achievement in London, delivering faster results for patients; further congratulates the NHS for sending over 21 million electronic prescriptions so far, reducing inefficiencies and errors; welcomes the fact that over 85 per cent. of all GP practices have used Choose and Book to refer their patients to hospital and that almost 3.8 million Choose and Book bookings have been made so far, allowing patients to choose appointments that are at convenient times to fit in with their lives; and welcomes the news that approximately 1.2 million NHS employees now have access to the new broadband network N3.

Department of Trade and Industry

Mr. Deputy Speaker (Sir Michael Lord): We now come to the second debate on the Opposition motions. I must inform the House that Mr. Speaker has selected the amendment in the name of the Prime Minister.

4.16 pm

Alan Duncan (Rutland and Melton) (Con): I beg to move,

That this House notes with concern that since 1997 the competitiveness of the UK has fallen, that growth in productivity has slowed, that companies' business investment and research and development spending as a proportion of GDP have declined, that the UK balance of trade is in record deficit, and that businesses are suffering under an increasing burden of regulation which especially harms smaller firms; is concerned at Government plans to close thousands of post offices, its recent clawback of the science budget to pay for the Rover enquiry, its failure to meet its energy policy goals, its inconsistent system of business support, the questionable focus and performance of Regional Development Agencies, and the failure of UK Trade and Investment effectively to promote British business abroad; and therefore calls for an improvement in the Department of Trade and Industry's leadership and enterprise culture to make it a stronger and more effective voice for business and for the United Kingdom.

We have initiated this debate for a number of reasons. One of them is that too infrequently does the House ever look at the overall picture of an entire Department. Over the past few months we have debated energy, the Post Office, and Select Committee reports, but we have never stopped to take an overall look at the functions and effectiveness of the entire Department. It is the purpose of today's debate to try to do that.

The attempt to take an overall look comes at a timely moment. With the inevitable series of changes that will follow the change of Prime Minister, there is likely to be upheaval in a number of Departments, reform, change and reallocation of responsibilities—and the newspapers are full of rumours that the Department of Trade and Industry is under the spotlight. Many think that the Department is even fighting for its very existence, and that it may not be long for this world. It is important to take a step back and assess and evaluate the purpose and effectiveness of the Department.

The DTI does not enjoy a high reputation among many people who have to deal with it. It is easy to deride. Some describe it as the Department of tinkering and interference, or the Department of timidity and inaction. Behind that lies a difficult paradox, with which we all have to wrestle. In a world of globalisation where free markets are left to be free as much as possible, the interference from a Department should be minimal.

Over the years there have been extreme contrasts of approach, even among Conservatives. *[Interruption.]* The right hon. Member for Coventry, North-East (Mr. Ainsworth) has taken the very words out of my mouth: Lord Heseltine, when he was President of the Board of Trade, said that he would intervene before breakfast, before lunch and before dinner. In contrast, the late Lord Ridley, as Nicholas Ridley, when he was Secretary of State for Trade and Industry said—I have to amend the quotation slightly in order to conform to the forms of the House—"What's the DTI for? I've got

damn all to do and thousands of staff to help me do it." He did not use the word damn.

I confess that I do not totally share the late Lord Ridley's utterly uncompromising laissez-faire approach. I am an unapologetic free market liberal, but that does not mean that there is not an important role for a Department of State that is a genuine champion of Britain's interests and a champion of an enterprise culture in the country. There are real questions in the minds of many about whether the DTI is doing much good, or enough good; hence the rumours that the current Chancellor, the future Prime Minister, is likely to restructure it.

We should examine the Department's record, and one of the best ways of doing that is to turn to the Department's annual report. I was disappointed when I opened the report, which is a pretty shoddy document full of misprints. Indeed, I am surprised that the Secretary of State ever put his name to it. I am a complete apostrophe fascist, and my copy of the report is covered in red ink. I hope that the next report will be of a much higher standard. In addition to many thousands of misprints, in some cases paragraphs just come to an end. *[Interruption.]* The Minister for Science and Innovation has said that that is why they are paragraphs, but they should not end in the middle of the paragraph. Section 1.11 of the report reads:

"Delivery of the Business Plan is monitored quarterly as part of the Department's approach"

that apostrophe is wrong—

"to performance management and within the framework of its Public Service Agreement with".

And there it ends.

Mr. John Redwood (Wokingham) (Con): Write your own happy ending.

Alan Duncan: The Department may well be consulting on that.

The DTI lists as its objectives a few clear targets: it should support successful business, promote science and innovation, ensure fair markets and secure sustainable and affordable energy. The departmental budget is about £6.8 billion, and about half of it is spent on science, which I shall come to in a minute. The Minister for Science and Innovation is nodding his head, and he will be pleased to hear that I think that that is one area where the money is well spent, although unfortunately I cannot say the same for everything else.

The DTI is also responsible for employment rights, energy policy, postal services, overseas trade and inward investment, competition policy, insolvency, business support, consumer issues, company law, the protection of intellectual property, and weights and measures. We believe that there must be a Department of State with a Cabinet Minister who sits around the table and defends the wealth-creating sector of the United Kingdom. If there is no voice for the wealth creators, the spenders will dominate every aspect of Government. The purpose of the debate that we have initiated today is to say that we think that that voice has been too weak, and appears to be imperilled by many of the rumours circulating at the moment.

Mr. Richard Benyon (Newbury) (Con): When my hon. Friend looks at the annual report and the role of DTI Ministers, has he assessed how much of their time is spent promoting British industry and British business and how much of their time is spent imposing ever more regulation and burden on small and medium-sized enterprises, which are the backbone of the economy?

Alan Duncan: I regret the fact that at the mere mention of imposing regulation there are groans from Government Members, which shows that they do not understand the effect of so many regulations. Regulations are especially punishing for small business, which, unlike larger business, feels that it has weak representation in getting its voice heard in the corridors of Government. I will address promotion in some detail in a moment, so I hope that my hon. Friend will be patient.

Rob Marris (Wolverhampton, South-West) (Lab): Will the hon. Gentleman provide three examples of regulations that if there were a Conservative Government—which I think unlikely—he would abolish?

Alan Duncan: I will cover that in a minute.

Let us examine the regard in which the Department is held at the moment. The Secretary of State admits that the DTI could do better, and recognises that it has underperformed. He said as much at the British Chambers of Commerce conference:

"The question is, could the DTI be improved, should changes be made? The answer is yes".

I think that they appreciated his candour. They certainly agreed with him at the time. All the groups to which anyone speaks believe that the leadership and effectiveness of the Department of Trade and Industry are weak where they should be strong.

The Engineering Employers Federation argued that the structure is not sustainable because overlap with the Treasury often occurs in promoting economic growth. Martin Broughton, president of the CBI, said that the DTI had not been dealt with as a serious Department by the Government.

A study that the London Chamber of Commerce published today shows that nine out of 10 company directors in London support the creation of a dedicated Department for business, headed by a Cabinet Minister, to replace the DTI. The Secretary of State might say that we have already got that, but dissatisfaction with the Department's current effectiveness lies behind the numbers in the survey. More than two fifths of directors said that the DTI was not fit for purpose in its current guise.

Nigel Griffiths (Edinburgh, South) (Lab) *rose—*

Alan Duncan: I shall give way to a former Minister.

Nigel Griffiths: Will the hon. Gentleman guarantee to provide a Department in that form?

Alan Duncan: I would love to be in a position to guarantee a Department in that form. We believe that there is a good case for a strong Department, perhaps with enhanced powers, to be a stronger voice for business, commerce and British interests at home and abroad. It is currently perceived as too weak.

[Alan Duncan]

The CBI's view is that any changes to the structure of Government must strengthen the economic weight attached to Cabinet decisions. It believes that it is vital for a strong champion of business, which understands the realities of today's global economy, to be at the heart of Government. It said that it did not want the competitiveness agenda to be undermined in critical policy areas, including employment and energy.

Most organisations that have to deal with the DTI believe that it is not doing as much as it could, although I confess that I would not go as far as Mr. Chris Rea, the chairman of Rotherham-based AES Engineering, who said that the DTI is a "complete and utter joke". However, I agree with him that it needs to undergo a complete cultural transformation. That is what, essentially, I am trying to convey to the Secretary of State.

Let us take a quick canter through the Department's responsibilities and ascertain whether it has performed as well as it should. We have debated post offices several times. In 2001, the Government promised to keep them open except in unavoidable circumstances. Those unavoidable circumstances appear to be arising thick and fast every day. The Government have presided over the largest annual closure of sub-post offices. In total, more than 4,000 have closed since the Government came to office. We know from a recent statement that they intend to close a minimum of a further 2,500 in the next two years. That amounts to a closure rate three times that under the Conservative Government.

The Government hide behind the access criteria, but even their analysis of those criteria in past years has shown that they can shut two thirds of all post offices and still meet the criteria, because 99 per cent. of people in rural areas live within 3 miles of a post office.

The bigger subject, which we have often considered in the House, is energy. We have had no end of reviews. In 10 years of a Labour Government, energy has been high on the agenda for five years. The publication of a White Paper—the third such White Paper since Labour came to office—was delayed twice. It was the product of the Government's third major energy review, under their eighth Energy Minister. Yet no definite decisions have been made about the future of our electricity generation. Further consultations are under way, and there are questionable elements in the White Paper published just before the Whitsun recess—about the reform of the renewables obligation, for example—which will delay things further.

David Howarth (Cambridge) (LD): On the subject of the uncertainty of policy, will the hon. Gentleman take the opportunity to inform the House of the Conservative party's policy on nuclear power? Subject to one or two legal cases, we know the Government's view, and we know the Liberal Democrat view, which is clearly against, because we believe that nuclear power will crowd out carbon capture, renewables and energy savings—so what is the hon. Gentleman's view?

Alan Duncan: The idea that having a choice in how power is generated and having a fair regime for nuclear energy will crowd out renewable alternatives is, in my view, absurd. In that, we agree wholeheartedly with the Government, and share the same view. The only thing that we have not done that the Liberal Democrats have done is to rule out nuclear power altogether—a simple posture that is unrealistic in its assumptions about how electricity will be generated in future. I will tell the hon. Gentleman exactly what Conservative party policy is. We want a cap and trade regime for carbon, in which permits are allocated as far as possible by auction and far less by historic use. We want a properly understood and priced regime—the Government have been slow on this—for handling waste. We would reform the climate change levy, which attacks nuclear energy even though it is a non-carbon-emitting process, and we would have a fair planning regime in order to enhance the regime under which a future nuclear power station can be built by having site and type approval. Does that suffice?

David Howarth: Yes.

Mr. Tobias Ellwood (Bournemouth, East) (Con): Can my hon. Friend clarify why the Liberal Democrats are against nuclear power on land, but in favour of it when it is in the back of a nuclear-powered submarine?

Alan Duncan: I confess that even at my most imaginative I am unable to disentangle the thought processes of the Liberal Democrats, but I have no doubt that their spokeswoman will be able to do so when she rises to her feet and explains all to a baffled and mystified House!

Miss Julie Kirkbride (Bromsgrove) (Con): Before my hon. Friend moves on, I would be grateful to hear whether he believes it possible—or, for that matter, likely—for us to meet our carbon reduction targets without nuclear power.

Alan Duncan: That would depend on a number of factors. One is the early and effective advance of carbon capture technology, which I am coming on to in a moment, and another is the scale and scope of the contribution that the renewables sector can make. There is no doubt that in the absence of carbon capture, it will be very difficult to make the carbon emissions reductions that we all want to see. The Government have to admit—this is partly another charge to be levelled against the DTI in some respects—that carbon emissions are rising and that their plans are probably insufficient to meet their emissions targets. In March the Government signed up to an ambitious EU target to get 20 per cent. of all energy from renewables by 2020, but the measures outlined in the energy White Paper are nowhere near sufficient to meet it.

Another issue is carbon capture. I stood here a mere two weeks ago, and in an immediate response to the White Paper I said that buried in the statement was bad news for carbon capture. I was scoffed at by the Secretary of State for Trade and Industry, and by the Secretary of State for Environment, Food and Rural Affairs, who sat there grinning from ear to ear, saying that I did not know what I was talking about. I did, and I do. A mere hour later, BP announced that it was pulling out of carbon capture in Peterhead, which was the most developed and advanced experiment in the entire country. It was a pioneering project destroyed by the Government's refusal to include it in the renewables obligation. Once again, the competition has been

deferred, so buried in that news was very bad news for carbon capture. I hope that the Secretary of State will have the good grace to admit it.

Mr. Mike Weir (Angus) (SNP): I agree with the hon. Gentleman that he was very quick in bringing this matter before the House after the statement was made. In fact, I too raised it during the statement, and no indication was given of any difficulty with it. Given that the Government have announced that there is to be a competition, and given that the current partners in the Peterhead scheme have already invested about £50 million in the pre-engineering phase, most of which appears to have been lost, what confidence can other projects have in this competition, which the Government are to announce some time later this year?

Alan Duncan: As I understand it, the Government have announced a competition that will either open or close in November. By whatever means they hold the competition, they cannot escape from the accusation that research and experimentation in carbon capture has been deferred, probably by as much as two or three years, compared with the point that BP had reached. That is a disaster in terms of wanting clean coal to make an effective contribution to our power generation mix. The Government's track record on carbon capture is therefore pretty grim.

The Government's strategy for nuclear waste is also unfortunate. Anyone who is to invest in a nuclear power station will need to know the planning regime and the costs of building and dismantling it. Those are now pretty well within the scope of a potential investor. But what they do not have—and they can only get it from the Government—is a clear understanding of the costs that they will face for handling, looking after or treating nuclear waste. Until the Government say in clear terms how new nuclear waste will be handled, and how the Government and the investor will interact, no company is likely to invest. If ever there were urgency, it is to clarify that. The Government have said that urgent decisions need to be taken about our future power stations, but no such decisions can readily be taken until they are clear about the handling of nuclear waste.

The House of Lords Science and Technology Committee described the Government's proposals for dealing with radioactive waste as "incoherent and opaque". Its report details serious concerns over the institutional framework for dealing with it. Will the Secretary of State tell us exactly what the regime will be for nuclear waste?

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): Does the hon. Gentleman believe, however, that once that regime becomes clear, it must be the investors who pay the price for that waste, and not the public sector picking up the subsidy through some back-door minimisation or transfer of risk to the state?

Alan Duncan: Yes. Our view and the Government's is that the nuclear sector should have no subsidies. We must accept, however, that government and the planet will outlast the life of a nuclear power station and probably its commercial capacity to handle waste. Thirty, 40 or 50 years from now, the ultimate stewardship or treatment of that waste might have to be handed over. That is exactly the kind of detail that is necessary for anyone to decide to invest; without it, they will not do so.

The biggest area of DTI activity in which it scores well is science. The budget for science is about £3.5 billion, and is largely administered by the research councils. Broadly, the Government have done well on that. They have doubled the budget in the past 10 years. My criticism, however, is that science projects need continuity and certainty, which does not get bounced from one year to the next. I am critical of the Government's decision to claw back £98 million from the science budget to pay for things that they knew had to be paid for, such as the Rover inquiry. In future, I hope that the Government will appreciate that continuity of science budgets is crucial.

Earlier, mention was made on the Conservative Benches of regulation. We never hear much from the Government about that. They deny that regulation does any harm. The small business sector in particular, however, finds regulation increasingly costly and burdensome—*[Interruption.]* Does the hon. Member for Wolverhampton, South-West (Rob Marris) have any experience in business? Perhaps he would like to tell me now. He does not.

The fact is that anyone who wants to set up a business must face no end of instructions. If one reads the Government's "short guide" to setting up a business, one finds that it is about 50 pages long. That is intimidating for someone who simply wants to register as a sole proprietor or as a limited company with very few employees and get on, be self-reliant and earn a living for themselves and others.

Rob Marris: The hon. Gentleman asked whether I have any experience in business. The short answer is yes. I spent most of my working life in the private sector. I helped to run a small business in retail—ladies' shoes, as it happens—and I was a partner in a law firm, which is private sector as well. That is where the majority of my career was spent. I agree that small business often finds it harder to cope with regulation than larger business, and there are exceptions from certain regulations to take account of that. However, on the question of regulation, what three regulations, by way of example, would his party abolish?

Alan Duncan: I shall pick one straight away. I would not force all businesses to put no-smoking signs in every public room throughout the country for ever and permanently. I hope that the hon. Gentleman will persuade his party to vote against such ridiculous and numerous regulations.

Mr. Jeremy Hunt (South-West Surrey) (Con): Does my hon. Friend agree that whether it is the ladies' shoe sector or the legal sector, the single thing that helps small businesses most is to operate in a low-tax light-regulation environment? The biggest failure of the DTI under this Government is that it fails at any time to make the case for that competitive environment, which can be achieved only by sharing the proceeds of growth between increases in public spending and reductions in taxation.

Alan Duncan: I agree. It has been calculated that more than 30,000 new regulations have been introduced by this Government—more than 14 every day. The average British company has to spend over £13,000 a year implementing new legislation. On the back of that, we have dropped from fourth to 10th in the international competitiveness league. Let me point out the crucial deceit in the last Government. The Secretary of State for Trade and Industry might not have seen it coming, but he should have were he genuinely defending British business interests. The Chancellor raised corporation tax on small business. Where was the voice of the DTI in objecting to that?

Jane Kennedy (Liverpool, Wavertree) (Lab): As a Minister, I struggled to ensure that in the drive for regulation, which largely came from Europe—I know that the hon. Gentleman has quite an enlightened attitude to Europe, having listened to him in the past—the potential for burden was minimised. Colleagues in the Government work equally hard to do that. Does he accept that to minimise the impact of regulation from Europe on business we have to be part of an effective lobbying group? Being effective in lobbying in the European Parliament is an important part of that. Surely his party's isolation within the European Parliament will not help in his avowed attitude to such regulation.

Alan Duncan: Based on the first half of the right hon. Lady's comments, I am happy to act as a reference for her return to government as a Minister in the impending reshuffle. As for the second half, it is not about lobbying in the EU. An EU directive is an instruction to member states to make their domestic law conform to certain stipulations. Most of the gold-plating—indeed, all the actual gold-plating—is home-grown. It is the culture of the United Kingdom and the way in which we write our law to adhere to directives that causes so much of the problem. I applaud her attitude when a Minister of trying to keep that to a minimum, but the culture of Departments and the way in which we write our law tends to make those directives go far further than they need ever do. That is what I would like to see changed.

Mr. Redwood: Does my hon. Friend agree that Labour Members are being disingenuous? They will remember that our party made 63 deregulatory proposals as part of our manifesto for the last general election. We brought them to the House of Commons and debated them. We sent them to Ministers who kept on losing them. We are still waiting for them to implement them, and many of them would have made the work of business easier. I can promise my hon. Friend that the forthcoming economic policy competitiveness report will have an even longer list than the 63 because the Government have made so many more regulations in the past year.

Alan Duncan: I am grateful to my right hon. Friend. We all look forward to his report on competitiveness, which I am sure will make an important contribution to our policy making.

Let me turn to the issue of business support. A year ago, the Government announced their intention to reduce 3,000 business support schemes to a mere 100. Let us stop and think about that for a moment. The very fact that the Government imagine that a quantum leap can be made from 3,000 to 100 is a vivid illustration of the absurdity of the present regime. There are 3,000 schemes, and most people simply do not understand how they work. The Government are spending perhaps £12 billion on these schemes, and can provide no measurable evidence of the effect of that expenditure.

Only 15 per cent. of small businesses have had any contact with the schemes. Instead of a clear structure for support, there are roughly 3,000 schemes administered by around 2,000 public bodies. That is absurd. The system needs vigorous and urgent rationalisation, a proper assessment of its effectiveness, and an explanation from the Secretary of State of how he expects it to work in the future. The chief executive of the Small Business Service has described it as

"an incredibly complex system... an inaccessible business support system for customers that is inefficient and ineffective for Government".

That takes us to a issue on which deep thought is needed: the issue of regional development agencies, on which the Government spend the second largest amount in the DTI budget. Each of the nine RDAs has a budget of anything between approximately £250 million and £450 million, and for a long time there has been no convincing explanation or analysis from the Government of what good they actually do.

As we all know, over the years Governments of different colours have wrestled with the best model for enhancing the economic development of our regions, and with the task of releasing pockets of poverty from economic inactivity. Where previously we had the development corporation model, involving some fantastically effective and evident flagship schemes in derelict docklands, we now have a lot of jam spread very thinly throughout the country. It is not clear whether that is to do with regional policy or with economic development. We do not know, for instance, whether the RDAs' remit includes a demand that they should invigorate an enterprise culture in areas dominated by the public sector, such as the north-east.

Mr. Philip Dunne (Ludlow) (Con): Does my hon. Friend agree that as a consequence of the devolution of technical expertise from the DTI down to the regions through the regional development agencies, the country has lost what was for a long time one of the DTI's strongest attributes—individual civil servants with sector expertise? An exporter seeking to extend his business to overseas markets can no longer turn to anyone in the DTI with that expertise.

Alan Duncan: I largely agree with my hon. Friend. Serious, preferably cross-party, debate could be had on the issue. It is no good the hon. Member for Burnley (Kitty Ussher) shaking her head. She is welcome to intervene and say why my hon. Friend is wrong, or to speak later, but this is exactly the complaint that we hear wherever we go in the country.

Miss Kirkbride: Talking of issues that might well be subject to party political agreement, when the Trade and Industry Committee has travelled abroad one of the main criticisms of RDAs that we have heard relates

to the competition between them. Most people in India, China and Brazil, for example, think that England—or the United Kingdom, for that matter—is a small country stuck in the middle of the Atlantic. They do not know the difference between the west midlands and Tyneside, and they find that competition between the RDAs that turn up for the trade fairs trying to sell the wares of one particular region gets in the way of money coming to the UK.

Alan Duncan: I am going to come on to that in more detail in a minute, but essentially I agree with my hon. Friend. Regional development agencies opening offices abroad has become an absurdity. The Trade and Industry Committee has today published a report criticising the proliferation of those offices abroad. What is the point of having nine regional development agencies possibly competing with each other on the streets of Shanghai for business? That business needs to come to Britain if it possibly can, regardless of which region it goes to. It has become nutty. The Secretary of State needs to address that problem urgently.

I cannot see the logic of having RDA offices abroad to the point where we are simply exporting competition among ourselves into foreign markets that we would like to win for Britain. That means that our efforts abroad have become incoherent. I will come on to that, but it illustrates further the irrational and fragmented structure and activities of RDAs.

With some RDAs, I talk to people locally and they say, "We like them." For example, they may have promoted the region effectively with advertising and branding, as One NorthEast has done. However, if one scratches a bit further, one discovers deep frustration among the business community about a wealth of resource ineffectively spent. It tends to be a spoonful of jam here and a spoonful of jam there, with a little joint venture in skills, a little joint venture in a building project and a little joint venture in some training project. That means that the RDA builds up an entire client base in its region and that, whenever there is a threat to abolish it, there will be people in the region who say, "That is half my project down the spout. The RDA should stay."

The question we should ask is not whether RDAs should have all those partnerships with people that somehow justify their existence, at least cosmetically, but whether the RDAs are having a genuine effect and changing the culture of enterprise and the economic prospects of the region.

Jeremy Wright (Rugby and Kenilworth) (Con): Does my hon. Friend agree that, although it is true, as my hon. Friend the Member for Bromsgrove (Miss Kirkbride) said, that regional development agencies are too small to compete internationally, in many ways they are too big to deal effectively with the diverse problems of a particular region? If we take the west midlands, it is difficult for a regional development agency to come up with a strategy that is equally applicable for Warwickshire and for Wolverhampton, which the hon. Member for Wolverhampton, South-West (Rob Marris) represents. That is part of the problem that RDAs face.

Alan Duncan: My hon. Friend has a good point. It means that the focus of the RDAs' activity gets averaged out. Do they think that they should provide the bricks and mortar, restore derelict areas and clean up sites so that they are fit for further occupation? Do they think that they should be champions of infrastructure by asking that the A1, for example, be widened as it heads north past Newcastle? Should they be the ones that encourage enterprise and arrange for school leavers aged 16 or 17 to acquire the skills to get jobs that can give real added value? The RDAs do not really know what they are about. They are a bit of this and a bit of that. The danger is that in the end they are a lot of nothing. Therefore, I encourage a rigorous debate on the future of RDAs, with a clear picture, in policy and in purpose, of what they are there to do.

Let me move on to the allied issue of trade promotion. The biggest gripe one regularly hears is that UK Trade and Investment is an ineffective body for the promotion of British trade overseas. It is thought that inward investment increasingly means buying British companies, rather than bringing new investment into the UK. It is thought that UKTI's efforts abroad are utterly fragmented and never cohere. It has concentrated on China, India and Brazil but its structure of offices does not seem to have much rhyme or reason. Although I accept that under Andrew Cahn much work has been done to sharpen up its act, under this Government we have completely lost the brand image of Britain abroad that we used to have. That is down to there being a multiplicity of offices, and to UKTI having lost its vim and vigour. That is destructive to the reputation and interests of British industry in other countries. I am also critical of the fact that DTI Ministers have made inadequate numbers of visits abroad to promote British interests.

Peter Luff (Mid-Worcestershire) (Con): It is only fair to record that it is the view of the Trade and Industry Committee that UKTI staff working at overseas posts are of exceptionally high calibre, but in a report published this morning we express reservations. There are morale and management problems at the centre of UKTI, and the Government must address them.

Alan Duncan: My hon. Friend is the Chairman of the Select Committee and I am sure that Ministers will read his report fully. From what I have heard about it today, it sounds as if it matches the conclusions that I and my Front-Bench team have reached over the past few months about UKTI and RDAs.

I wish to make a plea to the Secretary of State and his Ministers—or, perhaps, to his and their successors. Personal visits abroad matter, but over the past 10 years DTI Ministers have paid very few visits to much of the middle east. Some of our closest allies have received no trade visits at all. I understand that the Secretary of State will soon visit the United Arab Emirates, which is to be welcomed. However, there is at present a lot of money in the middle east and despite the Iraq war there is deep affection for Britain. People in the middle east understand that Britain is a good place to put their hundreds of millions—or even billions. We have neglected countries such as Oman and Kuwait. The last trade Minister to go to Yemen was Anthony Nelson in 1996, and he—*[Interruption.]* Yes, he joined the Labour party—but at least he was right to go to Yemen.

It is a serious point. It causes deep insult to people who instinctively have affection for us that our

[Alan Duncan]

governmental apparatus appears to neglect them and that we send only Defence Ministers to their countries. That must be remedied. I can honestly say that I believe that I personally, and at my own expense, have been to more such countries than have the Secretary of State and his entire team over the past 10 years. I urge the Secretary of State to appreciate that this is a severe deficiency in the practices of his Department.

The Rover inquiry has cost a lot of money. *[Interruption.]* Yes, millions of pounds. However, we must remember that the problems that we faced in respect of Rover were made far worse by the ill-judged interference and intervention of one of the current Secretary of State's predecessors in that post, the right hon. Member for North Tyneside (Mr. Byers). Two offers were on the table for Rover, and he took the one that he thought would save him votes. That accelerated the demise of the company. It cost people their pensions and pay-outs, and eventually their jobs. That is a stain on the reputation of the right hon. Gentleman.

The Government have also delayed the publication of legislation on construction for more than a year. The amount of manufacturing jobs is shrinking. Business investment is at a record low. Research and development spending has fallen by 9 per cent. as a proportion of GDP since 1997. Many of the figures that matter most in making up our competitive position are pointing in the wrong direction.

Within three weeks, we will know the fate of the DTI. My party is against its abolition, as that would be reckless and there must be a voice for business at the Cabinet table. On balance, we would favour the Department being enhanced. However, it is essential above all, regardless of the structure of the Department, that its culture is changed so that there is a stronger voice for enterprise and business in the UK. The DTI—or whatever the Department is called—must be what it has not been over the past few years: a voice for business around the Cabinet table, and a voice for Britain in the world.

4.59 pm

The Secretary of State for Trade and Industry (Mr. Alistair Darling): I beg to move, To leave out from "House" to the end of the Question, and to add instead thereof:

'acknowledges the outstanding performance of the economy under this Government with the longest unbroken economic expansion on record, in contrast to the boom and bust of the previous Government, with inflation and interest rates both on average half of the previous 18 years and over 29 million people in work for the first time; notes that the UK is recognised as one of the best places in the world to do business; supports the Government's approach to better regulation and a 25 per cent. reduction in administrative burdens by 2010; praises the balanced approach to protecting working families through measures such as the national minimum wage and flexible working, while achieving the highest level of employment; commends the Government's unprecedented commitment to a national post office network with clear access criteria and the financial support to underpin it; applauds the more than doubling in real terms of science funding after decades of under-investment; welcomes the Government's leadership in tackling the challenges of climate change and energy security; endorses the commitment to reduce the number of business support schemes across Government to under 100 by 2010 after the Department of Trade and Industry's successful simplification of its own programmes to under 10; recognises the increasing contribution of regional development agencies to regional prosperity and jobs; approves the new strategy of UK Trade and Investment which has received widespread business support; and calls on the Government to build on its achievements to secure the country's growing economic prosperity.'.

I have to congratulate the hon. Member for Rutland and Melton (Alan Duncan), who spoke for nearly three quarters of an hour and said very little, although he said it very well. We are no further forward in knowing what the Conservative party's policies are, except on one matter. He now tells us that, having stood on a Tory platform of abolishing the Department of Trade and Industry, it would be completely reckless to do so. I am sure that all those who follow the development of Conservative party policy—be it on grammar schools or the DTI—will follow this one with great interest. I presume that the grammar school compromise is that it should not be abolished but enhanced. We will have to wait and see what the Tory definition of "enhancement" is.

The House will understand that, for obvious reasons, I do not propose to say anything further about the DTI itself, except for one thing. During our exchanges across the Floor of the House, it is important that we record the fact that within the DTI, as within the rest of Whitehall, there are many dedicated and effective men and women who have served this Government—many have also served previous Governments—in an exemplary manner. Much that they do will continue to be necessary, however Whitehall is organised in future. However, it is important to record that many people have contributed greatly to policy development and, therefore, to the development of the economy.

I shall deal with many of the points that the hon. Gentleman raised, but I want also to speak to the amendment, which sets out our record over the past 10 years. I am very happy to debate for the rest of our time today and on many future occasions the contrast between what has happened in the past 10 years and what happened in the previous 18. Indeed, as my starting point, I could do no better than quote the report of the very committee that was chaired by the right hon. Member for Wokingham (Mr. Redwood), which the hon. Member for Rutland and Melton said would be published shortly. I look forward to that. My understanding is that it was ready last December, so it must be really good if it has been kept back. It says, among other things, the following:

"The UK starts from a strong economic position. It is the fourth largest economy in the world and it has the highest employment rate in the G7 group of industrialised nations."

That is quite a good tribute to the British economy and does not fit easily with the Conservatives' motion.

Mr. Redwood *rose—*

Mr. Darling: Of course I give way to the right hon. Gentleman.

Mr. Redwood: I am delighted that the Secretary of State has given way. He is of course quoting from advice into the committee, not from the committee's report. Why have we lost 1 million manufacturing jobs in the last 10 years, and why should we believe that the next few years will be any better?

Mr. Darling: Whether or not it is advice into the committee, it is extraordinarily good advice and I commend the right hon. Gentleman on having given it. He well knows that there have been major structural changes in our economy over the last 10—indeed, 20—years, as I shall discuss shortly. Despite the fact that the services economy has grown rapidly—I was surprised that the hon. Member for Rutland and Melton did not say anything about that—we still have a very strong manufacturing sector, particularly in pharmaceuticals and aviation, for example; I shall return to that issue shortly. The key for us, especially in today's global economy, is to make sure that the United Kingdom economy is a good place to do business—we have that—so that as these changes take place, we get the new jobs and industries and the new research and development that will ensure our future prosperity.

When any objective observer looks at our economy, they will see that we have had the longest period of sustained growth on record. We have low inflation—it is about half what it was between 1979 and 1997—interest rates are half what they were when the Conservatives were in power, and employment has reached a record high of more than 29 million. That is 2.5 million people more than in 1997, and contrasts with the position for much of the 18 years in which the Conservatives were in power. People forget about that, but it should be remembered that whole generations lost the opportunity to get on and to do the best that they could for their families, because, at a time of massive change, no help was given to them when they needed it most.

Mr. Redwood *rose—*

Mr. Darling: The right hon. Gentleman is at least making a fist of defending the previous Government—something that his colleagues singularly failed to do.

Mr. Redwood: I am grateful for that praise from the Secretary of State. Can he explain why 5.4 million people of working age are on benefit and have no realistic chance of a job today? Is that not a shameful record? What he is talking about is creating jobs for migrants, who are doing good things for our economy, at the expense of those who are already here.

Mr. Darling: I do not agree with the right hon. Gentleman. Since 1997, through the new deal and other measures, this Government have done more than any other to help people who were previously workless to get back into work. Many of the measures that we introduced were opposed—indeed, the Conservatives and the Liberals opposed the very funding of that programme—but they have made a difference. The right hon. Gentleman is right in that there are still people who would be capable of work, with the right support, and we want to ensure that they get into work, especially at a time when the economy continues to grow. It is right both economically and socially that we do everything we can possibly do to achieve that.

The hon. Member for Rutland and Melton raised other issues about our performance, but productivity has increased. We are closing the gap on France and the US, and we have overtaken Germany. Real-terms business investment has grown by almost 50 per cent. in the past 10 years and there was a 5 per cent. increase in research and development in 2005 over the year before. There is also much research and development and innovation taking place in intangible assets—such as skills and software, which are not always captured in the statistics but are very important to the service economy—and that is making a real difference. Of course, research and development in pharmaceuticals and aerospace are bearing fruit. Our pharmaceutical industry is doing extremely well, because that industry sees Britain as a good place to do business. Indeed, some firms have relocated their activities in the UK because they see it as a good environment in which to develop.

We have a strong basis for the future, although there are of course other things that we need to do. The hon. Gentleman mentioned regulation. However, despite being invited on three occasions to name three regulations that he would repeal, he could come up with only one—the taking down of the no smoking notices. I am sure that for some firms putting up such notices might be a burden, but I would hazard a guess that even if they were all taken down again it would not make much difference to whether businesses felt free of regulation.

When one presses Conservatives—although perhaps we will not do so today—on what it is that they really do not like, it is not long before they start talking about, for example, the right to request reasonable time off to care for children. They have never been keen on the maternity and paternity leave provisions that we have introduced. Even today, they are uncomfortable when such matters are raised.

I agree that reducing the regulatory burden on industry is essential. The companies legislation, which the House debated at length last year, removed many of the regulatory requirements on companies. The unfair commercial practices directive from the EU, something that is not universally popular in this House, repeals 22 separate consumer regulations. I am clear that the DTI has to play its part in reducing the regulatory burden. We should ask ourselves whether we need to regulate, and if we do not, we should not. It is important that we change the culture. Under successive Governments, if something undesirable happens, there is a call to ensure that it does not happen again, so legislation is introduced, but sometimes the consequences are not fully thought through.

We need to ensure that we have the appropriate regulatory environment, but we also need to ensure that we have the right corporate tax environment. I am sorry that the hon. Gentleman could not acknowledge that we have reduced corporation tax. We reduced it to 30 per cent. in the early years of the Government and when it comes down to 28 per cent., it will be the lowest in the G7. Indeed, it will be lower than in all the other major economies.

Sir Robert Smith: In his opening remarks, the Secretary of State praised the staff of the DTI. The north-east of Scotland would have much praise for staff in the DTI's energy sector and their work with PILOT on the regulatory side of the industry. However, the weakness of the DTI as a voice in Government is exemplified by the corporation tax issue. The Government introduced a change in the tax regime during a tax year without warning when they

[Sir Robert Smith]

introduced the supplemental tax in the North sea. People in north-east Scotland felt that the DTI, for all its work with the industry, did not have the ear of Government when it mattered—which that change did, because it had an effect on the investment climate.

Mr. Darling: I do not agree. Many people in the oil industry said that they wanted stability in the North sea oil tax regime, but earlier this year when they saw the reduction in corporation tax rates in the Budget they said they would like to take advantage of them, too. I understand why they might say that, as I also understand why low gas prices, which actually benefit large sectors of our economy, might have an adverse effect on North sea investment decisions. In addition, owing to the high cost of operating in the North sea compared to other fields throughout the world, the industry has to tackle a number of issues. We are working on a number of aspects with the industry, through PILOT, with which the hon. Gentleman is familiar, and we met recently—in April. We do not expect universal agreement on everything all the time, but I think the industry itself would readily accept that over the past few years the PILOT regime has worked quite well to resolve some of the difficulties that the industry faced. As I said a couple of weeks ago when I launched the energy review, although the North sea oil field is mature, it is in all our interests to do everything we can to exploit its remaining reserves.

I said earlier that I thought it strange that the hon. Member for Rutland and Melton had not mentioned the services industry, especially as we are a world leader in the export of services. According to the International Monetary Fund, we are the world leader in financial services, so we should bear in mind how important that is to the economy— not just self-evidently in the City of London, which is the pre-eminent place in the world to do business, but in other parts of the UK, such as Edinburgh, Leeds, Manchester or Bristol. The financial services industry is very important to us, as are other parts of the service industry where we are doing extremely well.

I shall deal with the hon. Gentleman's point about trade later, but when I visit different parts of the world, I find much interest—in China and India, for example—in Britain's services industry. The fact that exports of services have grown by more than 120 per cent. over the past 10 years demonstrates the importance of that sector of the economy.

Despite everything the Conservatives say, when we look around the world and ask what outside commentators say, we find that the World Bank ranks the UK as the top country in Europe for ease of doing business. The Organisation for Economic Co-operation and Development says that, of all OECD countries, we are first for economic stability and second for product market regulation. Ten years ago, in the last year of the Conservative Government, the UK was bottom of the G7 in terms of gross domestic product per head, yet now it is second only to the US, overtaking France and Germany. Our economy has of course grown by more than 28 per cent. over the past 10 years. We have a strong foundation for development in the future. Of course, there are more things we need to do, but the position now is a world away from what it was 10 years ago when we came to power.

As I said, I listened to the hon. Member for Rutland and Melton for 45 minutes, but I waited in vain to hear what the Conservative policy positions might be in some of the key areas he covered. I want to consider two in particular, because they are important. Both are long-term issues about which, for the good of the country, it would be useful to know what all the political parties think and whether they have set views—it might be too much to expect the Liberal Democrats to go that far, but it would be helpful for the rest of us. Those two big issues are energy and science and technology. The future of this country depends on our ability to invest and to get ahead of other countries.

Two weeks ago, I published an energy White Paper in which I made the point that we have two pressing issues to confront: climate change and security of supply. Even if people were in doubt about the importance of security of supply two weeks ago, a look at the newspapers of the past few days would have brought home to us the real problems we will face unless we start taking decisions now about security of supply to avoid becoming over-dependent on importing oil and gas from parts of the world where the political situation may be difficult.

Our strategy is to save energy; we want lower carbon energy. I was very sorry that BP decided it could not continue with carbon capture and storage—those of us brave enough to be facing Trade and Industry questions tomorrow will be returning to this subject—although I understand the problem caused by the cost of maintaining the Miller field. However, it is not right to suggest that after simply pressing a button, the company would be ready to go. It spent a substantial sum on preliminary work, but the project will involve not only power stations but the chemical processes to capture the carbon, in addition to transport and storage. The commitment could stretch to hundreds of millions of pounds. It would not be possible for the Government to award a contract to one company without a proper competition process.

More than half a dozen groups of companies are extremely interested in this. They realise that there is a lot of work to do on intellectual property and that contractual matters will need to be sorted out. Such preliminary work must be done. BP has told us that it would be interested in working with us in the future, albeit, unfortunately, perhaps not on the Peterhead field. CCS is important, but it is commercially untried and untested. It is not being developed anywhere else in the world. We are the first Government to say that we are willing to enter into a partnership to do that, but, given the public money involved, I must ensure that we get things right.

Mr. Weir: I understand what the Secretary of State is saying, but the White Paper makes it clear that there is a need for CCS technology, especially in developing countries. It also states that there is a need for developed countries to move ahead with the technology

"to show leadership and to prove the validity of the technology, firm up costs and reduce technical risks."

As the Secretary of State said, a lot of money has been spent on Peterhead. The Government indicated their

support for the project some three years ago, but it now appears that we are starting from scratch again. Given the number of coal-fired power stations and other carbon-emitting developments that are being built in China and India, should we not be taking a lead and pushing ahead with the one project that was the most advanced?

Mr. Darling: I understand why the hon. Gentleman and the leader of his party believe that it would be right to enter into partnership with BP, given the base at Peterhead. However, given the amount of money we are talking about and the fact that half a dozen other groups are interested, it is not possible for the Government simply to say, "Never mind the rest of you. We're just going with one particular company." We would be open to substantial criticism if we were to go down that avenue.

Alan Duncan: I accept that the Secretary of State cannot offer special favours to one company. However, he can change the rules of a regime so that everyone is affected equally. I understand that if the Secretary of State had said that successful carbon capture could be included under the renewables obligation, BP would probably have kept its project going.

Mr. Darling: Whatever else carbon capture and storage is, it is not renewable—it mitigates the effect of carbon. If I were to do such a thing, it would remove all the support for renewable energy itself—wind farms, marine power and so on—because the costs of carbon capture are so great that that would clean out everything else. In passing, I should point out that the hon. Gentleman is against the renewables obligation. Under his party in government, it would not be there in the first place, so that is not a terribly good point to make.

Alan Duncan: We have never said that.

Mr. Darling: The hon. Gentleman has said that; he has been extremely critical of the obligation.

The hon. Gentleman talked about our energy targets. We are one of the few countries that will meet its Kyoto obligations. We are on track to meet our 2050 target on reducing CO_2. However, we must return to the point that we have raised time and again: exactly what is the Conservatives' policy? The leader of the Conservatives said earlier this year:

"Anyone can say they're green. It's easy to do the softer things like ride your bike, visit glaciers and rebuild your house to make it green. But it's only clear you mean it when you do the tough things as well."

He is quite right. I was surprised, therefore, to find that this afternoon a Conservative council has turned down yet another application for a wind farm. Conservatives are blocking wind farms all over the country. The London array, which is an offshore scheme—one of the largest in Europe if it goes ahead—is being blocked because the electricity cannot be brought ashore. The hon. Member for Meriden (Mrs. Spelman), who speaks from the Conservative Front Bench, said a short while ago:

"Both the renewable energy industry as a whole, and our rural communities throughout Scotland, will benefit from a moratorium."

That seems to be something less than a wholehearted commitment to renewable energy, which I understood to be one strand of the Conservatives' thinking.

Mark Tami (Alyn and Deeside) (Lab): My right hon. Friend talks about renewable energy, but does he agree that the Conservatives are equally confused and in a mess on nuclear power?

Mr. Darling: I was going to come to that. The hon. Member for Rutland and Melton said at the beginning of last year:

"From about the age of 12, I have had an instinctive hostility to nuclear power. I treat it with profound suspicion."—[*Official Report*, 17 January 2006; Vol. 441, c. 779.]

I was surprised, therefore, that on the day that I published my White Paper he urged me to go and build nuclear power stations as quickly as I possibly could. I was even more surprised that this morning, in an interview with Andrew Neil on the BBC, when he was asked what is Tory policy on nuclear, he said that "It's pretty well the same as the Government's." *[Interruption.]* Well, we had better have a word with the BBC, because according to the transcript that I have here that is precisely what he said. Again, this is so reminiscent of the grammar school debate, where we are not sure whether the Tories are for something or against it, and then their leader comes along with a characteristic grammar school compromise and says:

"Let's give green energy the chance and then have nuclear there as a last resort."

In other words, perhaps in 2020 or 2030, if it has not worked because the Tories have blocked all the wind farms, we will start considering nuclear. That policy makes absolutely no sense at all.

In relation to planning, the hon. Member for Rutland and Melton has said that he supports a streamlined planning system. I welcome that. However, on the day before that, the shadow planning Minister had condemned the proposals. We all know in this House that if we want infrastructure of the sort that we need, whether for energy, transport, housing or whatever, we will have to reform the planning system. The test will come when proposals finally come before the House and we see whether they are supported.

I welcome what the hon. Member for Rutland and Melton said about science. He did not say much, but he said that we were doing the right thing. We have indeed doubled the amount that we are spending on science, and it will rise to just under £4 billion by 2010. We have spent £3 billion on rebuilding our science infrastructure in universities so that we have the first-class facilities that we need. Importantly, we are putting money into getting that research from the laboratory into the marketplace, which is absolutely essential. We are beginning to see the results of an improved science base in this country, with the decoding of the human genome, the fact that a fifth of the world's top 100 selling medicines were developed in the UK, and the fact that we have only 1 per cent. of the world's population but produce 9 per cent. of all science papers and 12 per cent. of all citations. Our expenditure on research and development has been increasing. Encouragingly, in the past three years 25 university spin-out companies have floated on the stock market to the value of £1.5 billion. That is all very welcome.

[Mr. Darling]

I hope, in the interests of the long term, that we will have the Conservatives' support. I was rather surprised and disappointed to see that the Tory technology and science taskforce said that a Tory Government will not spend any more on science. We are spending more because we think that it needs to be spent.

Mr. Dunne: I have had the privilege of witnessing some of the investment that the Government have put into large science projects by visiting the Synchotron project at Hanwell outside Oxford. Will the Secretary of State explain to the House why that excellent project was held up for more than a year by his predecessor, the right hon. Member for North Tyneside (Mr. Byers), who decided that he thought it better, despite all the scientific evidence available, to locate it nearer to his constituency than where the scientists wanted it in Oxford?

Mr. Darling: I have no knowledge of that, but I will happily look into the matter and write to the hon. Gentleman. There would be more force to what he said if he accepted that those who speak for the Conservative party have not always been saying the same thing. I was disappointed that when the shadow Chancellor went to silicon valley in California last year, he said:

"I have seen the future and at present Britain is not part of it."

He was roundly condemned by academics and research institutions the next day. He was also condemned by the hon. Member for Havant (Mr. Willetts), who is of course the source of much wisdom, and who has said:

"After a slow start, licensing income is now growing fast, and we are better than the US in generating spin-offs".

The hon. Member for Henley (Mr. Johnson), who is also often a source of great inspiration, has said: "British research is fantastic"—what a tribute to the new Labour Government! I very much hope that we will have the Conservative party's support on science.

There is also the automotive industry to consider. The industry has had its problems, but a new generation of Astra car is being developed at Ellesmere Port. That plan was very much at risk just a year ago. The new Mini is being produced in Oxford, and BMW recently completed the millionth Mini. Toyota now manufactures engine parts in Deeside, and the north-east has the most productive car plant anywhere in Europe.

Mr. Fraser Kemp (Houghton and Washington, East) (Lab): On the automotive industry, the support that we have had for research and development over the past few years is greatly welcomed; it allowed us to maintain production of the new Almera and the convertible Micra, a car that sold in huge numbers. Would my right hon. Friend care to reflect on the fact that in the past few weeks, Nissan has, for the first time in a long while, begun to export cars to Japan from the Tyne? That is a tremendous endorsement of the plant, and of the British motor industry.

Mr. Darling: I agree with my hon. Friend: that is a tribute to Britain's car industry. Who would have thought 20 years ago that we would be exporting cars to Japan? The traffic seemed to be in the other direction. There is also the example of the aerospace industry.

Jane Kennedy: Before my right hon. Friend moves away from the subject of the car industry, an equally successful plant is the Halewood plant in Merseyside, which produces X-type Jaguars and the Freelander 2 using a groundbreaking production process that is driven by new technology. Partnership between the trade unions and the management has enabled the plant to produce two completely different makes of car on the same production line at the same time. It is the first place in the world where that has happened. If he is in the region in the next few weeks, as he may be, he might like to extend his visit and come and visit the plant and meet the staff involved.

Mr. Darling: I should be happy to do that, if it is possible. My right hon. Friend makes an important point—the automotive industry has been transformed over the past few years, and we need to remember that. Of course there have been difficulties, such as those encountered by Peugeot, but there have been great successes, too. Similarly, in aerospace, although Airbus has its difficulties—I think that there are more problems yet to be resolved in that respect—we now have every opportunity to develop the new technologies that are likely to power new aircraft and enable them to fly. Of course, we have expertise from firms such as Rolls-Royce. I have mentioned the pharmaceutical industry, but there is also the environmental industries and bioscience to consider. They are all areas in which we are doing well. Incidentally, they are also the areas in which the regional development agencies have been able to help. I think that having RDAs is good; it has enabled us to focus help on different parts of the country, all of which have different needs, but of course it is appropriate to take stock and ask ourselves whether improvements can be made.

The point that the hon. Member for Mid-Worcestershire (Peter Luff) made about representation overseas is one about which I have expressed concern, and it is an issue that we need to consider. It is quite possible for us to market Britain while drawing attention to the fact that we may have particular strengths in different parts of the country, depending on what we happen to be involved in at the time. Before he asks, I have not had the opportunity to read his report, but I shall certainly do so.

Peter Luff: I am encouraged by what the Secretary of State has just said. I do not like to be at all confrontational in these matters, but may I gently remind him that each and every one of the offices that was opened overseas was approved by a Government Minister? May I ask him to put a moratorium on approving any further offices, at least in the meantime?

Mr. Darling: I am sure that the hon. Gentleman is right. Should a proposal come up, I will scrutinise it with great care. In fact, when I get back to the office, I will search my in-tray and see whether there are any proposals.

The hon. Member for Rutland and Melton mentioned a promotion by UK Trade and Investment. Yes, the agency has been through some restructuring, as has the whole DTI. It is a tribute to its staff, at a time when there were substantial staff reductions and thus difficulties, that they concentrated on the job in hand. It is right to

concentrate on those parts of the world where there are developing markets. I take the hon. Gentleman's point about visits. I am not the greatest traveller in the world, but from my visits to China, India, Brazil and Russia, I know that it makes a difference if Ministers go out. Despite what he said, companies across the world think highly of Britain, and there are many areas where people can see great potential, particularly in our research. UKTI has done a great deal to encourage investment in this country, as well as investment in countries abroad, and that is something that I want to develop.

Mr. Kevan Jones (North Durham) (Lab): I believe that my right hon. Friend is soon to visit the United Arab Emirates so will he congratulate the team in the Dubai embassy, who are very good at promoting opportunities for investment not just in the UAE but throughout the Gulf?

Mr. Darling: My hon. Friend is quite right: work has been carried out to promote trade across the world, but especially in the Gulf. It is important that we do whatever we can at whatever level to make sure that we promote British interests and British trade.

Finally, I want to touch on a point that has not been mentioned, but it is a significant part of the Department's work. As well as making sure that Britain is a good place to do business—we have a competitive market and a liberalised economy, far more so than some parts of the European Union—we believe in having a fair society and we believe that fairness at work matters. Whether it is the national minimum wage, equal treatment for part-time workers or maternity and paternity leave—most of those measures were opposed by the Conservatives—it does, in fact, matter. When the hon. Member for Rutland and Melton talked about red tape, I was surprised that he could name nothing more than the no smoking notices that he wants taken down. I think that I am right that, last autumn, he launched the campaign for enterprise, which was hostile to what it described as Labour's family-friendly legislation. It was not awfully keen on protection for sacked employees and it was not terribly keen on trade union rights. I seem to remember, too, that it coined the phrase, "discrimination is not a dirty word". That probably gives us an inking of the Conservatives' position, so I very much hope that we can achieve consensus about the need to make sure that there is fairness in the workplace. We must recognise that people need to balance their responsibilities at work with their family responsibilities. Just as the leader of the Conservative party said that it is easy to talk green, so it is sometimes easy to talk about being family friendly: the proof is what we are prepared to do about it.

Mr. Dunne: The sentiments that the Secretary of State has just expressed about fairness are ones to which we can all sign up to varying degrees. However, how can we square that with fairness for some of the more vulnerable members of our communities? At the same time that he says that we need fairness in business, post offices have been closed up and down the country, even though they provide the only access to financial services, cash, benefits and pensions for many of the most vulnerable people in the community.

Mr. Darling: It is very well for the hon. Gentleman to say that we can all sign up to fairness. This is the first Parliament in which he has served but, over the past 10 years, some of us can remember Conservatives fighting to get into the Lobby to vote against all those things. The national minimum wage, we recall, was going to cost millions of jobs: that is what the Tories said but, in fact, they were so wrong in that prediction that they have been forced to say that it is a good thing. As for post offices, I would make two points to the hon. Gentleman. First, we are committed to a national network. Secondly, unlike the Opposition, we can pledge the money that is necessary to support that network.

The weakness of the Conservative party's policy is summed up by a comment from the hon. Member for Rutland and Melton in the *Financial Times* last year. He was trying to defend the Conservatives from the perception that they were always attacking big business. I was struck by his remark that the party—the Conservative party, that is—was not involved in an ideological exercise but in a branding one. That is the problem that the Conservatives have. Whether on grammar schools, energy policy, nuclear policy, planning or any other topic, there is too much emphasis on branding, without the implications being thought through. They do not have an economic policy. We do. I commend the amendment to the House.

5.35 pm

Susan Kramer (Richmond Park) (LD): I feel that in this debate we are picking over the carcase of the almost dead. The Government amendment to the Conservative motion is astonishing in its lack of mention of the DTI. The word "Government" but not "DTI" frequently appears in it. The rather sniffy comments from the Secretary of State about the Liberal Democrats may reflect his chagrin that the policy that we have long advocated of eliminating the DTI is suddenly about to turn into Government policy. I understand why he might be feeling a little sniffy. We saw that coming a long way away. Indeed, we recommended it as far back as 1995. It is true that it has taken a long time for a good policy to be implemented, but I suspect that in the next few weeks it will be in place. That is perhaps long-term thinking at its best.

I associate myself with the right hon. Gentleman's comments about many of those who work for the DTI. The words had the air of a eulogy. I heard my hon. Friend the Member for Cambridge (David Howarth) say, "Sounds to me like 'Thank you and good night'", but the words are fairly earned. Many civil servants at the DTI have carried out their roles very well, and I have found that many Ministers have performed their roles and represented their areas of responsibility well. The problem is an institutional one, not a problem with the individuals involved in the Department.

The mover of the Conservative motion, the hon. Member for Rutland and Melton (Alan Duncan)—I see that he has had enough of the debate and has chosen to leave—crafted something quite elegant in its criticisms of the DTI. However, when it comes to the punchline, the call for action, it says just about nothing, other than, "We'll burnish it up a bit." That seems to be Conservative policy.

Peter Luff: Can the hon. Lady clarify which functions of the DTI she would scrap?

Susan Kramer: We have always been glad to go through the process. As I continue my speech, I shall indicate various functions that we do not consider appropriate. We have been clear about that in the past and we are looking at the issues again in further detail, because we think that will be extremely relevant to the conversations over the next few weeks. The Conservative party has not had the courage to call a dodo a dodo. It is time we did so.

Mr. Kevan Jones: One of the things that the DTI has been promoting in the north-east which it can be proud of is the science city initiative in Newcastle, which has been lauded and supported by the Liberal Democrat-controlled council. Is the hon. Lady saying that the DTI is wrong to undertake such an initiative, which has been warmly welcomed by Liberal Democrats in Newcastle?

Susan Kramer: Many of the things that have happened, particularly in science, technology and innovation, are positive. We have been, and continue to be, very supportive of cutting-edge basic research science. The hon. Gentleman is missing the point that many of the functions of the DTI could go elsewhere and be better carried out there. It is the institution itself that is fundamentally flawed. There are pieces of the DTI that work, that are relevant, that are effective and that are appropriate for Government to do. However, there is nearly always a related Department that also has an interest in those tasks, and they should be transferred to that Department. The dead wood should be dumped and the cost to the taxpayer saved—*[Interruption.]* For people who think that they have read Liberal Democrat policy over 10 years, I find that comment extraordinary. Both sides are about to support what we have been saying, and I will try to take them through the policy as we head on through this speech.

Perhaps the DTI had a rationale back in the days of nationalised industries, but we have ended up with a rag-bag organisation. The hon. Member for Rutland and Melton listed many of the DTI's activities: it is involved in regulation, energy policy, trade policy, skills, science and innovation, nuclear decommissioning, the Royal Mint, the Royal Mail and oversight of the Government's stake in QinetiQ. It has a rag-bag of activities, which means that we end up with a completely unfocused Department that has no clear and effective voice in the areas in which that voice must be effective. It is time the Department was restructured and the ineffectual activities were abandoned.

I have been DTI spokesperson for a few months, and every time an issue comes forward my first words are, "Which other Department is involved?" There is so much overlap and duplication in the policy area, and so little clarity on who takes the lead, that the Department has, in a sense, made itself ineffective.

Mr. Kemp: On the subject of clarity, will the hon. Lady advise me which Department, under her proposals, would be responsible for regional selective assistance, which many hon. Members have to talk to the DTI about to help local companies with research and development?

Susan Kramer: If it still exists—I think that it has recently changed its title—the Department for Communities and Local Government would be the home for some of the active and effective parts of the DTI. The endless crossover and difficulties in communications suggest that that Department would be the right home.

Mr. Redwood: Will the hon. Lady tell us the net staff saving and the net saving per annum from her proposals?

Susan Kramer: I am going to carry on.

Mr. Redwood: You don't know.

Susan Kramer: We will update our past plans—but in our previous manifesto, we came up with some £8 billion in savings over the life of the Parliament. We want to take another look at that range of issues.

I suspect that the Government will shortly step forward and tell us about the saving that they will make from the restructuring, which will be a fairly large sum. There will be an interesting conversation about those issues, and I will be interested to see what the Conservatives have to say as the savings are laid out, and whether they intend to reject them.

Mr. Kevan Jones: Will the hon. Lady give way?

Susan Kramer: I am going to carry on, because otherwise we will have had only three speakers in the entire debate, which would be insane.

Let us consider some recent events, if we are going to discuss the effectiveness of the DTI. The problems of the Post Office exercise more people in this country than any other issue. The DTI has looked on the Post Office as an organisation in terminal decline. Some 2,500 more branches are about to close, and there is the move to WH Smith—nearly always in unsatisfactory circumstances—of 70 more Crown post offices. What shows the negative view that the DTI is taking of the Post Office, even more than its looking upon it as a declining network and set of services rather than examining its potential, is the fact that it is also eliminating Postwatch, just at the key time when its services are needed to support consumers as they go through the process of trying to work out what the individual closures will mean.

Indeed, part of the problem with the Department is the constant fault in implementation. The timing of abolishing Postwatch shows lack of sensitivity to the way in which services should be delivered on the ground if they are to be effective. People need support to go through a proper consultation process about a critical decision, which will determine whether some communities thrive or decline further. It will have a big impact on many elderly people and on deprived communities. That is a good example of the Department's general failure.

Hon. Members of all parties generally support the new National Consumer Council's underlying mandate. However, proposed legislation is inadequate to implement it. In the Consumers, Estate Agents and Redress Bill, one has to hunt for any direction that makes the NCC a consumer champion. The intent that Ministers describe is not in the Bill, and therefore cannot be guaranteed.

The Government's plan for the new NCC requires merging Postwatch and Energywatch. No headquarters

have yet been identified. Redundancy notices should be issued shortly if the transition is to be accomplished by next April. Morale is declining in all the various parts of the organisation. Again, implementation has been fouled up. That appears to be inherent in the way in which the Department currently functions.

We all supported estate agent reform, but again opportunities have been missed. There is no ability to introduce, for example, lettings and direct sales as part of the reforms. Positive licensing is absent. The public want that to ensure that when they make the biggest investment of their lives, they are dealing with a trained and qualified estate agent, not someone who put the sign out yesterday morning.

As the guardian of public interest, the NCC should be a vital body, yet the implementation process is again fundamentally flawed. That could disillusion the public about protection in the long term.

On energy, the Department could not even manage a consultation on the costs of nuclear power without running into trouble with Mr. Justice Sullivan and a judicial review. Something of a farce is now happening, with a repeat of a consultation. It is not clear that the required information on costing—for example, the Ernst and Young report, which is available only in heavily redacted form—will be in the public arena to enable us to hold an effective consultation. Indeed, the Government have refused to publish the submissions to that consultation until the end of the process, so no one can rebut them or respond to them at all. Flawed process is a constant feature of the Department's actions. That leads to general scepticism that the Government's direction, especially on nuclear power, is essentially driven by Downing street rather than by the Department, or by a reasoned review of all the issues.

Mark Tami: Perhaps the hon. Lady could explain Liberal Democrat energy policy. Locally, Liberal Democrats appear to oppose every scheme, whether it is for a wind farm or onshore or offshore energy. Is there a national Liberal Democrat policy, or simply an opportunist policy of local opposition?

Susan Kramer: The hon. Gentleman picks up scraps here and there. Liberal Democrats certainly support renewable energy. There will be instances of opposition by local parties, but the Liberal Democrats have been overwhelmingly supportive. We will continue to be so, and to play a leading part in promoting the sort of political framework necessary for renewables.

Renewables are the core of the energy policy that we want to pursue. Our fundamental argument with the Government's case on nuclear power is that it will effectively crowd out carbon storage and capture—the alternative transitional technology until we achieve an all-renewables-based energy system—as well as renewables. The BP Peterhead experience will be looked back on in a year or two as the first example of a carbon capture and storage programme that got crowded out by the nuclear announcement and by the direction being captured within the energy White Paper. Time will tell, but I suspect that we will look back on that as the very first example and illustration of what is really going on in this sector. There are finite resources for investment in future energy technologies, and they are now being diverted to what I regard as the most inappropriate technology.

The Minister also raised the issue of security of supply, but nuclear energy, even under the most optimistic programme that he could put together, would be providing something like 4 per cent. of the UK's total energy usage. It does not eliminate the need for oil and gas. We hear about 20 per cent. of electricity being provided from renewables, but the Government constantly get electricity and energy muddled, and they have never been able to tell us how they will reach the EU target of providing 20 per cent. of energy—not electricity—from renewables by 2020. That is another feature of the DTI's general problem in dealing with a wide range of issues.

The Government constantly talk about not subsidising nuclear energy, but we have heard clearly again today a commitment from both the Government and Conservative Front Benchers to what amounts to the most significant subsidy of all—the transfer of risk in connection with waste to the public and away from the commercial sector. That has always been one of the key core arguments against nuclear power, because that is the largest subsidy of all.

Mark Tami: Whatever the hon. Lady thinks about nuclear power, does she not believe that waste is an issue for us to consider now? We have to tackle waste, so the problem has to be solved—now and for the future.

Susan Kramer: One can only agree with the hon. Gentleman's argument that what has been done and ignored in the past has to be dealt with now, but unfortunately, creating more waste only adds to the problem and does not diminish it. It also adds to overall costs, so there is an underlying set of issues that has to be dealt with—*[Interruption.]* If only we were talking about rubbish, but this is waste, and it is far more dangerous.

The Minister spoke about the huge manufacturing potential in this country, but there really is substantial potential in marine renewables, if only we exploited the incredible skills built up through the sub-sea oil and gas industry. I have visited players in that industry and it is clear to me that they see nuclear power as their death knell. They thought that a source of funds might be provided for their industry to help them build on the real potential. Many projects are sitting in prototype, but they are unable to move off that prototype base into real demonstration and production, precisely because the funding lying on one side will be directed into nuclear if that is where the Government intend it to go. If the Minister does not know that, I suggest that he do some travelling and talk to some of the people in those industries. If he did, he would find it an eye-opening set of experiences.

Let us move on to the issue of science. I support what the Government and Opposition Front Benchers have said—that the Government have done many things very well in this area. However, the clawback of £68 million over the last year and the additional £30 million clawback from regional development agencies has been very disappointing. Half the latter came from the Engineering and Physical Sciences Research Council, but the research councils have suffered as a whole.

[Susan Kramer]

We were utterly frustrated to hear the Government describe this as "unspent money", when it was really unallocated money in what had been promoted and produced as a multi-year programme, under a set of changes to the way in which grant money was to be allocated, supposedly allowing time to work out where best to make the allocations. According to the Conservative Front-Bench spokesman, the money was being diverted to cope with the overspend on the Rover inquiry, but, sad to say, there is a strong suspicion that it was really to do with part of the overspend on nuclear decommissioning. Here we have nuclear decommissioning actually impacting on what everyone has described as the most important aspect of what we are talking about—science and industry.

On trade issues, others have talked about UK Trade and Investment, so I will not go into it further, but let me say that one of the biggest disappointments has been the Doha round. When it comes to meeting our targets for trade and industry, along with international development—and with the Foreign and Commonwealth Office as a player—we have been incredibly inadequate and we need to strengthen what we do. This again illustrates the fact that the existence of a Department of Trade and Industry will not necessarily provide the international tool that we need to achieve our goals in what has been identified as one of the most important strategies of this Government—or, frankly, of any other Government. If developing countries are to have a future, something with the characteristics of a development trade round must succeed. Nearly all the time benchmarks have now been passed, and the hope offered to some of the poorest countries in the world has been lost.

I hope that some of my colleagues will be able to catch your eye, Mr. Deputy Speaker, to talk about small business. I was asked earlier what kinds of programmes we would be willing to eliminate, and we think that some of the business support services, which are described by the people whom they are offered to and targeted towards as utterly ineffective and inappropriate, ought to go into the dustbin. We want to make sure, however, that business, including small business, has a genuine and proper voice at the highest levels of government.

The Budget was a good illustration of the fact that small business, especially, has no significant voice in the key decision making and discussions in this Government. The policy that had the effect of raising corporation tax on small businesses seemed driven by a Treasury desire to discourage people from incorporating rather than remaining as sole traders—a side issue if ever there was one. It completely failed to recognise that those small businesses, given their nature and the way in which they function, could never take advantage of the research and capital allowances on offer. Clearly, the conversation with representatives of small business never took place.

Mr. Kevan Jones: The hon. Lady has now spoken for nearly 20 minutes. In her opening remarks, she said that she would enlighten us about the dead wood in the DTI, and explain how getting rid of it would result in a saving of £8 billion over the lifetime of a Parliament? When will she explain where the dead wood is, and where the savings will be made?

Susan Kramer: As I made clear, the £8 billion figure was in our previous manifesto. As there have been changes in the DTI, we are working through the numbers again. That is not inappropriate. We did not call this debate; we are responding to it. We will come forward with the numbers. We are not changing policy. *[Interruption.]* I have just described the business support services aspects; one can tell that that has not stirred the blood of many people to come and participate. There is plenty of scope to eliminate aspects of the regional development agencies' activities, many of which compete with export schemes, and even the Government seem to have finally realised that that is a complete waste of time and money. As we work through the structure, we will come out with hard numbers, as we always do.

As the DTI disappears, two essential elements must remain and be captured within whatever the new structure is. First, there must be a voice for business at Cabinet level, where it will have an impact. That is less an issue for large business—which is able to lobby and reach Government in the ways that it finds necessary—than it is for small business, which has been under-recognised and under-heard over a long period. We envisage that role being in the Treasury, perhaps in the No. 2 slot. It should be a powerful voice, and perhaps the word "Business" should finally be brought into the Minister's title, so that it is evident that that voice is at the Cabinet table, and heard within the context of economic development.

Secondly, the energy portfolio must be put in a place where climate change can be the umbrella, so to speak, under which it functions. In the past, energy policy has essentially been business-driven, and exceedingly slow to recognise environmental and climate change issues. That is partly why we are in such a pickle today, with the struggle to reach the necessary targets over the years. The structure that I am proposing will be essential. There are business voices that very much want energy, transport and planning to go off into a sort of infrastructure Department that would separate them permanently from the climate change discussion, other than in a most tenuous way. We do not support that, as it would be utterly inappropriate.

My goal in coming into this role has been to put both myself and every other Front-Bench DTI spokesman out of a job. It looks as if I will achieve that later in the year. When the Department is eliminated and elements of it restructured, it is crucial that it is not done simply to accommodate rival politicians who are looking for particular titles, or to sort out different political balances within the party. There needs to be a sunset clause on every aspect of what the DTI does, so that it will be examined and a decision will be made on whether it is a worthwhile and appropriate activity for the Government to carry out—and whether it can be carried out within a particular Department or constructed in an alternative way. An alternative home should be made available for those aspects that are worth while; that would be more effective, and would eliminate duplication. Those parts that are inappropriate should disappear for good.

6.1 pm

Nigel Griffiths (Edinburgh, South) (Lab): I do not recognise in the motion the description of the Department of Trade and Industry and its functions as

in any way reflecting its work. I notice that it omits the key word "manufacturing". That is deplorable. The hon. Member for Rutland and Melton (Alan Duncan) made a passing mention of manufacturing and the number of jobs lost, but he did not say what the Opposition would do to ensure that manufacturing continues to play a vital role in this country's economy. On the issues that the motion does mention—energy, science, research and development, workplace rights and business support—and on manufacturing, the record of the DTI and Ministers is a creditable one.

I feel passionately about manufacturing. As right hon. and hon. Members know, I come from a constituency that is massively and predominantly in the service sector—finance, insurance and connected services—but my constituents know that there would be no financing or insurance of products if they were not being manufactured. It has been a drive of the Government to ensure that as much manufacturing as possible is carried out in this country, and in automotive, pharmaceutical and other key areas that has been achieved.

That has been achieved by a strategy started by the first inquiry into manufacturing in 30 years—the developing our manufacturing strategy—and by creating the manufacturing advisory service and a centre of excellence for manufacturing in every region. We heard about the benefits of that. The right hon. Member for Liverpool, Wavertree (Jane Kennedy), who spoke for Halewood, highlighted the multimillion pound—£7 million—DTI investment that has brought in £1 billion of investment in Jaguar and the new X-type. There are many other such examples. In fact, more than 50,000 manufacturers have been helped by the Government's manufacturing strategy, which is why manufacturing productivity has risen by 30 per cent. since they came into office.

Mr. Ben Wallace (Lancaster and Wyre) (Con): The hon. Gentleman is not seriously saying that, given that 1 million manufacturing jobs have been lost under his Government's strategy, that that strategy is a success?

Nigel Griffiths: The 1 million manufacturing jobs that the hon. Member should be telling the House about are the 600,000-plus manufacturing jobs lost in one year alone in the first Tory recession, and the 400,000 lost in one year alone in the second recession. Those are the records that we had to rescue this country's manufacturing from, and we did a creditable job in doing it.

Our success is shown by the fact that, whereas under the last Government manufacturing jobs flooded other countries, we have repatriated key projects such as the construction of the new Mini engine. A substantial investment by the DTI has multiplied itself 10, 20 and 30 times in another massive investment at Hams Hall so that the engine can be made there. The Department has also underpinned £1 billion of investment in aerospace. Our Rolls-Royce Trent engine now powers almost a third of the world's commercial aircraft, again as a result of the Government's manufacturing strategy.

Manufacturing productivity increases have returned this country to the world-beating league in certain key areas. That is one reason why our pharmaceutical industry now exports more by value than almost any of its foreign competitors, our aero-engines—as I have said—power a third of the world's commercial aircraft, a quarter of Ford cars in the world have engines with "Made in Britain" stamped on them, and projects like the one in Brazil are being returned to this country.

This Government established the Automotive Academy to increase skills and productivity. They established the Chemistry Leadership Council and the national aerospace technology strategy, and have worked closely with industry to reflect its needs in those crucial areas. And they have done more. Ten years ago there were only 75,000 apprentices in the country, which was a disgrace. Now there are more than 250,000, 70,000 in manufacturing alone. However, I urge my colleagues—who I know will take my words to heart—to do still more to promote even higher-quality manufacturing apprenticeships and jobs.

The DTI is an unsung hero in another key area, that of decent rights for working people. We have delivered to part-time workers rights that they never had under any previous Government. More than 3 million have been given the right to four weeks' paid holiday, more than 6 million have benefited from pay and conditions equal to those of full-time workers, and more than 1 million—1.5 million, I believe—have benefited from the national minimum wage. I will not make political points about who supported those measures and who did not.

As for the DTI's contribution to the environment, I applaud the work of the Minister for Energy, my hon. Friend the Minister for Science and Innovation—the former energy Minister—and my right hon. Friend the Secretary of State in securing a £1 billion investment in renewables, including £800 million for microgeneration, more than £110 million for offshore wind generation, £60 million for energy crops and biomass, and investment in key technologies such as photovoltaics, which now power some of the computer laboratories and libraries at Napier university in my constituency.

I challenge the Liberal Democrats to name two onshore wind turbine projects for which they have supported planning permission. It seems to me that they never support such projects on their doorstep, although they have a general and, I am sorry to say, rather hypocritical policy of supporting them nationally. I note that they remain seated, and do not attempt to name even one such project. In fact, I do not believe that they support any of them.

I am glad that on science, at least, we have consensus in the House. In 10 years we have taken science investment from £1.3 billion to £3.5 billion. That has led to spectacular successes, one of which was mentioned earlier. Let me add to the many tributes paid to Lord Sainsbury. He was an outstanding science Minister, I believe the best science Minister. He was a great ambassador on behalf of science to Government and a great securer of Government resources for science.

On UK Trade and Investment, I thought that the criticisms of the hon. Member for Rutland and Melton (Alan Duncan) were a little unbalanced. Had he read today's report from the Select Committee on Trade and Industry, he would have seen in paragraph 38 praise for the success of UKTI, for its strength in attracting R and D facilities from overseas into this country and for the targeted investment in China and India, which is proving immensely profitable for UK companies. UKTI, its predecessor, the DTI and other Departments

[Nigel Griffiths]

have succeeded in making this country the magnet for foreign investment because of our favourable tax regime and our regulatory regime, which is far more favourable than that in many other countries.

The report touches on regulations, as the hon. Member did. It says in paragraph 3 that the Organisation for Economic Co-operation and Development ranks this country

"as having...the most liberal product market regulation amongst the G7 countries."

That reflects what is being said by other surveys that the hon. Member should be reading.

The RDAs have been giving business advice and have been highly praised for the business advice that has been delivered through the small business network, which has advised 600,000 small businesses.

I was provoked by this: I was rather surprised that the hon. Member for Richmond Park (Susan Kramer) raised the issue of post offices. I note that the hon. Member for Rutland and Melton, who speaks for the Opposition, wisely steered clear of that because the Conservatives closed 3,500 of them.

In fairness to the Liberal Democrats, no one knows more about the betrayal of post offices than them. Their councillors in towns and cities such as Aberdeen refuse to let local citizens use the post office to pay the council tax, rents, business trade waste bills, home help and other charges. By contrast Labour-run councils such as Edinburgh pay a fee to the Post Office to allow that to happen. Of course, the net result of that is that 20 per cent. more post offices closed in Aberdeen. Again, the Liberal Democrats have failed to put at least some money where their mouth is. Instead they wanted to save money and they did not care that it cost us the post offices.

Nationally, Liberal Democrat policies on post offices are just as bad. The hon. Member for Sheffield, Hallam (Mr. Clegg) wrote a policy paper advocating the privatisation of post offices along Dutch lines, which has meant mass closures. By contrast, this Government have invested some £3 billion in post offices to secure the best possible network that can be secured in this day and age. That reflects what Labour councils such as Edinburgh have done. The Government have given financial support because it was worth while putting money into post offices.

Susan Kramer: I rise just to confirm with the hon. Gentleman that 2,500 branch post offices are to be closed. Do I understand that, if any of those are in his constituency, he will support the closures? That is the implication of what he has just said.

Nigel Griffiths: I will come to that directly but I thought that I was giving way to the hon. Member because she had thought of one wind turbine project on mainland Britain that the Liberal Democrats support.

David Howarth: I refer the hon. Gentleman to the Cambridge local plan, which went through when I was leader of Cambridge city council and which supports wind farms.

Nigel Griffiths: I ask the hon. Member, are the wind farms there now?

The position is clear. I make sure that in my constituency people do not have to travel beyond the recognised distance to visit a post office. I also support my local postmasters and postmistresses who decide that they want to move out of that business and into another one. That might be one of the reasons why I got their support in the election—because they realise that in Edinburgh we have had a realistic strategy that has led to managed closures, even though we regret some of them, of course. However, I am not in favour of the Liberal Democrats telling this House one thing—that they will save every post office at all costs—and then failing to support post offices in Aberdeen by not paying for the services there.

David Howarth: Does the hon. Gentleman's newly confirmed commitment to localism mean that he now considers the post office to be a local service rather than a national one?

Nigel Griffiths: No, I shall explain what I am saying. The Government are being criticised because they are unwilling to pay high fees to post offices to deliver certain services where technology has taken over. However, local councils are, like the Government, spending money; the sum being spent on this programme is £3 billion. If local councils are willing to spend money, they should do so. Under Labour, they did so in Edinburgh, but they did not do so in Aberdeen, which is indefensible.

Susan Kramer: Will the hon. Gentleman give way?

Nigel Griffiths: No. I have given way often enough, and other Members wish to speak so I do not wish to hog the proceedings.

The hon. Member for Rutland and Melton was wrong to criticise my right hon. Friend the Secretary of State for saying that the Department of Trade and Industry could do better and that it is not perfect. That, of course, is true of every Department. I welcomed my right hon. Friend's commitment to seek to improve the quality of service. He listened, and he took on board some justified criticisms about UK Trade and Investment and regional development agencies. I know that he will study the Trade and Industry Committee report with great care, and that the Government will respond with a considered view. I urge the House to reject this absurd motion.

6.17 pm

Peter Luff (Mid-Worcestershire) (Con): It is a great pleasure to follow the characteristically lively and well argued speech of the hon. Member for Edinburgh, South (Nigel Griffiths), even though I did not agree with every word he said. He did, however, anticipate my opening remarks. The debate is about the effectiveness of the Department of Trade and Industry. If true perfection were the test of which Departments to abolish, in my opinion many others should come before the DTI. My list would include the Department for Environment, Food and Rural Affairs, the Department for Communities and Local Government, the Home Office and the Department of Health before the DTI.

I wish to spend a few moments analysing Liberal Democrat policy. I am the Chairman of the Trade and Industry Committee, and I must be as non-partisan as possible, but I must say that the Liberal Democrats are profoundly and seriously wrong, and I urge them to reconsider their position. Their policy is good news for the two major parties in the House because it will lose them the votes of business, but I genuinely believe that what they advocate is not in the interests of UK business.

Two issues flowed from the Secretary of State's opening remarks. Whenever I speak in this House on DTI or economic matters, I seem to have to make the following points, and especially the first. The Secretary of State talked a lot about macro-economic stability and the Government's great economic record. It is worth reminding the House that that is built on Conservative foundations. The reforms of the Thatcher and Major Governments and the golden economic inheritance of 1997—the likes of which few incoming Governments have ever received—enabled that record to be continued. The Government should, however, take the credit for not having blown it, which previous Labour Governments did. They did not blow it, although they have nibbled at the edges of that inheritance and made matters more difficult.

The roots of what have been achieved lie in Conservative policies. Those with longer memories will remember the mess that we inherited in 1979; that was the real mess that had to be cleared up, and it was done very successfully. *[Interruption.]* I did not catch the Minister's sedentary remarks, but I am sure that they were characteristically witty and well argued.

The Secretary of State also rightly paid tribute to the success of the automotive sector in the UK. That is also a Conservative policy that has come to fruition. I had the privilege of being a special adviser at the DTI in the late 1980s when the then Secretary of State, now Lord Young of Graffham, set as an industrial strategy—to employ a word that he would not like me to use—the attraction of all internationally mobile automotive investment to the UK. He aggressively wooed Nissan, Toyota, Honda and other companies, and they all came. It is from those companies driving up standards, particularly in the automotive supply sector, that so much of the good that has happened to the automotive sector has come. So it is worth remembering that two of the great bits of credit that the Government have sought to take in fact belong to the Conservatives. But never mind—we move on.

I want to emphasise in my, hopefully brief, remarks that the DTI has a crucial role to play, albeit in perhaps a slightly different incarnation. However, the centrality of the need for not just a Minister but a Department representing business within Whitehall is crucial. At a time when Britain faces competitive challenges as a result of globalisation—an issue that many people in this country, and even in this House, do not fully understand—it has never been more important to have an effective voice for business. We need not a junior Minister in the Treasury, where other issues will always take priority, but a Department that stands on its own, free in the Whitehall jungle to argue the case for business on each and every issue that impacts on it. It is not a sign of weakness that the DTI has to interact with many other Departments; it is a sign of its importance and of the number of issues in Whitehall that affect businesses. The voice of business must be there and expressed clearly.

David Howarth: Will the hon. Gentleman give way?

Peter Luff: I will give way once or twice but not more, in view of the fact that a number of other Members want to speak.

David Howarth: I thank the hon. Gentleman for giving way, and the argument that he is making is certainly one to take into account. However, is not the difference between having a Minister and a Department that the latter spends its time looking for activities to justify its existence? In general, those activities are not about supporting business in other parts of government, but about inventing new regulations. That is the danger of having a Department devoted to such matters.

Peter Luff: I am afraid that the hon. Gentleman has seriously misunderstood the DTI. I have some sympathy with the arguments of the hon. Member for Richmond Park (Susan Kramer) about the Small Business Service, which seems to be a relatively unloved part of the DTI. However, her proposal certainly would not save £8 billion in the lifetime of a Parliament, even if the SBS were abolished. I cannot think of any other function—she did not, I think, name one—that could be abolished within the DTI. *[Interruption.]* I will run through the list later, but I doubt whether there is another function that we could even consider abolishing. Of course there are things that could be reformed, improved and made more effective; but abolition, no. All these functions have one thing in common. They are not the rag-bag that the hon. Lady suggested; they are coherent and deal with issues affecting business. That is the common theme that gives them their importance, and the DTI its coherence. Perhaps the DTI is not always as effective as it might be, but broadly speaking it is a very coherent Department.

The DTI has done a lot of things well. Under this Government, I would single out the handling of the problems relating to Airbus, where a very successful outcome was achieved by the Minister for Industry and the Regions. Actually, the DTI's handling of the fallout from MG-Rover—working, to be fair, with Advantage West Midlands—was not bad, either. However, in a number of areas it has fallen short of the high standards that we have a right to expect. Reference has been made to deregulation, and the Department has not been effective enough in getting other Departments to be as strong on deregulation as they might have been.

Anne Main (St. Albans) (Con): A recent report by the Hertfordshire chamber of commerce estimates that the burden of regulation has cost £431 million since 1998. According to the chamber of commerce:

"This government continues to write cheques that they expect businesses to cash".

Regulation is becoming so burdensome that it will kill the goose that lays the golden egg.

Peter Luff: I entirely agree with my hon. Friend. I am currently doing battle with regulations emanating from the Department for Communities and Local Government and DEFRA, not the DTI. It is really important that

[Peter Luff]

the DTI is there arguing the deregulatory cause, to make sure that such burdens are reduced and minimised.

The Government were slow and confused in their handling of energy policy. I personally welcome their conversion to the nuclear cause, but it is a shame that a previous White Paper effectively dismissed the nuclear possibility. Of course, their handling of the energy review did not cover them in glory: it led to a successful judicial review that has significantly delayed the energy review's implementation. Aspects of the post office closure programme have also caused my Committee concern. We have produced one quite critical report already, and another report, to be published on Saturday morning—I will not say much about it, as I must not leak my own report to the House—will have further things to say about the closure programme. We were concerned, moreover, about the lack of priority that the Government in general and UKTI in particular attached to places such as India. However, the Government have responded magnificently, and I am very grateful for the serious way in which not just the DTI but other Departments treated our report.

The real problem for the DTI is that it has taken quite a hit on efficiency savings. Its staff have struggled hard to face round after round of cuts. It has not been confident of its own future, which has been very damaging and has demoralised it. That is another reason why the Liberal Democrats are seriously mistaken in the position that they are adopting. They do not understand the demoralising effect that such talk has on hard-working civil servants. That is another reason I urge the Liberal Democrats to abandon their policy.

The Department has also been subject to external pressures. The report on UKTI, which we published this morning, highlights the fact that that organisation has had three strategies in four years. Those strategies have been imposed on UKTI by the Treasury, so the ineffectiveness of UKTI—which my hon. Friend the Member for Rutland and Melton (Alan Duncan) mentioned—is not its fault, but that of the Treasury for demanding arbitrary and unnecessary changes in strategy. The organisation now needs a period of stability, because it is capable of doing a very good job.

Mr. Weir: As a member of the Committee, I agree with the hon. Gentleman about UKTI. Does he recall that when we spoke to members of UKTI abroad, many of them were well thought of and were doing good work, but they felt that the problem lay back here, with the continual changes that the organisation had been put through? A period of stability is essential if it is to make progress.

Peter Luff: It will not surprise the House to learn that I strongly agree with my—for these purposes—hon. Friend, who was present for our consideration of the report. He makes an important point. Although performance is obviously variable, in the main the UKTI staff overseas do a first-rate job and we have been consistently impressed by the quality that they offer to exporters. We have often had reservations about management back here, and that could be an element in the successive strategy reviews and the demoralisation. We are concerned about that, as we say in the report.

The functions of the DTI do need to be done, somewhere. The "Capability Review of the Department of Trade and Industry", which has not been mentioned so far, is an excellent document. It has some criticisms to make, but it is an objective and fair document. Its major concern is the one that I expressed about the lack of political stability undermining confidence in the Department. That is one of the major reasons why the Department has not performed as well as it might have done.

The document lists the areas with which the DTI deals. I remind the hon. Member for Richmond Park that those include inward investment; outward investment; encouraging innovation; management of Government assets and liabilities, including nuclear liabilities and coal, steel and shipbuilding; Government interests in public corporations, such as the Royal Mail and British Nuclear Fuels; competition policy; and company law. Those functions have to be performed by someone. What is the point of moving the deckchairs around for no net benefit?

The capability review is clear about the importance of the DTI strategically in delivering any Government's objectives, never mind this one's. The voice of business is also clear on that point. I have received a briefing from the British Chambers of Commerce which mentions the importance that it attaches to maintaining the DTI, although it has doubts about the way in which it is administered.

I also have a copy of the detailed report of a survey for the London Chamber of Commerce and Industry, which says that 59 per cent. of respondents think the DTI is fit for purpose, but 92 per cent. think there should be a Government Department responsible for enterprise, business and the private sector, and 92 per cent.—presumably the same 92 per cent.—think a Cabinet Minister should be responsible for business interests in the community. Fascinatingly, the survey also lists the duties that the respondents think are important for a Department with responsibility for business, and the Liberal Democrats must answer the questions raised by those findings. I am aware that I sound partisan, but I speak out of passion for UK business, not out of partisanship. Some 99 per cent. thought that it was essential, very important or important to have a Department that supported small businesses, and 85 per cent. think it should promote corporate and social responsibility. Some 75 per cent. think it should be responsible for employment relations, 96 per cent. for deregulation, 97 per cent. for productivity, and 98 per cent. for the promotion of UK trade overseas. Those are high figures. The only area of responsibility that the respondents do not think important is regions policy. There is a strong consensus in the business world about the need for a Department, not just a Minister, with responsibility for business.

Susan Kramer: Will the hon. Gentleman give way?

Peter Luff: I must give way to the hon. Lady because I have said much more than I intended to about her party's policies.

Susan Kramer: In that same report, only some 7 per cent. of businesses think that any of the tasks have been performed with any quality over the past God

knows how many years. Businesses have thrived without that, so the hon. Gentleman is arguing for something that the present environment demonstrates is relatively redundant.

Peter Luff: The hon. Lady is simply wrong. Although the DTI does not get hugely good scores, 66 per cent. think that it has been good or adequate at creating the conditions for business success, to take one example.

I must bring my remarks to a conclusion. I refer the whole House to the excellent Engineering Employers Federation report on the business of Government, from which I had intended to quote at length. It makes an extremely cogent case for changes in the handling of responsibilities, as well as for the need for a Department for business.

I had hoped to say much more, but time is against me. The DTI is an extremely important Department but there is much room for improvement, so I shall have great pleasure in supporting the motion. I am slightly nervous about the wording on UKTI, which does not do justice to the organisation; the problems it has experienced are not of its own making, but due to external factors. UKTI, like the whole DTI, could do better; it needs stability and a vote of confidence. I am delighted that the official Opposition called the debate because I agree strongly with my hon. Friend the Member for Rutland and Melton that opportunities on the Floor of the House to argue the case for the DTI and its functions come all too rarely. I am delighted that my hon. Friend did so with such passion when he opened the debate. We need less duplication—RDAs in particular need to be re-examined; we need less external interference and a period of calm in the Department so that it can do its crucial job of standing up for British business in a challenging world.

6.30 pm

Anne Main (St. Albans) (Con): I am aware that time is pressing so I shall simply touch briefly on the role of small businesses and the problems they often experience with the Department of Trade and Industry. I have never run a business, but I felt that if I used the words of people who run businesses in St. Albans, and struggle with the regulations, the Government might understand the burden their regulation imposes.

I realise that these comments about people struggling with regulations are anecdotal, but the reality is that St. Albans has lost many small businesses over the years. Mr. Nigel Cox runs a printing business in St Albans. He said:

"I've got so fed up with it, I'm going to retire...It's too much hassle employing staff any more. It's becoming too much paper work, I can't even remember the numbers of the forms."

He is not alone. Mrs. Linda Gibson, of London Colney, said:

"I spend a lot of my time dealing with formalities...The area where it is getting worse is employment. I only employ my husband, and he's not too much trouble. I would think twice before employing staff."

[Laughter.] I am glad her husband is not too much trouble, but the point she is making is about all the forms and form filling.

The regulatory burden has cost small businesses dear. As I said in my intervention, the Hertfordshire chamber of commerce estimated that the cost is staggering—more than £431 million. The Secretary of State said that things have improved enormously, but Sally Low, director of policy and external affairs at the British Chambers of Commerce, would beg to differ. She said recently:

"Red tape and regulation are costing businesses in Hertfordshire a phenomenal amount of money...It is critical for future economic growth in the city that politicians in Westminster"—

that is us, so we need to wake up—

"and Brussels realise the impact excessive regulation is having and take action to ease this burden."

My hon. Friends have been calling for such action for a long time. If there is one thing we take pride in, it is being a party that supports business, especially small businesses. We should be

"freeing firms from the cost of red tape and allowing them to get on with the job of running their businesses".

Those are the words of our local chamber of commerce, but they are echoed around the country.

According to the Government's figures, calculated in 2006, the burdens barometer was more than £50 billion. Not only do small businesses find the financial burden huge, but trying to set up a business is demoralising because the number of forms to be filled in is colossal. People may turn to their local Business Link—I have visited mine—but for many it is an intimidating process. The last thing I want is for people who plan to start up a business, especially young people, to be deterred from doing so by concern about the costs and aggravation they will incur.

Lorely Burt (Solihull) (LD): Is the hon. Lady aware of the report published last year by the Federation of Small Businesses, which found that only 4 per cent. of the 19,000 members who responded to its survey actually use Business Link? They find its plethora of services unacceptable.

Anne Main: I am aware that Business Link is not always as friendly towards small businesses as it might hope. Perhaps the Government could address that problem.

I am extremely aware of the time, so I shall cut short my remarks. On behalf of small businesses in St. Albans, such as Bravingtons and Patons on my high street, and those that are folding—sometimes because of high business rents, but sometimes because of the sheer burden of regulation—I ask the DTI to be a bit friendlier and listen to the small voice of small business.

6.34 pm

Mr. Mike Weir (Angus) (SNP): Our debate about the DTI perhaps reflects the fact that priorities are changing. The Chairman of the Trade and Industry Committee made a good point about the way in which the Department's functions hang together for business. However, energy is now perhaps a more environmental matter, given that it is one of the major sources of pollution. There would be sense in considering a way of removing energy from the DTI and linking it to the

[Mr. Mike Weir]

Department for Environment, Food and Rural Affairs. I wish to make a few remarks about energy because it is obviously very important, especially for Scotland.

We have had the energy review and the Government have come up with the new nuclear option. Luckily, strangely enough, one of their planning functions that is devolved to Scotland means that Scotland will perhaps be saved from new nuclear stations. However, the problem of waste will affect us all. The Government and official Opposition Front Benchers had an interesting discussion about that. When the Government introduced the energy review, they talked about the private sector meeting a "full share" of the costs of disposal, but we have not yet had an explanation of what a full share actually means. Today, the hon. Member for Rutland and Melton (Alan Duncan) seemed to be talking about a deferred subsidy to the private sector. Under any provision, it appears that the public purse will have to bear the cost of disposing of new nuclear waste.

I have argued in the House on many occasions about the transmission charges affecting energy in this country, which result in higher costs of energy production in the north of Scotland than in the south of England and act against the interests of renewables. Nothing in the energy review will change the situation. The review includes a section on fuel poverty, but it does little to add to the attack on it. For example, nothing is proposed to help rural areas by examining price mechanisms and social tariffs. Various specific issues influence fuel poverty in rural areas.

We have already discussed carbon capture. The fact that BP is pulling out of the Peterhead project will be a huge blow to Scotland. Some 300 people are employed on the project, so its winding down will have a serious impact. However, it is worse than that. As I pointed out earlier, the energy review makes a lot of carbon capture's potential to help developing countries that use a lot of coal and other fossil fuels to clean up their act. Such projects will be important as we move beyond Kyoto towards a new carbon reduction scheme, so it is clear that the developed world needs to deal with this.

The Government first said that they were in favour of carbon capture some three years ago. However, although BP, Scottish Power and others have made a massive investment in Peterhead, little progress seems to have been made in any other area. The argument that the Government cannot simply award a contract to one project does not hold water if we are seriously considering the technology as a contributor to carbon reduction, rather than just another aspect of energy policy. It is worth noting that even in the United States, which is often seen as an ogre by the green movement, a $90 million tax allowance is available for a carbon capture and storage pilot project. Other countries are pushing ahead on such projects, so, yet again, we might be left behind.

Carbon capture and storage could be important for not just Peterhead. Scottish Power is investing in cleaning up the Longannet and Cockenzie coal-fired power stations in Scotland, which could be important for the future of energy in Scotland and the UK.

I want to speak briefly about the Post Office—and I will be brief, as I hope that others may yet contribute. What can I say about the Post Office? I have talked about it in this House for the past six years and things do not seem to be getting much better. I shall end with a story. The Government have taken away much business from the Post Office, but sometimes the Post Office does not help itself. A constituent contacted me today to say that they were moving house and went into their local post office with the simple aim of getting a redirection of mail form, but they were informed by the local postmaster that he could not supply one; it could only be downloaded from the internet. There were no redirection of mail forms in the post offices in Angus. That is utterly ludicrous. Not everybody has access to the internet, and for something as simple as that form to be not available is an absolute disgrace.

6.40 pm

Charles Hendry (Wealden) (Con): We have had a valuable and constructive debate this afternoon; it has been brief, but it touched on an important issue that goes right to the heart of government and the future structure of government. In his opening comments, the Secretary of State paid tribute to the Department of Trade and Industry staff, and we certainly wish to associate ourselves with that, given their dedication and the expert work that they do. Our criticism, such as it is, focuses on the failure in leadership at the Department, rather than on the personnel, with whom we hope to work in due course.

I join the Secretary of State in paying tribute to business in this country. There are many outstanding businesses in this country that do a remarkable job around the world. The entrepreneurial spirit still thrives in this country, but that does not mean that we should not do better. He asked various questions, and in particular he asked about our position on science policy. I should like to say to him and to the House that we broadly support the Government's position on science, as my hon. Friend the Member for Rutland and Melton (Alan Duncan) made clear when he expertly opened the debate. Outstanding scientific work is being done in this country, but not enough is being done to turn that science to commercial advantage. It has to be recognised that leading companies at the forefront of technology are having to ask whether their next investment should be here or overseas because of the situation with regard to tax, regulations, skills and other matters.

I listened with great care to the hon. Member for Richmond Park (Susan Kramer) for some clarification of Liberal Democrat policy on trade and industry until I virtually lost the will to live. I think that none of us yet understands which DTI activities she thinks should be retained, and which she thinks should be got rid of, but what certainly came through, as my hon. Friend the Member for Mid-Worcestershire (Peter Luff) said, is the fact that business will be in despair at her proposals, which essentially remove the voice of business and subjugate it to the almighty Treasury, and give more power to the unloved regions, although she cannot even tell us what those proposals will cost.

The hon. Member for Richmond Park certainly seemed confused about aspects of energy; she spoke about the incompatibility of investment in nuclear with investment in other forms of renewables. In fact, today companies

at the forefront of the sector are diversifying, and it is the giants who are investing both in the major elements of nuclear, and in aspects of renewables. BP has announced an $8 billion investment in alternative energy, and E.ON is prepared to invest in not just nuclear, but offshore wind and tidal power. The involvement of those major companies in investment in those forms of energy is the key to helping new technologies to come forward.

My hon. Friend the Member for Mid-Worcestershire, the Chairman of the Select Committee on Trade and Industry, made an excellent and insightful contribution, as always. He was not always as impartial as he set out to be, but thank heavens for that. He reminded us that the foundations for the economic success for which the Government have been able to take credit were laid well before it came to power in 1997. One of the great things that the Government did right was not to roll back the changes that the last Conservative Government made, which made this country one of the most successful economies in the world. He is absolutely right to say that there must be a Department that represents business—not just a Minister in the Treasury, but a Department that will argue the case for business with other Departments, and which will make sure that the needs of business are fully understood.

My hon. Friend the Member for St. Albans (Anne Main) made a strong contribution and a passionate defence of small business and its needs, and the hon. Member for Angus (Mr. Weir) made a thoughtful contribution about the failings of the energy White Paper, although he misrepresented our position, as we have made it quite clear that there will be no subsidy for nuclear new build.

Sir Robert Smith: Will the hon. Gentleman give way?

Charles Hendry: I hope that the hon. Gentleman will understand that I do not have time to give way to him, especially as he has not been in the Chamber for most of the debate. It seems that in virtually every debate in the Chamber, someone creeps in from the planet Zarg and makes an out-of-this-world contribution. Today, that role fell to the hon. Member for Edinburgh, South (Nigel Griffiths), who said that there is a "creditable record" on manufacturing. He said so of a Government under whom 1.2 million jobs have been lost, as my right hon. Friend the Member for Wokingham (Mr. Redwood) made clear, and under whom the share of gross domestic product attributable to manufacturing has dropped from 20 to 13 per cent. I hate to think what the hon. Gentleman would regard as a disappointing or even a bad record but, nevertheless, we were glad to hear his contribution, and perhaps his next appointment in the new regime will be as Minister for space.

Nigel Griffiths *rose—*

Charles Hendry: I am afraid that time is against us. The hon. Gentleman had the chance to make his contribution.

Little makes as clear as the energy White Paper the consequences of the Government's indecisiveness. The Government say that they want a new fleet of new-build nuclear power stations, but businesses could not possibly invest when they do not know the nature of the waste disposal programme, how decommissioning will be required to take place, or the costs of those activities. They do not know at what level carbon will be taxed, which makes it difficult for any business to come forward and invest. The Government say that they want to encourage renewables, yet the British Wind Energy Association reacted to the planning White Paper by saying that the UK

"is no nearer to the 2010 renewables target with the Planning White Paper"

and that the proposals will not bring any

"benefit for renewables in the short term".

The association argues that the changes would affect only five of the 74 wind farm applications that are stuck in planning, and that there will be no benefit for one of the major sources of renewable energy from the changes proposed by the Government.

The Government say that they want Britain to take the lead in carbon capture and storage, but it is dithering and delays by DTI Ministers that have led to the cancellation of the only viable CCS pilot project in the UK. BP delayed the closure of that plant by a year to give Ministers time to introduce proposals to make the project feasible, but I am afraid that ministerial delays mean that an additional three years of delays have been built in before a pilot scheme can be made to work. It is the delays and indecision by DTI Ministers that have increased the likelihood of power cuts in the years ahead.

It is not necessarily what politicians think that matters—it is what business thinks that should matter most of all. In a recent survey by the British Chambers of Commerce only 8 per cent. of UK businesses described the DTI as

"playing an important role in promoting business."

Nearly two thirds of businesses—61 per cent.—thought that the DTI is either ineffective or very ineffective. Just 7 per cent. think that it is effective. What business needs is a Department of Trade and Industry that regards its primary goal as supporting business, not regulating it. Some 30,000 new regulations have come into force since the Government came to power 10 years ago; there are 14 new regulations a day; and it costs the average business £13,500 a year to implement them. We need a DTI that is up to speed with business, and we need a culture that stops the unnecessary and over-zealous interpretation of EU directives, rather than one that fails to argue its corner and defend British business adequately in the EU. We need a DTI that does more to ensure that the needs of business are incorporated more effectively in the debate about skills, as we face unprecedented pressure and competition from countries such as China and India. There is no business today that is safe from the threat of relocation overseas, and even world-class British businesses find it hard to justify each new decision to invest here, rather than abroad.

Business tells us that it needs clarity: it does not need those 3,000 schemes, which should be slimmed down. It is frustrated by constant change, by nine Energy Ministers in 10 years and by the lack of a strong voice in discussions with other Government Departments. We do many things outstandingly, including bio-pharmaceuticals, finance, technology, design, services, aerospace and top-end engineering. We do many, many things that are brilliant. We are still a nation of great genius and innovation and brilliant leadership, but that is in spite of the Government, not because of them.

[Charles Hendry]

We need to know from the Government that they are still committed to a Department at the heart of Government, a voice at the Cabinet table, that will argue for wealth creation, because that is the cornerstone of everything that we want to achieve. The Government have taken that for granted for too long. British scientists and British business can still lead the world, but to do so they need a DTI and DTI Ministers who are more focused, more visionary and more purposeful than they are at present.

6.50 pm

The Minister for Science and Innovation (Malcolm Wicks): I will do my best to be both focused and purposeful in answering the debate. We have had an extensive debate and it has been interesting in all sorts of ways. The shadow Secretary of State for Trade and Industry opened the debate with a 45-minute speech, but that was not long enough, because he clearly did not have time to spell out much detail—to put it mildly—of Conservative party policy as it affects the DTI. When he did the saloon bar rant, as I might call it, on the need for a bonfire of regulations, he was challenged by my hon. Friend the Member for Wolverhampton, South-West (Rob Marris) to name just three regulations that should be abolished. After a while the hon. Gentleman said that he would take down all the no smoking signs that are going up—surely an indication that despite what we usually think, there can be smoke without political fire.

We then had an interesting contribution from the spokeswoman for the Liberal Democrat party, the hon. Member for Richmond Park (Susan Kramer). I was particularly interested in her plan to save £8 billion from the DTI budget—to be fair, I must add that that was to be saved over the lifetime of a Parliament. She, too, was unable to speak for quite long enough to say how that arithmetical conjuring trick would be managed. The science budget is about half of the DTI budget. It has gone up substantially and is some £3.4 billion a year. Clearly, to manage £8 billion-worth of cuts in the departmental budget over the lifetime of a Parliament would involve enormous slashing of the science budget. We will have to spend some time making sure that any academics who, sadly, voted Liberal Democrat last time know exactly what the plan is to slash the academic, science and research base of our country.

DTI issues affect everyone's lives, from their gas bills to better training at work to parental leave, and from the level of the minimum wage to advice to a budding entrepreneur. The Chairman of the Select Committee, the hon. Member for Mid-Worcestershire (Peter Luff), is always a mild and reasonable man—but for two minutes I almost thought he was a Tory politician. He argued that all the great benefits to the country from a new Labour Government were based on a Tory economic heritage—but then he remembered where part of his salary comes from and became the reasonable even-handed Chairman of the Select Committee. Like the Opposition spokesmen and others, he paid tribute to the very good officials we have in different parts of the DTI. I thank him, and echo those words about the excellence of our officials, whatever our political differences might be about the DTI.

Let me take a step back and look at our work in context. Britain faces two major challenges—globalisation and climate change—alongside many other challenges. They are challenges, of course, but opportunities as well, for those willing to reach out to embrace them. We need to make globalisation work for us, and for the people of our country, and ensure that we shape globalisation rather than being shaped by it. That is the nature of the challenge. Over the coming decades there will be global changes at least as profound as those brought about by the industrial revolution of the 18th and 19th century. What took 200 years to evolve in that earlier epoch will take perhaps 20 or 30 years in the new global industrial revolution. My hon. Friend the Member for Edinburgh, South (Nigel Griffiths) spoke about one important aspect of that—the challenge for modern manufacturing.

The DTI is at the centre of ensuring that globalisation is good for UK employees through the creation of new high-value jobs, and that it is good for the consumer through fair competition and prices. In 2005-06, UK Trade and Investment—we have heard quite a lot about UKTI—helped nearly 6,000 UK companies move into overseas markets and landed more than 1,220 inward investment projects, with nearly 90,000 jobs being created or safeguarded. I saw at first hand the excellent work of UKTI at the recent Biotech 2007 conference in Boston.

The Government are responding to the changing business climate, which involves dealing with the challenges of globalisation and energy security. The DTI is tackling those challenges head on, taking tough decisions and making a real difference. We have heard about the energy White Paper, which will provide a framework for delivering a secure, low-carbon energy mix for the United Kingdom, tackling the twin challenges of climate change and—this is, as the Secretary of State noted, increasingly important—providing energy security. The White Paper announced specific measures to make inroads into reducing our carbon emissions and ensuring secure supplies for decades to come.

For the UK, but also for Europe more generally, globalisation demands what we increasingly refer to as a knowledge economy, which means a strong emphasis on science and innovation. The DTI continues to invest in our science base at unprecedented levels. The figure is currently £3.4 billion, which is more than half the DTI's budget and double the sum of 10 years ago. That figure will rise to almost £3.9 billion in 2010-11. We have a worldwide reputation for being excellent at science. In the past few years, we have spent more than £3 billion building world-class laboratories, and one can see that huge investment in any local or regional university.

Patents are up 98 per cent. and income from intellectual property is up by 112 per cent. Since 1997, the value of collaborative research between universities and businesses has increased by more than 50 per cent.

Mr. Redwood *rose—*

Malcolm Wicks: I apologise, but I do not have time to take an intervention.

We take innovation—the appliance of science—seriously in all sorts of ways, and R and D tax credits and the new technology strategy board are important parts of that.

I listened very carefully to what the hon. Member for St. Albans (Anne Main) said about the difficulties faced by small businesses. We do not understate those difficulties, and we need to cut unnecessary regulation. There are now 600,000 more small and medium-sized enterprises in the UK than there were 10 years ago, so something is going right, and I hope that that includes the estate of Verulamium as well as the rest of the United Kingdom. The work of the Small Business Service and its delivery partner, Business Link, is very important.

It is also important to consider some of the domestic challenges that we face. As this century progresses, in our judgment there will be growing demand among our citizens for a better balance between economic activity and their private lives—what we often call the work-life balance. Reforms in the labour market, which now help parents and carers to make choices about flexible working to balance their time at work and time with their families, are important.

We are taking action across a wide range of areas that I do not have time to discuss. We want to ensure open and competitive markets, which are a hallmark of our approach. We are committed to reducing the administrative burdens of regulation by 25 per cent. Our plans will see 500 areas of red tape abolished, which will deliver an overall £2 billion reduction.

It is important to discuss the political differences between us. There are areas of consensus that I welcome, but whereas the previous Conservative Government devalued science, Labour has invested heavily in it. Labour has produced an energy strategy of which we can be proud to tackle climate change and bring about energy security, which is so important to national security.

It is worth quoting again the views of the leader of the Tory party, which my right hon. Friend the Secretary of State quoted earlier. What was his contribution to energy security? He said:

"Let's give green energy the chance and then have nuclear there as a last resort."

Mr. Patrick McLoughlin (West Derbyshire) (Con) *rose in his place and claimed to move,* That the Question be now put.

Question, That the Question be now put, *put and agreed to.*

Question put accordingly, That the original words stand part of the Question:—

The House divided: Ayes 167, Noes 320.

Division No. 134] **[6.59 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Amess, Mr. David
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Bone, Mr. Peter
Boswell, Mr. Tim
Brady, Mr. Graham
Brazier, Mr. Julian
Brokenshire, James
Browning, Angela
Burns, Mr. Simon
Burrowes, Mr. David
Butterfill, Sir John
Cameron, rh Mr. David
Carswell, Mr. Douglas
Cash, Mr. William
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clifton-Brown, Mr. Geoffrey
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Curry, rh Mr. David
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duncan, Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Field, Mr. Mark
Fox, Dr. Liam
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Gauke, Mr. David
Gillan, Mrs. Cheryl
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Hayes, Mr. John
Heald, Mr. Oliver
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, Mr. Gerald
Hunt, Mr. Jeremy
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Laing, Mrs. Eleanor
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
MacNeil, Mr. Angus
Main, Anne
Malins, Mr. Humfrey
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Mitchell, Mr. Andrew
Murrison, Dr. Andrew
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Randall, Mr. John
Redwood, rh Mr. John
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Ruffley, Mr. David
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, Mr. Keith
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spring, Mr. Richard
Steen, Mr. Anthony
Stuart, Mr. Graham
Swayne, Mr. Desmond
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Taylor, Dr. Richard
Tredinnick, David
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Walter, Mr. Robert
Waterson, Mr. Nigel
Watkinson, Angela
Weir, Mr. Mike
Whittingdale, Mr. John
Wiggin, Bill
Williams, Hywel
Wilson, Mr. Rob
Winterton, Ann
Winterton, Sir Nicholas
Wishart, Pete

Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George

Tellers for the Ayes:
Andrew Rosindell and
Mr. Crispin Blunt

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, Danny
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Bailey, Mr. Adrian
Balls, Ed
Barlow, Ms Celia
Barrett, John
Barron, rh Mr. Kevin
Battle, rh John
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Bradshaw, Mr. Ben
Brennan, Kevin
Brooke, Annette
Brown, Lyn
Brown, rh Mr. Nicholas
Browne, Mr. Jeremy
Bruce, rh Malcolm
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Burstow, Mr. Paul
Burt, Lorely
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cable, Dr. Vincent
Campbell, Mr. Alan
Campbell, rh Sir Menzies
Campbell, Mr. Ronnie
Carmichael, Mr. Alistair
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Connarty, Michael
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
Davey, Mr. Edward
David, Mr. Wayne
Davidson, Mr. Ian
Davies, Mr. Dai
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Dowd, Jim
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Eagle, Maria
Efford, Clive
Elman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Farrelly, Paul
Farron, Tim
Featherstone, Lynne
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flynn, Paul
Follett, Barbara
Foster, Mr. Don
Foster, Mr. Michael *(Worcester)*
Francis, Dr. Hywel
Gardiner, Barry
George, Andrew
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gidley, Sandra
Godsiff, Mr. Roger
Goggins, Paul
Goldsworthy, Julia
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hall, Mr. Mike
Hall, Patrick
Hancock, Mr. Mike
Hanson, rh Mr. David
Harris, Dr. Evan
Harris, Mr. Tom
Harvey, Nick
Healey, John
Heath, Mr. David
Hemming, John
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodgson, Mrs. Sharon
Holmes, Paul
Hoon, rh Mr. Geoffrey
Hopkins, Kelvin
Howarth, David
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Hughes, Simon
Huhne, Chris
Hunter, Mark
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
James, Mrs. Siân C.
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Mr. Charles
Kennedy, rh Jane
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kramer, Susan
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lamb, Norman
Lammy, Mr. David
Laws, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Leech, Mr. John
Lepper, David
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Mactaggart, Fiona
Mahmood, Mr. Khalid
Mallaber, Judy
Marris, Rob
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh John
McGovern, Mr. Jim
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Merron, Gillian
Milburn, rh Mr. Alan
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moore, Mr. Michael
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, rh Mr. Elliot
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Oaten, Mr. Mark
Olner, Mr. Bill
Öpik, Lembit
Osborne, Sandra
Owen, Albert
Pearson, Ian
Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prosser, Gwyn
Pugh, Dr. John
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, Mr. Alan
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Rogerson, Mr. Dan
Rowen, Paul
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Bob
Russell, Christine
Ryan, Joan
Salter, Martin
Sanders, Mr. Adrian
Seabeck, Alison
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andy
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Smith, Sir Robert
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis

Stewart, Ian
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Stunell, Andrew
Swinson, Jo
Tami, Mark
Taylor, David
Taylor, Matthew
Teather, Sarah
Thomas, Mr. Gareth
Thornberry, Emily
Thurso, John
Timms, rh Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, rh Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Ussher, Kitty
Vaz, rh Keith
Wailey, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Webb, Steve
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mark
Williams, Stephen
Willis, Mr. Phil
Wills, Mr. Michael
Winnick, Mr. David
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek
Younger-Ross, Richard

Tellers for the Noes:
Jonathan Shaw and
Huw Irranca-Davies

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31. (Questions on amendments), and agreed to.*

MR. SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House acknowledges the outstanding performance of the economy under this Government with the longest unbroken economic expansion on record, in contrast to the boom and bust of the previous Government, with inflation and interest rates both on average half of the previous 18 years and over 29 million people in work for the first time; notes that the UK is recognised as one of the best places in the world to do business; supports the Government's approach to better regulation and a 25 per cent. reduction in administrative burdens by 2010; praises the balanced approach to protecting working families through measures such as the national minimum wage and flexible working, while achieving the highest level of employment; commends the Government's unprecedented commitment to a national post office network with clear access criteria and the financial support to underpin it; applauds the more than doubling in real terms of science funding after decades of under-investment; welcomes the Government's leadership in tackling the challenges of climate change and energy security; endorses the commitment to reduce the number of business support schemes across Government to under 100 by 2010 after the Department of Trade and Industry's successful simplification of its own programmes to under 10; recognises the increasing contribution of regional development agencies to regional prosperity and jobs; approves the new strategy of UK Trade and Investment which has received widespread business support; and calls on the Government to build on its achievements to secure the country's growing economic prosperity.

BUSINESS OF THE HOUSE

Ordered,

That, in respect of the International Tribunals (Sierra Leone) Bill [*Lords*], notices of Amendments, new Clauses and new Schedules to be moved in Committee may be accepted by the Clerks at the Table before the Bill has been read a second time:—*[Huw Irranca-Davies.]*

PETITION

Kingskerswell Bypass

7.19 pm

Richard Younger-Ross (Teignbridge) (LD): I have a petition from residents of the villages of Kingskerswell, Aller and Edginswell, who are objecting to the proposal for a bypass around their village. I do not agree with their conclusions, as I am in favour of the bypass. However, it is important that the Government take note of the petition that they wish to be laid before the House. I therefore support the petition, in so far as it should be laid and discussed.

The petition states:

The Humble Petition of the residents of Kingskerswell, Aller and Edginswell, Devon object to the scheme because it would be highly damaging to the precious countryside and environment in the county of Devon. It should not be built because the costs involved are excessive and there are alternatives to relieving congestion on the A380.

And your Petitioners, as in duty bound, will ever pray.

To lie upon the Table.

Mr. Speaker: Order. I declared the second Division to be off, but I note that the hon. Member for Middlesbrough, South and East Cleveland (Dr. Kumar) is not present to introduce his Adjournment debate.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): On a point of order, Mr. Speaker. I know that there are always difficulties in the Lobbies, but it seemed to me that one of the problems was that we were continuing with the Division because the Clerks could not hear and had not been informed of what was happening. We could not hear ourselves. It took a little time, and one or two of us were unaware of the fact that you had called off the Division. I understand the problems, but I hope that in future a way of dealing with them will be found.

Mr. Speaker: I see that the hon. Member for Middlesbrough, South and East Cleveland is now present.

Policing (Middlesbrough)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Michael Foster.]*

7.21 pm

Dr. Ashok Kumar (Middlesbrough, South and East Cleveland) (Lab): I thank my hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody) for giving me a chance to get here. If she had not done so, I should have lost the debate. I also thank you, Mr. Speaker, for giving me the opportunity to speak about aspects of policing in the Middlesbrough area of my constituency.

Most people are aware that the Government have made combating crime and antisocial behaviour a key community priority. In practice, the police and our local crime-fighting partnerships have been supported consistently by resources and backing from the Government, and it is on the concept of partnerships and their success in Middlesbrough that I want to concentrate.

We cannot rely on the police alone to fight crime; crime-fighting must be the business of the whole community. In order to identify the problems and determine the appropriate strategies with which to confront them, we must ensure that there is broad participation by all the relevant stakeholders. The supervision of policing through an active and involved police authority is central to the process, as is full support from the local authority. Combined with a highly competent and dedicated chief constable and a committed team of senior police officers, that approach has given Middlesbrough what is perhaps the country's most impressive crime-fighting partnership.

That partnership is certainly performing. Let us look at the facts and figures. In 2006-07 crime was down by 5.1 per cent., with around 1,298 fewer victims than in 2005-06. Robberies were down by 12.7 per cent., house burglaries by 23.8 per cent., vehicle theft by 34.7 per cent. and sexual offences by 8.6 per cent. The key driver of those reductions was the crime detection rate, which rose by 5.2 per cent.

I believe that Sean Price, who became Cleveland's chief constable in April 2003, has been one of the key factors in this great success story. He has united and lifted the morale of a force that had been divided by internal tension under its previous leadership. He has established a hands-on management style that has led to higher personal involvement by senior officers in front-line policing, and has delegated more decision making to officers on the beat. He has also successfully argued for extra officers to be deployed on the ground. As a result of his determination, along with the support from the Home Office, Cleveland will soon have the highest number of officers in the force's history. That equates to 1,727 full-time police officers, 197 police community support officers and 50 special constables.

The force has been able to recruit 23 more police officers and, crucially, 20 of those new posts have been earmarked for neighbourhood policing. That has been accompanied by an intense programme of collaboration with Middlesbrough council and with community and neighbourhood groups across the town. The Cleveland police motto of "putting people first" is not just a catchy mission statement. It forms part of their whole ethos.

In Cleveland, we now have at least one dedicated police officer in place for each neighbourhood across the force area, based in well known public buildings. As the chief constable said recently:

> "The public and their elected representatives have made it clear that they want a more visible presence on the streets and greater contact with officers dedicated to their area. Neighbourhood policing is delivering that improved service to our communities.
>
> There has been a growth in public confidence across the force in officers they see on a regular basis and can easily contact.
>
> With a neighbourhood policing team to cover every ward within the force area, both uniformed police officers and community support officers are now allocated to their own regular beats."

Sean Price's comments were echoed by our police authority chair, Councillor Dave McLuckie, who recently said:

> "In all our consultations and discussions with local people we know that what they value most is a visible police presence on their streets and in their communities—and that is what neighbourhood policing is all about.
>
> As an authority we have been clear in putting the objective of maximising resources for front-line policing as a top priority—and this is reflected in the fact that in the current year the force will have the highest numbers of officers in its history, achieved with the support of our local authority partners, all of whom play a key role in tackling crime and disorder."

Middlesbrough demonstrates the importance of visibility to a successful neighbourhood policing model. It is key to gaining public confidence.

The council and other private and voluntary agencies have helped the police immeasurably by allowing their premises and facilities to be used by the police neighbourhood teams as drop-in offices and venues for ward surgeries. In my own area of Middlesbrough, the council has allowed the use of community centres in Park End and Marton and libraries in Hemlington, Coulby Newham and Easterside. The teams have also worked with local churches by using church halls in Stainton and West Marton and businesses such as Spar have enabled the police to use their facilities as a community policing base in areas such as Nunthorpe.

Local housing associations are also helping. The Anchor housing trust has allowed the Marton neighbourhood policing team to use its community centre in Gypsy lane, Marton, and the Guinness Trust has opened up its centre in Coulby Newham. The Sure Start initiative has also helped by basing neighbourhood police teams in its centres in Hemlington and Beechwood, which gives local mothers and young women the opportunity to talk to the police about issues of concern to them.

That approach to community policing means that special initiatives managed by the police can be targeted at very small neighbourhood areas and tailored to meet community concerns. A good example of the local partnerships can be seen in the outlying estate of Hemlington, which has social exclusion problems and a history of antisocial behaviour on the part of a small, but persistent number of youths. Police have teamed up with colleagues from Middlesbrough council, youth services and housing organisations in a bid to clamp down on that antisocial behaviour. A couple of weeks ago, a dispersal order was put in place so that youngsters can be moved on, taken home or even arrested if they are behaving in an antisocial or

criminal way. The partners hope that the young people will instead make use of the facilities at the nearby Hemlington recreation centre, such as its skate and play parks, youth shelter, football pitch and tennis court. These are early days, but I have high hopes that the exercise will yield positive results. The role of the council in the partnership should not be understated.

The mayor of Middlesbrough, Ray Mallon, is a former police officer, and he pioneered the concept of zero tolerance. He has been re-elected twice and his leadership has made a great contribution to the town. Since coming to office, he has introduced new initiatives and projects to fight crime and social disorder.

The council's lead member for community safety, Barry Coppinger, has also recently hit the headlines with new crime-busting policies and projects. The most significant and recent example was the initiative to combine a CCTV system with live audio microphones that enable controllers to warn offenders. That might have seemed like a gimmick to some, but it works. Moreover, that initiative has been developed by a neighbourhood "community company", thereby allowing local people to manage and control its development. It has also created new jobs for local people in personal and premises security. The task now is to cement that partnership and to build on its achievements to a level where people in Middlesbrough can live without the fear of crime.

In order to realise that goal, we must ensure that support from central Government continues. Such programmes must also not be seen as the preserve of the Home Office—other Departments must also be part of the process. The Department for Education and Skills, for example, has a key role to play in supporting projects aimed at disaffected young people and backing programmes to combat bullying and truancy. That will have a knock-on effect on the level of crime and antisocial behaviour on our streets. The new Ministry of Justice and the Department for Communities and Local Government should also pay regard to what is being achieved in Middlesbrough. It helps little if the police and the council are tackling crime only for it to be seen that sentencing policy fails to complement the tough approach that must be taken to isolate and deal with the core of troublemakers.

The Department for Communities and Local Government should be aware that there is a clear link between neighbourhood design and architecture and crime. Like many other towns and cities, Middlesbrough has ambitious plans for redesigning estates and building new ones, and to replace both the planning mistakes of the 1960s and outdated Victorian terraces. In the new communities and estates that will spring up, the need to design-out crime must be the central feature. DCLG must be prepared to be guided by local communities and Middlesbrough partnerships.

I invite a cross-departmental group of Ministers to visit Middlesbrough to meet the people I have mentioned, who are implementing the partnership model and serving their communities. I look forward to hearing the Minister's reply.

7.34 pm

The Parliamentary Under-Secretary of State for the Home Department (Mr. Vernon Coaker): I congratulate my hon. Friend the Member for Middlesbrough, South and East Cleveland (Dr. Kumar) on securing this debate on policing. He is always an eloquent and effective champion for his constituency and his police force. Indeed, he has raised such issues with me many times. I should say at the outset that if he contacts my office, I am more than happy to visit Middlesbrough at a time appropriate to him and his colleagues, in order to see the work that he has outlined for us this evening.

I take this opportunity to congratulate Cleveland's chief constable, Sean Price, whom I know personally from his time as a senior police officer in Nottinghamshire, where his work was very effective. I am happy to join my hon. Friend in congratulating him on the performance improvements that he has brought to the Cleveland area and the steady progress that he continues to make.

I also welcome the opportunity to reflect on the progress made not only by Cleveland police but by police forces across the country. My hon. Friend has highlighted the progress that Cleveland has made in introducing neighbourhood policing, which has been very effective. I am an enthusiastic supporter of neighbourhood policing and the tremendous benefits that it brings to our communities. I want to say something about that, but first I want to join my hon. Friend in congratulating Councillor Dave McLuckie on his work, and in congratulating Ray Mallon, the mayor of Middlesbrough, whose contribution my hon. Friend spoke of. What we are seeing is that partnership is crucial if we are to achieve our aims, and it is clear that in Middlesbrough such partnership has been very strong.

We should bear in mind the work not only of Dave McLuckie and Ray Mallon, but of the council and the various housing associations and schools. My hon. Friend referred to the difference that has been made in Hemlington. It is also important that we see the full use of the powers that have been made available to police forces, local authorities and other bodies in tackling antisocial behaviour. I was very pleased to hear about the use of a dispersal order, which is a very effective way of tackling antisocial behaviour.

My hon. Friend mentioned the level of support that Cleveland police currently receives from the Home Office and what it can expect in future. He will know that the Government are committed to providing a well-funded police force in Cleveland and in England and Wales as a whole. I do not think that our commitment to that can be called into question. For 2007-08, Cleveland, like all forces, received an increase in general grant funding of 3.6 per cent., above the rate of inflation, which comes on top of a sustained increase in funding. My hon. Friend will probably like to know that since 2000-01, Cleveland's total grants have increased by £30 million, which equates to 14.9 per cent. in real terms.

That money has been spent well. As at 30 September 2006, Cleveland had 1,681 officers—222 more than in March 1997. There were also 116 more civilian staff than a decade ago, which has of course helped to release officers for front-line duties, which I know is where my hon. Friend's constituents want to see them. I am pleased to hear that so many officers are providing that visible presence on the street. Last September, there were also 111 police community support officers—an innovation under this Government. That figure has also

[Mr. Vernon Coaker]

increased, and I shall say a little more about neighbourhood policing and PCSOs in due course.

However, it is important that we do not just focus on inputs but look at the results, which have also been impressive in my hon. Friend's constituency. Between 2002-03 and 2005-06, overall recorded crime in Cleveland fell by 2.5 per cent., representing nearly 2,000 fewer victims of crime a year. Especially impressive was the performance on burglary, which fell by almost half in that period. The results in the Middlesbrough basic command unit, which serves my hon. Friend's constituents, are equally noteworthy. Between 2003-04 and 2005-06, recorded domestic burglary fell by 13 per cent. and robbery by a staggering 54 per cent., so the investment is making a huge difference to my hon. Friend's constituents.

Middlesbrough is also one of just 40 respect areas nationally—identified for their strong track record in tackling antisocial behaviour and its causes. The local crime and disorder reduction partnership has made good use of the full range of tools and powers available to tackle antisocial behaviour. In 2005-06, it used 137 acceptable behaviour contracts and in 2005 it took out 34 antisocial behaviour orders. We know that those powers work and that their use has brought important respite to communities living with the burden of antisocial behaviour. As my hon. Friend said, Middlesbrough has also made good use of other powers such as dispersal orders, crack house closures and parenting orders.

Importantly, action is being taken across the breadth of the respect programme. Middlesbrough is one of 77 areas with funding for an expert practitioner to co-ordinate parenting services for families involved in or at risk of antisocial behaviour, while the council and partners are implementing a family intervention project to tackle the behaviour of the most antisocial families in the area.

The area has also led the way in experimenting with talking CCTV to promote good, and challenge bad, behaviour. I congratulate my hon. Friend on saying that talking CCTV is not a gimmick, because I completely agree with him. Indeed, on Monday my officials were in Middlesbrough to attend the launch of the council's scheme selectively to license private sector landlords in an area of the town where antisocial behaviour has been an issue. It is only the second council in the country to have such a scheme in place—another example of the work it is doing

The range of action is encouraging and I urge the council, police and other local partners to keep up their proactive approach to tackling antisocial behaviour and its causes so that residents in Middlesbrough can enjoy their neighbourhoods. I pay tribute to all of those in Middlesbrough and Cleveland generally whose efforts have led to those excellent results.

I know that my hon. Friend is interested in future funding arrangements. I have to tell him that no decisions have yet been taken on police funding for the three years of the comprehensive spending review. It is no secret that the financial climate will become tighter. However, the funding increases that we have given in the last few years have provided a very solid foundation on which the police can build as we move into a period of consolidation.

I was very pleased to hear my hon. Friend talk so warmly about neighbourhood policing and I too would like to congratulate Cleveland on the progress it has made in rolling out neighbourhood policing across the force. All of us know of the demand for a visible, accessible and responsive police force, with a presence on the streets, and that is what neighbourhood policing is designed to achieve. I understand that there are now 15 dedicated neighbourhood policing teams across the Cleveland police area, which includes 173 police sergeants and constables and 126 PCSOs. In my hon. Friend's area in Middlesbrough, I am advised that there are four neighbourhood policing teams, which include 61 police sergeants and constables and 34 PCSOs. Those teams cover areas that are coterminous with the clusters of community councils that are the main resident representation body in each local authority ward area.

The progress made by Cleveland is being repeated across all 43 forces and we remain on track to deliver on our commitment to provide a dedicated neighbourhood policing team for every community by April 2008—a significant achievement. In fact, we recently reached a significant milestone in the neighbourhood policing programme: forces across England and Wales increased PCSO numbers to 16,000—a tremendous achievement. The police service doubled PCSO numbers over a seven-month period and I take this opportunity to congratulate everyone who worked so hard to make that happen. In addition, more than 12,000 police constables and sergeants are dedicated to neighbourhood policing in England and Wales.

I know that my hon. Friend is concerned about continued support for his police service and we shall do all we can to ensure that every police force can maintain a strong and visible presence on the street. It is of course a matter for chief constables, such as Sean Price, to determine the best staffing mix for their neighbourhood policing teams, taking into account local circumstances. We have extended to police forces the freedom to determine their own arrangements, while providing greater sustainability for neighbourhood policing in the future. My hon. Friend will know that those changes had an unintended impact on Cleveland, which we have done our best to address by providing an allocation for new PCSO recruitment in 2007-08 as an exceptional arrangement. That shows our commitment to support the measures in Middlesbrough that my hon. Friend described. The outcome is that the Cleveland police force has been allocated £2.6 million towards the cost of neighbourhood policing in 2007-08, which is an increase of 63 per cent. over funding in 2006-07—the highest in the country.

The force will have at least 166 PCSOs in 2008, contributing to the roll-out of neighbourhood policing across Cleveland. It will not be expected to increase PCSO numbers further, although it is free to do so if it wants, but it would need to look to partners for funding, in line with other forces. That is important because, as my hon. Friend pointed out, community safety is a shared responsibility and local decision making, with the involvement of the community and local partners, is crucial to the success of neighbourhood policing. Wherever I go, I realise that co-operative working by the police, the council, health

authorities, schools and residents is fundamental to delivering not just effective neighbourhood policing but neighbourhood management.

As my hon. Friend pointed out, in Middlesbrough—as in other areas—people need to see that broken windows, smashed-up bus shelters, graffiti or litter are sorted out quickly. If they see that graffiti is cleaned off quickly, broken street furniture is dealt with and litter is swept from the streets, other aspects of neighbourhood policing will also be seen and people will believe that things are improving in their area. The effectiveness of the neighbourhood management model in Middlesbrough that my hon. Friend described—the effective working partnerships—means that we can have a combined approach to tackling some of the quality of life issues that confront people. As we all know from our constituents, when people open their doors they want to be proud of their neighbourhood and to have a visible police presence. I congratulate all those in Middlesbrough who have made that possible in their area.

I shall finish with some more general remarks about the future. In March 2007, the Home Secretary announced the establishment of an independent review of policing in England and Wales, to be led by Sir Ronnie Flanagan. It will focus on four specific aspects, which will help areas such as Middlesbrough. It will further reduce bureaucracy, focusing resources on the front line and freeing up police officer time. It will embed neighbourhood policing in areas such as Middlesbrough, ensuring that it becomes a permanent part of the policing landscape. Local accountability will better ensure that the public drive local policing priorities; Middlesbrough is leading the way, with local people helping the police to determine those priorities. It will also focus on how the service can best use its resources to meet all the challenges that it faces. The report will be produced at the end of this year and there will be an interim report in August. My hon. Friend will recognise that that will be highly relevant to the matters that he has raised today.

I repeat my thanks to my hon. Friend for securing this extremely useful debate and the way in which he put forward the interests of his constituents. He has demonstrated that the only way to move forward on issues relating to crime and antisocial behaviour is for everyone to work together. By working together, real progress can be made. I congratulate everyone in Middlesbrough and the whole Cleveland area on the work that they have done.

Question put and agreed to.

Adjourned accordingly at ten minutes to Eight o'clock.

House of Commons

Thursday 7 June 2007

The House met at half-past Ten o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

TRADE AND INDUSTRY

The Secretary of State was asked—

Carbon Capture and Storage

1. **Sir Robert Smith** (West Aberdeenshire and Kincardine) (LD): What factors were taken into account in choosing the date of the carbon capture and storage competition announced in the energy White Paper. [140924]

The Secretary of State for Trade and Industry (Mr. Alistair Darling): The date was chosen to allow the minimum amount of time required to design a competition that would allow a number of companies to participate, and to ensure maximum benefit and value for money.

Sir Robert Smith: I am very disturbed by the Secretary of State's answer. North sea investment has to confront the fact that decommissioning is coming and the clock is ticking. The Government knew that decommissioning was coming for the Miller field. Why did they not say at the outset that the project had no chance and that they could never make a decision in time? They will have to be much speedier in creating the criteria for investment in novel industries if we are to get new investment into this country. Will the Secretary of State work to see whether anything can be rescued from this project? What hope is there for gas gathering west of Shetland—

Mr. Speaker: Order. That was an awful lot of supplementaries. There should only be one.

Mr. Darling: Let me deal with the points that the hon. Gentleman made. As I said when we discussed this matter yesterday, I am sorry that BP was not able to continue operation of the Miller field, but I should point out two things. First, BP always knew that there was going to be a competition. Seven other companies are interested in working with the Government towards building a carbon capture and storage scheme and, as I said yesterday, it is not open to the Government to hand over a contract such as this to one company, when we know that others are in the field. Secondly, even if BP had remained in the competition, there was of course no guarantee that it would have been successful, because as I said, other firms are interested. I hope that BP will be able to work with us again in future, and it has said that it would like to do that. So far as Scotland is concerned, Scottish Power has publicly said that it is interested in participating in this competition in relation to either Longannet or Cockenzie.

Mr. Andy Reed (Loughborough) (Lab/Co-op): My right hon. Friend is right to recognise the speed at which we need to work to advance these technologies. In this regard, we should take particular account of the energy technologies institute, which his Department and the Treasury are trying to foster. As my right hon. Friend knows, Loughborough university is a key bidder for one of the partnerships, which will be rolling out later this year. Will he assure us that these technologies and the various institutes that are being set up across the country will be with us as soon as possible? As we learned from the G8 this weekend, if we are to have a positive impact on climate change, we need to act within days and months, rather than years.

Mr. Darling: On the energy technologies institute, five groups of companies have shown an interest and we will be making a decision. We have set out the timetable and the short leet is being worked through. My hon. Friend is absolutely right—this is a unique venture. The public and private sectors are working together and looking at new technologies, of which carbon capture might be one. However, the process is separate from the one relating to carbon capture and storage.

Richard Ottaway (Croydon, South) (Con): A critical part of the answer to this question is the amount of nuclear power in the energy mix. What is the Secretary of State's best estimate of the time that it would take to commission and construct a nuclear power station? Starting from now, when would he expect a new nuclear power station to be on-stream?

Mr. Darling: First, as the hon. Gentleman will know, following the court judgment in February the Government now have to consult on whether nuclear should be part of the mix. I know that some Members find that frustrating, but that is the law and the Government are bound by that decision. Once the consultation has finished we can reach a final conclusion and, as I said, that needs to be done this year. It is very difficult to estimate how long it would take between the start of the process and a new nuclear power station opening. Decisions on whether nuclear power stations are to be built will be taken by the generators themselves, not by the Government. Of course, it would greatly assist that process if we could improve the planning regime, and I hope that we will get all-party support for that.

David Taylor (North-West Leicestershire) (Lab/Co-op): Is not the delayed decision on subsidies being used by BP as a smokescreen? Is it really serious about investing in carbon capture and storage technology in the United Kingdom? Centrica is still pressing ahead; that sets an example, does it not? We need this technology to access the many hundreds of millions of tonnes of clean coal that still exists in this country, not least the 800 million tonnes in the constituency of the shadow Secretary of State of Trade and Industry.

Mr. Darling: I am absolutely sure that BP is serious about looking at new technology such as this. The problem that it had with the Miller field in the North sea was that the field had reached the end of its life, and keeping it going was proving quite expensive for BP, which, as a company, obviously had to have regard to that. It has been suggested in some quarters—by the nationalists in particular—that the BP project was somehow ready to go. Yes, BP had spent some money on it, but as I said yesterday, we are talking about hundreds of millions of pounds over a 10 to 20-year period. That is why it was not open to the Government simply to have said to BP, "Okay. You've expressed an interest—let's go with you", when we knew that at least seven other companies—there might be more in future—are interested in working in this area.

Let there be no mistake: I hope that we can become a world leader in this field. No other Government are involved in this process to this extent. Nowhere in the world is there any commercially operated carbon capture and storage, and it is important that we should be part of that, because we can see the potential for this country and, crucially, for countries such as India and China. Let us not forget that China is building a new coal-fired power station every four days on average.

Mr. Mike Weir (Angus) (SNP): That last point is exactly why it is so important to make progress with CCS. The point about Peterhead is that it was years ahead of any other project in this country. The White Paper says that a competition will be launched this year and the full chain will start to be demonstrated at some point between 2011 and 2014. Can the Secretary of State give us some idea of when any new project from that competition will reach the stage that BP had already reached at Peterhead?

Mr. Darling: The hon. Gentleman knows that although BP had done a lot of preliminary work and spent quite a bit of money, it was still in the foothills of development of the whole process. Other companies were doing exactly the same work. I understand why the hon. Gentleman, representing the constituency that he does, and the leader of his party, as the local MP, were keen to see BP proceed, and I am sorry that it has withdrawn. However, as I said yesterday, it is not open to the Government to hand over a contract of this value without being satisfied that we have considered all the possibilities. That is what we are doing and that is the right way to proceed.

Alan Duncan (Rutland and Melton) (Con): The Chancellor of the Exchequer first promised a demonstration project for carbon capture at the end of 2005. We will now have a competition only at the end of 2007. We are still in the foothills and the Secretary of State ain't much of a Sherpa on this issue. Given such a delay, can he tell the House when carbon storage will be sufficiently advanced to deliver low-carbon electricity to homes? If he thinks that there is a risk that that will never actually happen, how will he ever meet his emissions targets?

Mr. Darling: As I said two weeks ago when we launched the White Paper, I think that carbon capture and storage has great potential. However, precisely because it is not in commercial operation anywhere in the world at the moment, we cannot be certain. To all those people who say that we do not need nuclear because we have CCS, I say that until we can be sure that that technology actually works, it would be foolish to rule out possibilities such as nuclear. As of yesterday afternoon at least, that is the hon. Gentleman's position too—

Alan Duncan: It has always been our position.

Mr. Darling: "Always been our position"! I congratulate the hon. Gentleman on his sense of humour.

Post Office Closures

2. **Mr. Andrew Robathan** (Blaby) (Con): When he will announce which post offices will close following his recent statement. [140925]

The Parliamentary Under-Secretary of State for Trade and Industry (Jim Fitzpatrick): On 17 May, my right hon. Friend the Secretary of State announced the Government's response to public consultation on the post office network. Now that the Government have announced their decision, it will be for Post Office Ltd to restructure the network strategically through 50 to 60 local area implementation plans over the next 18 months. Following initial input from sub-postmasters, Postwatch and local authorities, the plans will include closure proposals which will then be put to local consultations ahead of the final decision.

Mr. Robathan: My constituents from Braunstone Town in the north, down through Blaby and Dunton Bassett to Lutterworth in the south, have contacted me about their concerns that their post offices will close. Since the Government came to power, they have had the urban network reinvention programme, which closed some 3,000 post offices, and now we are talking about closing perhaps another couple of thousand. When will the Government see the countrywide network of post offices as a fantastic opportunity for the delivery of services and goods, instead of restricting the freedoms of small businessmen—sub-postmasters—to carry out business, and undermining that business by withdrawing the Government services that they may deliver? The customers like getting those services from post offices.

Jim Fitzpatrick: The hon. Gentleman knows that the Government have supported Post Office Ltd to the tune of £2 billion since 1999. We are committed to support it with another £1.7 billion until 2011. He neglects the fact that losses have increased from £2 million a week a few years ago to an anticipated £4 million a week this year. The Trade and Industry Committee and the National Federation of Sub-Postmasters both say that that situation is unsustainable. With the new access criteria laid out by the Secretary of State, we are trying to ensure that by 2011 the network is in a much better place and we have a viable national network for the future.

Mr. David Kidney (Stafford) (Lab): I am especially concerned about the risk of social exclusion in rural areas if post offices are lost. Can my hon. Friend at least assure me that where there is a village shop with

the post office, support will be given to existing shops, the encouragement of community shops and the retention of the basic postal services of cash, payment of bills and parcel postage? Will he undertake to give a clear steer to the regional development agencies to support such enterprise in shops in rural areas?

Jim Fitzpatrick: My hon. Friend raises some very good points about how the network can best be protected. In his statement of 17 May, my right hon. Friend the Secretary of State outlined a number of joint working arrangements worthy of examination. We have said that our aim is to establish ways to work even more closely with the devolved Assemblies and the Local Government Association by 2011, and that, in the restructuring programme, Post Office Ltd and Postwatch must take account of a variety of conditions over and above economic and commercial criteria, such as economic impact and local transport arrangements. The Government are committed to supporting the post office network with the commercial assistance that the hon. Gentleman seeks, and I am sure that we will get the best deal possible.

Mr. Alan Reid (Argyll and Bute) (LD): The Government have laid down all sorts of criteria, including the availability of public transport, but Post Office Ltd acts as judge, jury and executioner when it puts forward proposals and then makes the final decision. Will the Government put in place an independent referee who can look at the closures in every area to make sure that they conform to the access criteria?

Jim Fitzpatrick: Post Office Ltd has been charged with the responsibility of drafting the plan, but it will do so in consultation with local government and Postwatch. The plans will receive quite a bit of attention before they are published, so they should be quite well refined. Even so, hon. Members will be contacted about a week before the plans are published, and there will then be a six-week programme of local consultation in which local communities, organisations and individuals will be able to make their feelings known. The plans will not be solely in the gift of Post Office Ltd, as there will be a robust consultation exercise.

Rosie Cooper (West Lancashire) (Lab): In my constituency, there have been some very creative ideas about how to deal with the problem of post offices. For example, the post office that has been opened in an equestrian shop has been very successful. However, one of the sub-postmasters in my area decided that he did not want to renew his licence, and his office was closed. How is the Department supporting the post office network in cases where people want to retain a post office but the sub-postmaster does not want to continue?

Jim Fitzpatrick: In his 17 May statement, my right hon. Friend the Secretary of State said that the access criteria that have been laid down require Post Office Ltd to make sure that the service across the UK is as universal as possible. Moreover, that service will be planned: it will not be the ad hoc service that we had before. Post Office Ltd is also developing new products to try to make sub-post offices more attractive. As has been noted in previous debates, it is offering new financial products such as foreign exchange facilities and insurance. In addition, the new saver account was opened last year, and a contract to provide broadband services has been signed with BT. I see from press cuttings this morning that Post Office Ltd is moving into the mortgage market as well. All those innovations are to be welcomed, as they demonstrate Post Office Ltd's ambition to provide more services on top of the traditional ones that my hon. Friend mentioned.

Charles Hendry (Wealden) (Con): Does the Minister agree that, in spite of the improvements made in recent years by Royal Mail's management and staff, the company's finances remain in a very worrying state? The financial problems facing it and the Post Office have been made worse by the Government's failure to agree a long-term package for the future of the business. Does he accept that a decision by postal workers to strike would cause very significant damage to the Royal Mail, and that a strike would put even more services and post offices at risk? Will he therefore join me in urging all postal workers to vote against strike action for the sake of the business in the long term?

Jim Fitzpatrick: I have to take issue with the hon. Gentleman, because my right hon. Friend the Secretary of State has made several statements in recent years in which he has outlined the considerable financial support and assistance that the Government have given to Royal Mail Group. I do not agree that we have not set out a very strong business plan for the group, including Post Office Ltd, for the future. As for possible industrial action, operational matters such as that are the direct responsibility of the company's management. The negotiation of pay and conditions is a matter for the management and the union involved, and the Government are not—and should not be—involved. Both relevant parties have the responsibility to resolve all such issues, and the Government encourage them to do so as constructively as possible. We do not want the business to be damaged; our commitment of the past few years demonstrates that we want the recent good progress to continue.

3. **Mr. David Amess** (Southend, West) (Con): How many (a) voluntary and (b) compulsory post office closures there will be over the next two years under the scheme he announced in May; and if he will make a statement. [140926]

The Parliamentary Under-Secretary of State for Trade and Industry (Jim Fitzpatrick): The measures announced on 17 May by my right hon. Friend the Secretary of State will maintain a stable national network of post offices and ensure reasonable access with the right services in the right areas. This will include the compulsory closure of a maximum of 2,500 post offices. Closure decisions will not be determined by sub-postmasters' preferences although we expect that there will be cases where it makes sense to accommodate the wishes of those who want to leave the network.

Mr. Amess: I live in the constituency with the greatest concentration of senior citizens and the most centenarians, and I cannot emphasise strongly enough to the Minister what a devastating effect the closure of post offices has had on the local community. Senior citizens find it difficult to cope with new technology. Having closed 10 post offices already in Southend, West, will the Minister now give a commitment that there will be no further post office closures in my constituency?

Jim Fitzpatrick: The hon. Gentleman knows that I cannot give that commitment. The restructuring programme is a matter for Post Office Ltd in consultation with Postwatch and local authorities. He will want to make his usual robust representations on behalf of his constituents when the time comes. I have to say, however, that the absence of a Conservative party policy on the programme leaves the hon. Gentleman in a weak position. The Lib Dems have a policy—it is not a very good policy, but at least they have one—which is to privatise Royal Mail and use the money raised for a short-term injection. They would then be back here in three years' time with continued losses haemorrhaging from the network. We will do our best to protect the universal national network and I am sure that the hon. Gentleman will play his part on behalf of his constituents.

Mr. Lindsay Hoyle (Chorley) (Lab): It is no good coming out with, "It's not me, guv" because the bottom line is that the Minister is the shareholder; he has the upper hand over the Royal Mail. I want him to use that upper hand to ensure that there will be no compulsory closures in Chorley and that more services will be offered so that we have a suitable network of the type we expect for the people of Chorley.

Jim Fitzpatrick: I could refer my hon. Friend to the answer that I gave a moment ago. I am sure that he, too, will make the strongest possible representations for his constituents. However, he must acknowledge that the £4 million a week losses of Post Office Ltd do not present a sustainable position. We want to protect the network, which is why we are investing a further £1.7 billion and introducing 500 outreach outlets and innovative ways of delivering services, and why we are encouraging Post Office Ltd to develop new products.

Mr. Roger Williams (Brecon and Radnorshire) (LD): Up and down the English-Welsh border, individual post offices serve communities in both England and Wales. Will the Minister give an assurance that the consultation on the future of such post offices will include all the communities that they serve and not just those limited to the nation in which the post office is located?

Jim Fitzpatrick: I can assure the hon. Gentleman that although Post Office Ltd has said it will bring forward proposals for 50 or 60 area groups, these will not be cliff edged; there will be some overlap. Common sense will have to prevail. There may be some double consultation, but I am sure that these valid issues will be taken into account.

Miss Julie Kirkbride (Bromsgrove) (Con): Will the Minister answer the question: should post office workers strike—yes or no?

Jim Fitzpatrick: It is our view that a strike would damage the industry, so we do not think it would be in the best interests of the company or individual staff members if there were a strike. We hope that the matter can be resolved through constructive discussions. We know and hope that discussions will take place following the Communication Workers Union conference this week. We have demonstrated our commitment by putting our money where our mouth is with additional resources for the company. We do not believe that a strike would be in the interests of the company, the employees or, for that matter, the service.

Sub-sea Electricity

4. **Danny Alexander** (Inverness, Nairn, Badenoch and Strathspey) (LD): What steps he has taken to promote the development of a sub-sea electricity transmission network. [140927]

The Secretary of State for Trade and Industry (Mr. Alistair Darling): The Government are working with Ofgem and industry to establish an offshore transmission regime. We have already taken a number of decisions necessary to help us to do that.

Danny Alexander: I am grateful to the Secretary of State for that answer. I welcome the announcement made by Ofgem this week about island connections, but does he accept that, whatever the outcome of the Beauly to Denny proposal, a new approach will be needed to meet future transmission needs beyond that proposal? Will he give political leadership and instruct Ofgem to provide the regulatory space to enable a much more ambitious approach to developing a sub-sea transmission network to be taken in future around Britain's coasts to allow the potential of marine renewables to be fully exploited?

Mr. Darling: The hon. Gentleman raises two separate issues. We have already taken a number of decisions along with Ofgem to encourage the offshore regime. I want to see more offshore wind farms, and of course they have to be connected to the grid. He also raises the Beauly to Denny transmission lines, which are onshore and the subject of a public inquiry at the moment. Of course we and Ofgem will continue to ask how we can help to improve matters, but there is no getting away from the fact that at some stage the transmission lines have to be built. People who say that they are in favour of renewable energy will have to face up to the fact that the energy has to be transported and that their objection to the power lines is contradictory.

Mr. Nigel Evans (Ribble Valley) (Con): Looking at the plans for the super grid, it appears that the establishment of more wind turbines is planned in the North sea, the Irish sea and the channel. As the Secretary of State has said, all that electricity has to be transported. It must be welcome that we are to have more turbines out at sea, because there is less

controversy about that. Will he look into the opportunities for under-sea turbines, which could be linked into the same grid?

Mr. Darling: I agree with the hon. Gentleman. We can and ought to do more to find more marine-generated sources of energy. Unfortunately, at present the technology is pretty much in its infancy. Through grants, the Government support experimental wave generation and I am extremely interested in encouraging tidal generation. One of the reasons we have proposed changing the way in which the renewables obligation works is to give greater incentives for developing more difficult and newer forms of power generation, but I certainly agree with the hon. Gentleman.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): I too welcome the Ofgem consultation launched yesterday, entitled "Unlocking the Renewables Potential of Scottish Islands". May I encourage the Secretary of State to impress on Ofgem the urgency of resolving this question? Will he remind Ofgem in the nicest possible way that when it makes its calculations of transmission charges from island groups, it should factor into the equation the capping power in the Energy Act 2004?

Mr. Darling: I am sure that Ofgem will bear that in mind. I am grateful for the hon. Gentleman's welcome for the consultation. Obviously, we need to let that run and then take the next set of decisions, as I said to the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander). We all want to make it easier to generate more offshore power and to help with connections from the islands to the UK mainland.

Sellafield

5. **Anne Moffat** (East Lothian) (Lab): What provisions the Sellafield security contract will contain on public safety. [140928]

The Secretary of State for Trade and Industry (Mr. Alistair Darling): The plan details all the security arrangements at Sellafield.

Anne Moffat: I thank my right hon. Friend for that. Does he agree that health and safety and security safeguards must be paramount before we give any contracts?

Mr. Darling: Yes, safety is absolutely paramount at Sellafield and at other nuclear sites. That is why the responsibility lies with the nuclear installations inspectorate and the Office for Civil Nuclear Security. I am sure that they will do everything they can to ensure that the sites remain secure.

Tony Baldry (Banbury) (Con): Will the Secretary of State be very kind and clarify the Government's proposals for the future of nuclear power? How much of the costs of Sellafield and the storage and disposal of nuclear waste will be met by the state and how much will have to be met by the private sector?

Mr. Darling: In relation to much of the waste at Sellafield at the moment, we set up the Nuclear Decommissioning Authority to fund its disposal. It will almost certainly be stored in deep underground facilities. I think the hon. Gentleman was getting at what would happen in respect of waste that may come from any new nuclear plant that is built. We have said that the industry—the generators who make proposals—will have to meet the construction, running and decommissioning costs, and thus their share of the storage. There could be a joint storage facility, in which case they will have to pay their share. Although we might wish things were otherwise in relation to historic waste, the problem has been building up since the 1940s and I am afraid that it will have to be substantially dealt with by the public sector.

Mr. Michael Clapham (Barnsley, West and Penistone) (Lab): My right hon. Friend will be aware that in addition to Sellafield the operation of nuclear stations generally presents safety and security challenges. Is he aware that the latest figures show that staff numbers at the Health and Safety Executive, which includes the nuclear installations inspectorate, will have fallen by 17 per cent. by 2008? Will he give an assurance that the inspectorate's staff is kept at an appropriate level and that the health and safety regime at nuclear stations, which covers workers under the Health and Safety at Work, etc. Act 1974, will also be maintained?

Mr. Darling: As I said to our hon. Friend the Member for East Lothian (Anne Moffat), it is important that we maintain the right safety regime in respect both of the sites themselves and, importantly, of people employed at nuclear sites. It is for the HSE to decide on the right staffing; I am told that it has held extremely constructive discussions with the Treasury on that point.

Fuel Poverty

6. **Mrs. Linda Riordan** (Halifax) (Lab/Co-op): What progress has been made in achieving the Government's target of an end to fuel poverty for vulnerable households by 2010. [140929]

The Minister for Science and Innovation (Malcolm Wicks): Projections indicate that about 2 million vulnerable households are currently in fuel poverty in England—fuel poverty being defined as having to spend more than 10 per cent. of one's income on fuel. We certainly acknowledge a significant increase since 2004 because of energy price rises, but fuel poverty among vulnerable households is still significantly below the 1996 level of 4 million, and we have taken further steps in the energy White Paper to increase efforts to tackle fuel poverty.

Mrs. Riordan: I thank my hon. Friend the Minister for that reply and I appreciate the Government's commitment to alleviate fuel poverty, but will he introduce legislation to force energy suppliers to offer social tariffs for those in most need?

Malcolm Wicks: We are in discussion about social tariffs. Certainly the supply companies have a social responsibility to protect their vulnerable customers. Obviously, at present, energy prices for householders are coming down again, which will have an impact on

the fuel poverty figures. There is a range of other measures to tackle the issue, from pension credit and winter fuel payments to energy efficiency programmes in the different nations. That is at the heart of the Government's programme to tackle fuel poverty. There is no one answer, but a range of strategies, including corporate responsibility and the social tariff.

Susan Kramer (Richmond Park) (LD): Let me press further on the issue of social tariffs, because average domestic energy costs are still more than £1,000 a year. In the White Paper, the Secretary of State said that he would require companies to put in place

"a proportional programme of assistance"

for vulnerable customers. Will the Minister tell us what that means and how long the energy supply companies will have until he finally puts in place minimum standards for social tariffs? Perhaps he could indicate what those standards would be.

Malcolm Wicks: Let us first acknowledge that many of the supply companies have made good progress on social tariffs in recent years, but there is more to do. We need development and coherence as part and parcel of the wider strategy that I briefly outlined earlier. There is a job for Government in that regard, as well as for the supply companies. As the hon. Lady knows, over the coming years we want to move to a situation where supply companies will no longer simply be in the business of trying to persuade us—including vulnerable households—to use more gas and electricity, but will become energy service companies that help us not only to keep warm and have hot water but to live in energy-efficient dwellings. That is where we want to go in the long term, and it is particularly important for vulnerable households.

Alan Simpson (Nottingham, South) (Lab): The energy White Paper makes it clear that the 2010 target to remove vulnerable households from fuel poverty will not be met, and that 1.2 million fuel-poor households will remain in fuel poverty. At the same time, the energy companies are seeking to reduce the proportion of their energy efficiency commitment that goes towards the eradication of fuel poverty. Will the Minister give an assurance to the House that he will not entertain such a reduction? I am talking about the 50 per cent. of the commitment that is currently earmarked for fuel poverty eradication.

Malcolm Wicks: I understand my hon. Friend's point. He is an acknowledged expert in the field and a passionate advocate of the need to tackle the terrible problem of fuel poverty. The significant point about the 50 per cent. figure is that, with the increase in the importance of the energy efficiency commitment, even if that percentage comes down, more actual help will go to vulnerable households, because of the development of the size of the programme.

Mr. John Redwood (Wokingham) (Con): Does the Minister, on reflection, agree that in the past the Government's expenditure has focused too much on subsidising the payment of higher bills by those on low incomes, and not enough on the fuel conservation measures that he now rightly welcomes? Could not the Government look again at the balance of their spending? Surely it is better to save people the need to spend so much, rather than to subsidise them.

Malcolm Wicks: I understand the issue, and of course, this is a question of balance. When the Government came to power we recognised that many of our eldest citizens—often women in their 80s, living alone—had been seriously neglected, to put it mildly, in income maintenance programmes. That is why we had to develop pension credit, which has given a good many extra resources to the poorest one third of our older households. That is also why we brought in the winter fuel payment. The situation was serious and we needed to take some early action. Of course, in the longer term—we started this straight away—energy efficiency measures to warm up the homes of the oldest people are important, not least given that all the survey evidence shows that it is often the most vulnerable who live in the most energy-inefficient dwellings. The energy efficiency commitment, Warm Front, and the equivalent programmes in the other nations are a crucial part of the strategy, and are related to the big and urgent concern about climate change.

Mr. Mark Todd (South Derbyshire) (Lab): Among the poorest families in my constituency are those who live in mobile home parks. Mobile homes are notoriously energy-inefficient. Does the Minister share my surprise about the limited range of products supported through Warm Front to assist people who live in mobile homes to insulate them properly? I am thinking, in particular, of measures to provide for the external insulation of mobile homes to improve the energy efficiency of the walls.

Malcolm Wicks: That is an extremely good question—and I wish I was more able to give an extremely good answer. I certainly recognise that although many people have mobile homes, it is often the poorest—those on low incomes, who are vulnerable in all sorts of ways—who have to resort to such homes. My hon. Friend raised the issue of what technology and devices exist. I will reflect on that and write to him.

Alan Duncan (Rutland and Melton) (Con): The Minister has twice mentioned energy efficiency. Smart metering has an important role to play in achieving that, so will he explain why the recent energy White Paper opted for a programme based on clip-on electricity displays, rather than proper smart meters? Why is he going for the most basic option when real smart meters would do much more to stimulate the microgeneration industry and reduce fuel poverty?

Malcolm Wicks: It is not either/or: what the hon. Gentleman refers to as clip-ons are an immediate response to enable people to have a better sense of the energy that they are expending in their homes so that they can monitor it. But we also have a programme to develop smart metering and we are committed to that. It cannot be done straight away; it is an extremely expensive programme. But we are developing it and it is important. If we are to win the war against climate change, an important part of our strategy must be to have engaged citizens who understand how much energy they are using.

Royal Mail

7. **Mr. David Anderson** (Blaydon) (Lab): What assessment he has made of the impact of the pricing and access regime on Royal Mail. [140930]

The Parliamentary Under-Secretary of State for Trade and Industry (Jim Fitzpatrick): Price controls and their associated impact assessments are a matter for the postal regulator, Postcomm. The current price controls run until 2010.

Mr. Anderson: Is my hon. Friend aware that the Communication Workers Union is concerned about the way in which the regime is progressing, to the extent that it believes that it is clear that if private companies are allowed to cherry-pick what they do, it will ultimately lead to the end of Royal Mail as we know it? Some 40,000 jobs have already been lost in Royal Mail; will he agree to meet the CWU as a matter of urgency to try to clarify exactly what is going on?

Jim Fitzpatrick: I do not think that we accept that argument. The price control regime is designed to allow Royal Mail to align its prices more closely with its costs. That is why Postcomm permitted pricing in proportion last year, following a specific request from Royal Mail. In March 2007, Postcomm initiated a review and public consultation on the price control of Royal Mail's access charges. It has not yet taken a decision on whether any amendment is appropriate, but a public consultation is planned for July, and a decision will be made some time in the autumn.

Miss Anne McIntosh (Vale of York) (Con): What assessment have the Minister and the Department made of the impact of the price control regime on the business community? In an ever-competitive regime, what incentives are there for the business community to remain with the Post Office, and to continue to be among Royal Mail's major customers?

Jim Fitzpatrick: As I said, that role, and responsibility for the pricing regime and the impact assessment, rests with Postcomm. It is carrying out its review, and has set a programme that runs until 2010. It made an adjustment last year, when it introduced prices in proportion, but that role and responsibility lies with it.

Nuclear Power Stations

8. **Gregory Barker** (Bexhill and Battle) (Con): What plans he has to build new nuclear power stations in the south-east. [140931]

The Secretary of State for Trade and Industry (Mr. Alistair Darling): Any new nuclear power stations will be built by the generators, and it is for them to make proposals with regard to sites, but I have said on many occasions that it is likely that new build will be on existing nuclear power station sites.

Gregory Barker: There seems to be an extraordinary mismatch between the extremely gung-ho rhetoric coming out of Nos. 10 and 11 Downing street on nuclear new build and the spin that they are putting into the media, and the paucity of information coming from the DTI and the total lack of clarity about the strategy for implementing the proposals. Will the Secretary of State at least tell the House what assessment the Government have made of the long-term impact of rising sea levels and associated coastal erosion on siting new nuclear power stations on the coast? I am thinking particularly of Dungeness near my constituency.

Mr. Darling: If he has not already done so, the hon. Gentleman might like to read the consultation document on the future of nuclear power that we published a couple of weeks ago, in which many of those issues are considered. On sites, the Jackson report, which was published on the same day as the energy White Paper, looks at the various criteria that will be considered, and obviously the suitability of existing sites is one of those. As I have said, I think it more likely than not that any new build will be on existing sites, but an assessment would have to be made on whether such an existing site would be suitable for new building in the future.

Rob Marris (Wolverhampton, South-West) (Lab): May I underline the comments made by the hon. Member for Bexhill and Battle (Gregory Barker)? The Secretary of State said in both his responses to the hon. Gentleman's questions that it is likely that existing sites will be used. We must adapt to climate change in this country; it is likely that by 2050 sea levels will have risen by 40 cm at least, and that storm waves will get higher. To use existing sites, most of which are on the coast, whether in the south-east or in the rest of the UK, is asking for difficulties for future generations, and I beg my right hon. Friend to examine very carefully the appropriateness or otherwise of using coastal sites for new nuclear build.

Mr. Darling: As I said a moment ago, any proposal coming forward would have to be considered on its merits. Every possibility would have to be looked at, and indeed that is what happens now, and what has happened with regard to previous building. However, if my hon. Friend reads the report that we commissioned, which was published last week—indeed, I am sure that he has done so already—he will see that a number of criteria have to be considered, although it was the report's considered opinion that existing sites would probably be better. As I say, the merits of each proposal will have to be considered individually.

Energy White Paper

9. **John Barrett** (Edinburgh, West) (LD): What discussions he has had with the Secretary of State for Scotland on issues outlined in the Energy White Paper. [140932]

The Secretary of State for Trade and Industry (Mr. Alistair Darling): I have many such discussions with my colleagues.

John Barrett: The Secretary of State will be aware that his predecessor mentioned that with a new generation of nuclear power stations, the necessary investment in efficiency and renewables would not be

made. What will he do to ensure that Scotland develops its full renewables potential, and that that is not put at risk by a future generation of nuclear power stations?

Mr. Darling: I want Scotland to do as much as it can to get more renewable energy—and it would be greatly assisted in that regard if Liberal Democrats would help those developments to go ahead, rather than objecting to each and every one of them.

Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): One of the welcome proposals in the energy White Paper is for a cross-Government communications campaign to inform people in time for this winter of the steps that they can take to assist in dealing with fuel poverty. It is not clear from the White Paper whether that cross-Government campaign will apply only to England, or throughout the UK. May I urge my right hon. Friend to ensure that it applies to the entire UK, so that this winter my constituents get the benefits of the measures proposed in the White Paper? They suffered last winter, and we do not want the same to happen this winter.

Mr. Darling: It is certainly our intention that whatever measures are put in place, they apply right across the UK. As my hon. Friend knows, the schemes to help insulation are operated differently in different parts of the UK, but the end result is exactly the same. He is right to say that it does not matter where anyone lives in the United Kingdom; they should all be entitled to whatever assistance we can make available to help them tackle problems like fuel poverty.

Gas Storage

10. **Mr. Ben Wallace** (Lancaster and Wyre) (Con): What discussions his Department has had with Canatxx Ltd and its associated companies on gas storage under the River Wyre in the last six months. [140933]

The Minister for Science and Innovation (Malcolm Wicks): Our officials meet companies from time to time to keep abreast of energy developments, and during the past six months met Canatxx Ltd once.

Mr. Wallace: The Minister will be aware that Canatxx gas storage company intends to store thousands of tonnes of gas below the Wyre estuary, which is currently designated by the European Union as a special protection area. He will also be aware that current applications across the rest of the United Kingdom already exceed the UK storage requirements for gas. Is he therefore convinced that the need to avoid damage to the environment around the Wyre estuary is overridden by the national need to store gas?

Malcolm Wicks: May I simply record that I understand that a public inquiry has been held on Canatxx's Preesall application, and that my right hon. Friend the Secretary of State for Communities and Local Government is considering the inspector's report. My Department is not involved in the decision, and the hon. Gentleman will understand that it would not be appropriate for me to comment on the project. More generally, however—I am not talking about that project—we recognise the need for more gas storage. Storage capacity could more than double if all planned and proposed projects go forward. In terms of our energy security, one way or another we need to increase gas storage—but I am not commenting on the hon. Gentleman's question.

Imported Furniture

11. **Mr. John Baron** (Billericay) (Con): If he will apply the Furniture and Furnishings Regulations 1998 to imported furniture at the point of entry into the UK, with particular reference to sofas. [140934]

The Minister for Science and Innovation (Malcolm Wicks): The Furniture and Furnishings (Fire) (Safety) Regulations 1988 apply to imported upholstered furniture, including sofas, destined for the domestic market. These regulations apply at the point of entry to the UK and are enforced by trading standards officers. HM Revenue and Customs liaises with trading standards bodies on furniture imports as appropriate.

Mr. Baron: From my previous correspondence with his Department, the Minister will know that we have a problem locally with imported furniture—mostly sofas—that is illegal because it does not meet our furniture and furnishing regulations, being brought into the United Kingdom from eastern Europe; as a result, the public are being put at risk. Trading standards officers and the police have a real problem keeping track of the hundreds of lorries that bring the furniture in once they are in the country, and as a result much of that furniture is disappearing into the ether. Will the Minister explain to the House why—

Mr. Speaker: Order. That is far too long a supplementary question.

Malcolm Wicks: The Department has provided funding of some £900,000 over two years for what we are calling "scambuster" pilots to operate in a number of areas—[Hon. Members: "Scambusters!"]. You are right—it is a silly name. The scambuster projects are designed to help trading standards with a range of scams, not just this one. Although the number of deaths from fires has diminished, fire safety remains crucial, and I share the hon. Gentleman's concern. We have taken action in respect of one of the countries involved: we have arranged for the Polish embassy to write to Polish manufacturers to make them aware of the regulations. When customers buy sofas, it is important that they do so from reputable dealers rather than in the informal market. The customer needs to beware, but the Government are taking action, which is also important.

Industry (Totnes)

12. **Mr. Anthony Steen** (Totnes) (Con): If he will make an official visit to Totnes to discuss the situation of industry in the area, [140935]

The Parliamentary Under-Secretary of State for Trade and Industry (Jim Fitzpatrick): I am advised that my right hon. Friend the Minister for Industry and the

Regions will be pleased to consider the possibility of including a visit to the hon. Gentleman's constituency when she next visits the south-west region.

Mr. Steen: I do not know whether the Minister is aware that Dairy Crest, which produces milk and has done so for the last 86 years, is in danger of closing, with the loss of 200 of the work force. Can he tell me whether regional aid might be available to help modernise the plant, and will he encourage the management to produce a work plan so that the unions and I can understand what is needed if the company is to continue in business?

Jim Fitzpatrick: Obviously, there is regret at the loss of jobs at Dairy Crest and the impact that it will have on local people and the local economy in Totnes. However, as the hon. Gentleman knows, Jobcentre Plus is working closely with the company to ensure that employees affected receive the advice and support that they need to find alternative employment. An application for designated large-scale redundancy status is being prepared that would provide immediate access to Jobcentre Plus jobsearch and training programmes. The regional development agency is also in discussion with South Hams district council about the future employment use of the site. I know that the hon. Gentleman has a meeting with my right hon. Friend the Minister for Industry and the Regions in a few days' time.

MINISTER FOR WOMEN

The Minister for Women was asked—

Trafficking of Women

20. **Mr. Alistair Carmichael** (Orkney and Shetland) (LD): What the timetable is for ratification of the Council of Europe convention against trafficking. [140944]

21. **Mr. Anthony Steen** (Totnes) (Con): When the Government expect to implement article 13 of the Council of Europe convention on action against trafficking in human beings for women victims of trafficking. [140946]

22. **John Barrett** (Edinburgh, West) (LD): If she will make a statement on the trafficking of women in the UK. [140947]

The Deputy Minister for Women and Equality (Meg Munn): Action Plan, published in March, sets out the actions that the Government are taking to implement the convention. Ratification without full implementation would be an empty gesture. The inter-ministerial group on human trafficking monitors progress on both implementation of the action plan and the convention. In line with convention requirements, we already operate a 30-day reflection and recovery period for victims accepted on to the POPPY project, but we will, of course, consider whether there is a need to adopt a longer period. The convention imposes a set of minimum requirements.

Mr. Carmichael: May I urge on the Minister the importance of setting a date for ratification? I appreciate, as she says, that it will impose on the Government certain legislative requirements, but I remind her that the UK Borders Bill, which would be an eminently suitable vehicle for those legislative changes, is currently before the other place. The necessary changes could be made in the Bill.

Meg Munn: I appreciate that the hon. Gentleman in particular, and hon. Members across the House more generally, want to know the period over which we will be able to put in place all the actions to ratify the convention. However, I am not able to give a specific date, precisely because a range of issues need to be addressed, all of which will take different amounts of time, so it is not possible to say when exactly we will reach the final point of being able to say that everything has been done. I assure the hon. Gentleman, however, that we take this issue very seriously. Our action plan sets out exactly what we are going to do, and we will do it as quickly as we can.

Mr. Steen: No. 21, Mr. Speaker.

Mr. Speaker: A supplementary question would help us to get on.

Mr. Steen: I was just limbering up for it. Is the Minister aware that we need to encourage women who have been trafficked to come forward and give evidence against their traffickers? Bearing in mind that there have been only 30 convictions of traffickers in this country over the last four years, does she agree that a longer reflection period—in France, Germany and Holland, it is 90 days—would encourage more women to come forward, which they are not doing at the moment?

Meg Munn: The hon. Gentleman raises an important point. As I set out in my answer to this group of questions, we are considering whether a period beyond that minimum should be introduced. I also reassure him that, from my conversations with the head of the United Kingdom Human Trafficking Centre, I know that longer periods are allowed in individual situations. I take his point, however, that that may not be having the effect that he seeks because it is not known about more widely. We will certainly consider that point.

John Barrett: What would the Minister say to a number of groups who are increasingly concerned that women who have been trafficked are often treated as criminals rather than victims of crime? What discussions is she having with other Departments on the provisions for those women?

Meg Munn: The point of the United Kingdom action plan on tackling human trafficking was to ensure that the focus shifted from the criminal aspects to the needs of the victims. The inter-ministerial group, which involves all Ministers concerned with this matter,

meets regularly and monitors the action plan. Together, we are considering what more we need to do to provide for victims.

Ms Diana R. Johnson (Kingston upon Hull, North) (Lab): May I ask my hon. Friend what the Government are doing about child trafficking?

Meg Munn: Child trafficking is an area of great concern, and we are doing more research on the extent of the problem and how we need to respond. The police have conducted a number of operations to deal with the matter, and we will continue to do more to address the issue.

David Taylor (North-West Leicestershire) (Lab/Co-op): Will the Minister tell the House what the Government are doing to work closely with Churches Alert to Sex Trafficking across Europe, which, as she knows, is trying to develop a network of places in safe houses across the country to match the Government's plans?

Meg Munn: My hon. Friend is right, and I have regular contact with that organisation. We are considering how to develop facilities, services and support for victims, and discussions are ongoing in the Department for Communities and Local Government about how to make greater provision for victims in terms of accommodation and support.

Mr. Andy Reed (Loughborough) (Lab/Co-op): Will the Minister tell the House what work is being done with the Department for International Development? Clearly one of the main issues is to address the source of the problem, so that we do not have to pick up the pieces in the UK. According to my discussions with many non-governmental organisations, more information is needed locally. Many people have been trafficked half-voluntarily, thinking that there would be something good at the end of it, so better education programmes would probably cut some trafficking at source.

Meg Munn: My hon. Friend is absolutely right, and I am pleased to say that the Department for International Development has given the issue some priority. It has a strategy on the matter, and its actions in relation to preventing trafficking at source are integral to our UK action plan.

Lorely Burt (Solihull) (LD): I accept the Minister's point about the steps that need to be taken prior to ratification. But has the Minister considered best practice in other countries, such as Italy, which has a conviction rate for traffickers four times better than that of the UK, although it too has not ratified?

Meg Munn: Clearly, we want to learn from best practice elsewhere. In that regard, one of the issues is how people are made aware of trafficking. From reading the information gathered by Select Committee members who visited Italy, I know that prostitution there is much more visible, which is not necessarily desirable. Therefore, although we must learn from best practice, we should also ensure that our practice is relevant to this country, and not merely lift wholesale something that works elsewhere.

Mrs. Eleanor Laing (Epping Forest) (Con): The fact that so many questions about this subject are on the Order Paper shows the strength of feeling in the House, and rightly so. Fortunately, there is no need for the moral debate that took place in the times of Wilberforce, because every Member of the House hates the evil of modern slavery, and we all want to stop it. I commend the Government on what they have done so far, but will the Minister tell the House whether they are taking steps to co-ordinate the powers of the various public authorities who have responsibilities in this matter, such as those relating to police, immigration, licensing, health and safety and so on? Only through an orchestrated approach right across the board will we be able to counteract this dreadful, evil crime.

Meg Munn: I entirely agree. That is why, when I talk about trafficking, I refer particularly to the United Kingdom Human Trafficking Centre, which brings together a range of disciplines. The hon. Lady has raised some issues that go beyond what the centre does, but I know that it is aiming for the most effective practice possible, and I believe that through co-ordination—with people working together in the same centre—we can achieve the objectives that she has rightly identified.

Homophobic Bullying

23. **Simon Hughes** (North Southwark and Bermondsey) (LD): What assessment she has made of the Government's progress in tackling homophobic bullying; and if she will make a statement. [140948]

The Minister for Women (Ruth Kelly): The Government take the issue of homophobic bullying seriously wherever it occurs. We delivered protections from homophobic bullying in the workplace in 2003, and we enforced protections in schools in the "goods and services" regulations which came into force this April. When such bullying amounts to homophobic harassment outside the workplace, the discrimination law review will consider the best way of addressing the real issues that people face.

Simon Hughes: I know that every school must have an anti-bullying policy. Will Ministers consider whether that policy should include a requirement for a specific anti-homophobic bullying element, and also whether one teacher in each school, primary and secondary, should be given responsibility for ensuring that the policy is implemented and effective?

Ruth Kelly: I congratulate the hon. Gentleman on his work in raising the profile of such issues. I know that he and his party have campaigned for precisely such training and attention to the issue in schools. Clearly, homophobic bullying is serious wherever it occurs. To date the Government have decided to take a slightly less bureaucratic approach than the one that the hon. Gentleman suggests by establishing, together with Ofsted, where weak anti-bullying practices are in operation, helping schools to improve their focus on bullying of all kinds, and working with Stonewall to establish how homophobic bullying in particular can best be tackled in a school environment.

Science Careers

24. **Michael Fabricant** (Lichfield) (Con): If she will meet the Engineering and Technology Board to discuss the promotion of science, engineering and technology as a career path for women. [140949]

The Deputy Minister for Women and Equality (Meg Munn): The Engineering and Technology Board and the UK Resource Centre for Women in Science, Engineering and Technology are developing a memorandum of understanding to promote the role of women in science, engineering and technology. I should be delighted to meet the Engineering and Technology Board.

Michael Fabricant: I thank the Minister for that helpful answer. As she will know, engineering no longer means walking around with a heavy monkey wrench. Although when I used to go to the Soviet Union in the 1980s I would see women engineers with heavy monkey wrenches, nowadays it is much more a question of thought, intelligence and design. Does the Minister not agree that women have a particular skill in engineering and ergonomics—designing what is right for the man-machine, and woman-machine, interface—which makes this an ideal career path?

Meg Munn: The hon. Gentleman is, of course, right—although, as he knows, many women do possess the physical strength to carry around various tools. We know from the latest data that 72 per cent. of women with such qualifications are not working in the science, engineering and technology professions, and I hope that everyone involved will do more to return women to those professions, because we need their skills.

Business of the House

11.33 am

Mrs. Theresa May (Maidenhead) (Con): May I ask the Leader of the House to give us the forthcoming business?

The Leader of the House of Commons (Mr. Jack Straw): The business for the week commencing 11 June will be as follows:

MONDAY 11 JUNE—Opposition Day [14th Allotted Day]. There will be a debate on an Iraq inquiry, followed by a debate on carers. Both debates arise on an Opposition motion.

TUESDAY 12 JUNE—Second Reading of the Serious Crime Bill [*Lords*].

WEDNESDAY 13 JUNE—Consideration of an allocation of time motion, followed by all stages of the International Tribunals (Sierra Leone) Bill [*Lords*].

THURSDAY 14 JUNE—Consideration of Lords Amendments to the Digital Switchover (Disclosure of Information) Bill, followed by Committee and remaining stages of the Rating (Empty Properties) Bill.

FRIDAY 15 JUNE—Private Members Bills.

The provisional business for the week commencing 18 June will include:

MONDAY 18 JUNE—Remaining stages of the Mental Health Bill [*Lords*] (Day 1).

I should also like to inform the House that the business in Westminster Hall on 21 and 28 June and 5 July will be as follows:

THURSDAY 21 JUNE—A debate on the Shipman inquiry.

THURSDAY 28 JUNE—A debate on the India country assistance plan.

THURSDAY 5 JULY—A debate on the report from the International Development Committee on development assistance and the occupied Palestinian territories.

Mrs. May: I thank the Leader of the House for giving us the future business.

In April, after the British naval personnel were taken hostage by the Iranians, the Secretary of State for Defence ordered two separate reviews—one into the media handling of the incident, and one by Lieutenant General Sir Rob Fulton into the operational lessons learned. Yesterday, Lord Grayson committed to a debate on the Fulton report in the other place. Can we have a debate on that report in this House in Government time before the summer recess? Can we also have a separate debate on the review of the media handling of the incident?

Last night, Conservative, Liberal and Cross-Bench peers voted to create a lifeboat fund for people whose pensions schemes have collapsed. As happened with the votes in this place, the Prime Minister and the Chancellor ordered Labour peers to vote against the proposals, which would have given fair compensation to the 125,000 people who have lost their pensions under this Government. The proposals could be paid for by using unclaimed assets and a Treasury loan, as we did after the Maxwell fiasco, so can we have a debate on why the Chancellor is refusing to help people who did the right thing and saved for their pensions, but lost out through no fault of their own?

The current Prime Minister is about to negotiate a European treaty that will have to be ratified by the Prime Minister-designate. The Prime Minister wants to revive parts of the failed EU constitution, including the surrender of the veto in the justice and home affairs pillar. The French Presidents says:

"I have spoken to Blair about this and I don't think that one country will carry the risk of blocking Europe."

The chairman of the Home Affairs Committee says that there is no evidence to justify

"such a major transfer of power away from member states"

and that it should not be agreed without a full parliamentary debate. May we have such a debate?

Two of Labour's deputy leadership candidates want more taxpayers' money to go to the unions. The Solicitor-General said:

"We should do more to fund the trade unions"

and the Labour party chairman said:

"A Labour Government can expand the Union Modernisation Fund".

Last year, unions received £3 million of taxpayers' money through that fund. In the rest of the year, those same unions gave £4.3 million to the Labour party. In the next few years, a further £7 million of taxpayers' money will be given to the unions, who will continue to fund the Labour party. May we have a debate on back-door funding of the Labour movement?

Finally, last month the Secretary of State for Communities and Local Government announced that home information packs would be delayed until August, and then would not be needed for all houses. Imagine the surprise, therefore, for readers of "South West Property Magazine" when they saw an advertisement saying that

"every home put on the market now needs a Home Information Pack."

Who is the advert from? A confused estate agent? An uninformed property consultant? No; it comes from Her Majesty's Government. Just when homeowners thought that HIPs could not get any more confusing, the Secretary of State and the Minister for Housing and Planning have done it again—the Laurel and Hardy of the property market. May we have a statement on how much taxpayers' money was wasted on those erroneous and misleading advertisements?

Mr. Straw: I recognise the importance of a debate on the Fulton report and the associated Hall report about the media. I cannot make a promise, but I will consider whether it is possible for there to be an occasion when those can be debated. I will also consider an oral statement on the reports.

On the right hon. Lady's second point—the decision of the other place yesterday in respect of pensions—if it were as easy and simple as she and her party are suggesting to use the so-called unclaimed assets, I am almost certain that my right hon. Friend the Chancellor would have accepted that. The truth, however, is that it is not. It is highly irresponsible to pretend that those assets can be used in that way. As was made clear by Lord Turnbull, a Cross-Bench peer and former permanent secretary at the Treasury and a

Cabinet Secretary, if the so-called unclaimed assets were used in the way proposed, that would be a fraud on hundreds of thousands of holders of with-profits schemes who typically have far lower pensions than they will get as a result of the proposals, to which we have already agreed, to bail out the failed pension schemes. What the right hon. Lady proposes is not a wise move, and it is further proof that the Conservative party is still in Opposition mode and has no sense of the sort of decisions that it must make if it is to mount a serious bid to be elected to Government.

On the European treaty, and as has been made clear time and again, any decisions made in principle in negotiations at the European Council will then be subject to a formal intergovernmental conference—as they must be as it is an international treaty and not just another European Union instrument—and after that to a full parliamentary debate in this House. The German presidency and others have already made it clear that they have no intention of seeking to revive the 300-plus pages version of the EU constitution. They are talking about amending treaties to make the EU more efficient, which is in our interest. If the right hon. Lady had read the Home Affairs Committee report, rather than just a selective quotation, she would know that it says—to paraphrase—that there could be merit in this country being involved in qualified majority voting in certain areas of justice and home affairs. That would be better than the current situation of informal groupings of countries making decisions over which we cannot have any control.

The right hon. Lady's point about the trade unions was an example of the old Tory party, as it was a wholly unjustifiable attack on the movement—*[Interruption.]* I am glad to note that the rest of the Tory party is equally unreconstructed, because there are millions of trade unionists who do not pay the Labour party levy but who are keen on their union. To offend those millions of people, as well as those who voluntarily pay the political levy, is an error by the Conservative party. In the 1980s and early 1990s, there was one partisan attack after another on the trade unions. The Conservative party is the only party that has ever sought to change adversely the funding of another party without doing anything about its own funding. I had thought that there was a general consensus to leave things where they were following the 1992 decisions. I am sorry to note that that is not the case.

On a lighter note, I am grateful to the right hon. Lady for drawing to my attention an advertisement in the "South West Property Magazine". I had not seen it because I live in SE and we do not get that magazine posted through our doors as we are on the wrong side of the tracks—SW starts just down the road.

Mrs. May: South-west as in Devon, Dorset and Cornwall.

Mr. Straw: All the more reason why I have not seen it. Now that the advertisement has been drawn to my attention, I will examine it, and I rather feel that a south-west Member of whatever party might ask a parliamentary question about its cost.

Mr. Jim McGovern (Dundee, West) (Lab): May we have a debate in Government time about protection for temporary and agency workers? Last month, in the pages of my local press, I asked people who believed that they had been discriminated against because of their temporary or agency status to get in touch with me. I have since been contacted by a number of constituents who want and, indeed, need such protection. This is not a small or unimportant issue, and I think that we need a serious debate.

Mr. Straw: I recognise the importance of the issue, not just to my hon. Friend but to many people, and I will certainly give consideration to whether there should be a debate on the Adjournment in Westminster Hall.

Mr. David Heath (Somerton and Frome) (LD): It is a good to have confirmation that for the Government "south-west" means south-west London and no further. I note that a statement by the Home Secretary is to follow. Will the Leader of the House confirm that that means that a terrorism Bill and, probably, a criminal justice Bill will not now be introduced in this Session? Will he give the House an assurance that if they are introduced very late this Session, they will not be subject to the carry-over procedures?

Revelations in *The Guardian* today and further evidence in "Panorama" next week on the al-Yamamah affair suggest that we need a statement by the Secretary of State for Defence on whether his Department connived in breaches, or potential breaches, of corruption legislation and the Anti-terrorism, Crime and Security Act 2001. Will the Leader of the House ensure that that statement is made and will he ensure, too, that the extant National Audit Office reports are published?

May we have a statement from the Chancellor of the Exchequer about his current view—I say "current" because it is evolving—of the generous tax relief afforded by taper relief on capital gains tax, which enables private equity entrepreneurs to pay as little as 10 per cent. tax on their very generous income while their cleaners, on little more than the national minimum wage, pay 20 per cent.? Is that really Labour party policy? Lastly, may we have a debate on the Government's attitude to freedom of information? For once, that does not relate to the private Member's Bill, but to the decision by the Office of Government Commerce to destroy the gateway review documents on the cost of identity cards and other misdirected and mismanaged IT schemes, in defiance of the Information Commissioner and the information tribunal. One gateway reviewer said that the order to destroy the reports was

"odd and a little sinister".

That applies to many aspects of government, but we need clarification of precisely whether the Government support their own legislation on freedom of information.

Mr. Straw: First, I abjectly apologise to the House—*[Interruption.]*—and to the south-west. I made the error of thinking that because the right hon. Member for Maidenhead (Mrs. May) represents a constituency not far from south-west London, but a very long way from south-west England—

[Mr. Straw]

[Interruption.] I used to be expert on the counties of Britain—and I still am—but I am happy to have a geography lesson.

On the second point made by the hon. Member for Somerton and Frome (Mr. Heath) about Bills, I am sorry that I cannot give him the precise undertakings for which he asked. Let us wait and see what my right hon. Friend the Home Secretary has to say. If appropriate, I will write to the hon. Gentleman and place a copy of the letter in the Library of the House.

On the hon. Gentleman's third question about BAE and the al-Yamamah contract, I repeat that my right hon. Friend the Prime Minister said this morning, namely, that he was

"not going to comment on the individual allegations and a lot of this relates to things that go back to the 1980s".

I endorse what he went on to say:

"This investigation, if it had gone ahead, would have involved the most serious allegations and investigation being made of the Saudi royal family and my job is to give advice as to whether that is a sensible thing in circumstances".

My right hon. Friend explained why he thought that it was not.

I say to the hon. Gentleman—and to the House, too—that it is worth the Liberal Democrat party, in particular, noting the judgment in the administrative court at the end of last week by Mr. Justice Collins, who, in respect of an application for judicial review of the decision to suspend that investigation, said that the application was "wholly unarguable", and he dismissed it.

I note what the hon. Gentleman had to say on taper relief, and I will refer the matter to my right hon. Friend the Chancellor of the Exchequer. On freedom of information, my understanding is that the gateway reviews have not been destroyed, but given that the hon. Gentleman and his party supported the Freedom of Information Act 2000, they need to bear in mind that it does not say that anybody who wishes to get information from a public authority may automatically have it made available. The Act provides a whole series of exemptions, which are there, among other things, to ensure the proper functioning of government. In the unlikely event of the Liberal Democrats ever—ever—being in government, they would find the same thing, too.

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): May we have an urgent debate on funding for training in prisons? When Her Majesty's chief inspector of prisons last visited Woodhill prison in my constituency, she was very critical of the lack of training and workshop provision. She is due to visit again this September, but she will find that the new workshops, which were planned for October 2006, are unlikely to be funded until April 2008. That is a wholly unsatisfactory situation and means that prisoners in Woodhill are not receiving the training that they need for rehabilitation.

Mr. Straw: I will give consideration to such a debate and ensure that my right hon. Friend the Lord Chancellor and Secretary of State for Justice is made fully aware of my hon. Friend's concerns.

Sir John Butterfill (Bournemouth, West) (Con): The Leader of the House will be aware that many of our constituents are anxious to visit London and often make an overnight stay, particularly if they are coming to see this place, but the cost of such stays is pretty high. They—and, indeed, Members—may have noticed, however, that a campsite seems to have been established in Parliament square, which now comprises no fewer than nine tents. Can the Leader of the House confirm whether that campsite is authorised by Mayor Livingstone and the Greater London authority, and if so, can he advise on how Members can help their constituents to get permits to camp there and join that happy band of campers? If they are not available, can he arrange for an early debate on the subject?

Mr. Straw: The hon. Gentleman raises an issue that is of great concern in most parts of the House with his characteristic light touch. Sadly, I know much too much about the ownership of that land, that piece of grass, opposite Carriage Gates. When I was Home Secretary, the "stop the city" demonstrations took place and the arguments between Westminster city council, the Metropolitan police and others—including, I think, English Heritage—as to who owned not the whole thing but the strip at the front, who was responsible for it and whether the Queen's writ extended there, almost burnt my brain out. Some would say that the signs are still showing. In any event, the situation is complicated, but, if I may speak for you, Mr. Speaker, I know of your and the House of Commons Commission's concern that we need some clarity on this issue. It is not about taking away the right to protest, but it is worth pointing out that under previous Sessional Orders, which were always observed, demonstrations within a particular range of Parliament were not permitted for very good reasons when Parliament was sitting.

Mr. Stephen Hepburn (Jarrow) (Lab): The Leader of the House will be aware of next Wednesday's ten-minute Bill, tabled by my hon. Friend the Member for Paisley and Renfrewshire, North (Jim Sheridan), which proposes to extend the Gangmasters (Licensing) Act 2004 to the construction industry. Can we have a debate on that issue as soon as possible, so that Members can highlight the terrible impact that gangmasters are having on the construction industry in the north-east in terms of violence, intimidation, illegal deduction of earnings and dangerous working conditions?

Mr. Straw: My hon. Friend the Member for Paisley and Renfrewshire, North (Jim Sheridan) will raise that issue in discussing his Bill, and we wish him well. I understand the concern that my hon. Friend the Member for Jarrow (Mr. Hepburn) has expressed. I will ensure that Ministers in the Department for Work and Pensions and in the construction industry's sponsoring Departments are informed about it, and I will look for an opportunity to debate it further.

Mike Penning (Hemel Hempstead) (Con): The Leader of the House knows that, on many occasions, I have raised the question of the future of Hemel Hempstead hospital. I and many thousands of my constituents have been given assurances that there were

no plans to close it. However, yesterday plans were announced to close it and sell it for redevelopment in 2008, resulting in 750 job losses, including those of nurses, doctors, porters and other very important people who work within the hospital structure. This is not a Victorian hospital but a brand new one, in which huge investment has been made under both the previous Government and this one. How can be it right that my constituents will lose such an important facility, and can the Secretary of State for Health come here and explain these actions?

Mr. Straw: Because the hon. Gentleman has been assiduous in raising this matter, I have gone into it in some detail. I understand the concerns in his part of Hertfordshire about the reconfiguration of the health service, and I know that such reconfigurations, which happen across the country, can be difficult. However, he will be aware that Professor Graham Ramsay, medical director of West Hertfordshire Hospitals NHS Trust, said:

"It's increasingly clear that if we consolidate key services and bring specialist clinicians together into specialist teams their skills improve and the outcome for patients is better."

I know that that is not the hon. Gentleman's view, but it is the view of Professor Ramsay and other senior clinicians. Secondly, any Government, including one that the hon. Gentleman supported, would have to face some quite difficult decisions in his part of Hertfordshire about the configuration of the hospital service. Whether or not it would mean that there would be no hospital in his area is another matter.

Mr. Ian Austin (Dudley, North) (Lab): May I strike a note of cross-party consensus and raise an issue that Members in all parts of the House are very concerned about, including no less a figure than the Leader of the Opposition? The cost, quality and coverage of services provided by the health service is a really serious issue. May we have an urgent debate in Government time on the quality of services provided by the NHS for people who are delusional?

Mr. Straw: That would be extremely helpful. The legislative programme is tight, but we are going to give active consideration to that matter. Usually, we are representing our constituents and talking about the problems that they face, but on this occasion we have the word, no less, of the right hon. Gentleman the Leader of the Opposition that many of his own Members are themselves delusional, so they can be exhibits in this regard. Moreover, the hon. Member for Wellingborough (Mr. Bone), has just published an extremely interesting, if highly controversial, pamphlet, in which he says,

"It is time to get rid of this Stalinist system"—

the NHS, and that—

"the way forward is compulsory insurance".

I hope that we can debate that issue, too. It may well then become clear whether he is one of these "delusional" Conservative Members of Parliament.

Richard Younger-Ross (Teignbridge) (LD): Can the Leader of the House arrange for the Secretary of State for Environment, Food and Rural Affairs to make a statement to this House on exactly what "rural affairs" means within that Department's definition, and on what it is doing to work with other Departments? Other Departments are not providing transport to or social housing in rural areas, and are about to cut more post offices in rural areas. By and large, such areas get a fairly short deal from the Government.

Mr. Straw: What the hon. Gentleman suggests is simply not the case. He is as well aware as anybody else of the definition of "rural", which is perfectly obvious, and he knows very well of our commitment to rural areas. For example, we have pumped hundreds of millions of pounds into rural post offices. The problem for the Liberal Democrats is that they are never willing to face up to any decision that is remotely to do with their going into government; theirs is simply a party of protest.

Mr. Fraser Kemp (Houghton and Washington, East) (Lab): Will the Leader of the House join me and Sunderland city council in welcoming the regional transport board's recent decision to approve the new central route in my constituency? It is a major transport corridor that will have a big impact in relieving congestion and opening up access to the Rainton Bridge industrial site, where thousands of new jobs will be created. Will he use his good offices with the Department for Transport to ensure its full co-operation and the early completion of that major route, especially in former coal mining areas?

Mr. Straw: Yes, I will. Of course, I can say from my constituency experience that I have seen for myself the economic benefits to the whole area of east Lancashire from opening up such routes.

Bob Spink (Castle Point) (Con): I apologise for my earlier outburst on the EU constitution, but the people should be consulted.

I congratulate the Prime Minister on his personal intervention which led to children's hospices receiving interim funding of £27 million and the commissioning of an excellent report on palliative care services for children. I know that the Leader of the House is a great supporter of children's hospices, so may we have an early debate to encourage the Government to publish their response to the report so that we may better co-ordinate palliative services for children, including hospices, and provide better funding for them?

Mr. Straw: I know of the hon. Gentleman's longstanding concern about that issue, and I will follow up what he has requested and write to him.

Mr. Tom Watson (West Bromwich, East) (Lab): Does my hon. Friend accept that many hon. Members will be disappointed that he has not agreed to my previous request for a debate on the future of grammar schools? That debate will not go away and we would be grateful for a debate in Government time. Perhaps the hon. Member for Wellingborough (Mr. Bone) could also have his own debate.

Mr. Straw: This is the second time that I have to apologise to the House—first I had to apologise for the confusion over the south-west and now because I have not arranged a debate on grammar schools. Although

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the Conservative party occasionally uses its Opposition days for important issues—as it will do next Monday—it often chooses worthy but rather dull subjects, made worse by Opposition Members' speeches. The result is that the debates get no coverage. The right hon. and learned Member for Rushcliffe (Mr. Clarke) is talking about making Parliament more central today, but I guarantee that if the Opposition were to use their day for a debate on grammar schools, the Press Gallery would be packed, as would their Benches. If they will not do that, we will certainly consider doing it ourselves.

Sir George Young (North-West Hampshire) (Con): May we have a debate on the costs of Government and the number of Ministers? For the past month, a fifth of the Cabinet has been away from their desks promoting their candidacy for the deputy leadership of the Labour party and the Prime Minister has been largely absent on a world tour. The Leader of the House seems to be running the country on his own, but can he assure the House that the Chancellor of the Exchequer will be able to run a more streamlined and economical Administration?

Mr. Straw: I am sorry to disabuse the right hon. Gentleman, but after my hour of glory I have turned back into a pumpkin, and so I will doubtless remain. The British Government give good value for money in terms of ministerial work load. For example, at least twice, if not three times, as many written questions are dealt with by the same number of Ministers as under the Conservative Administration, of which the right hon. Gentleman was an adornment.

Rosie Cooper (West Lancashire) (Lab): The Government this week published "Burial Law and Policy in the 21st Century: The way forward", their response to the consultation document on the issue. Will the Leader of the House consider having a debate on that subject? Unless we make it a duty on local authorities to provide facilities to bury the dead locally, my constituents will have to bury members of their families in adjacent local authorities at double the cost that the council tax payers of those authorities pay. That will mean an extra charge for residents of those local authorities that are not doing their duty.

Mr. Straw: I understand the concern that my hon. Friend raises. The Minister of State, Ministry of Justice, my right hon. and learned Friend the Member for Camberwell and Peckham (Ms Harman) has rightly published that consultative document and will certainly give consideration as to when and whether that can be debated.

David Howarth (Cambridge) (LD): May I bring the Leader of the House back to the reply that he gave to my hon. Friend the Member for Somerton and Frome (Mr. Heath) about the BAE situation? Is not the trouble with what the Leader of the House said the fact that the Government called off the prosecution for reasons of national security, but it now turns out that the threat to national security was the threat of the withdrawal of co-operation from the very same quarter that was subject to the investigation for corruption? Is it not simply shameful and dishonourable to give way to that sort of pressure?

Mr. Straw: I know that the Liberal Democrats live in a dream world, but the world is not perfect. The Government faced the prospect of co-operation on national security being withdrawn, and rightly made the judgment—and I am glad to say that the Conservative Opposition accepted the explanation—that that had to override other considerations. That is leaving aside the fact that, to paraphrase the comments by my right hon. and learned Friend the Attorney-General on 16 December last year, in his judgment the evidential tests would be unlikely to be fulfilled. The hon. Gentleman needs to read the full judgment by Mr. Justice Collins, who said that the case being put forward was unarguable. He also said that

"it is clear that national security must always prevail, and no State could be expected to take action which jeopardises the security of the State or the lives of its citizens."

The Liberal Democrats have to understand that there are difficult choices to be made, but we face a serious terrorist threat. We vitally need—and have received—co-operation from, among others, the kingdom of Saudi Arabia. My right hon. Friend the Prime Minister was right to seek not to jeopardise that, and he has the endorsement of a senior High Court judge for that decision.

Tony Lloyd (Manchester, Central) (Lab): My right hon. Friend has answered two questions already on the role of trade unions and their lobbying through Labour MPs to protect workers subject to gangmasters and the abuses of temporary and agency working. He will know that there is a profound case for democratic trade unions in Britain and throughout the world. Given that he has faced what can only be described as a malign slight from Opposition Members on trade unions, would it not be a good idea to have a debate on modern trade unions in Britain, so that people can learn whether the Tory party is still viscerally anti-trade union?

Mr. Straw: The answer is that it is, but we should also have such a debate.

Sir Nicholas Winterton (Macclesfield) (Con): The Leader of the House will be aware that Edinburgh university has decided to remove an honorary degree from Mr. Mugabe of Zimbabwe. American universities are about to take similar action. Is it not a pity that more action was not sought by the Prime Minister in his recent visit to South Africa, because the people of Zimbabwe are starving and brutalised and the economy is deteriorating rapidly? After all the assurances that the Leader of the House has given me in recent months, can he now tell me that we will have a debate on the issue on the Floor of the House so that we can explore what can be done about the tragedy in what was one of the most prosperous and improving countries in central southern Africa?

Mr. Straw: The whole House shares the profound concern about Zimbabwe and the horror at what is now happening. I do not wish to make this a partisan issue, although the hon. Gentleman started to go that way,

so it would be unseemly to remind the House that it was a previous Conservative Administration who awarded Robert Mugabe an honorary knighthood—*[Interruption.]* Well, it is not possible to take it away, otherwise that would have been done. We are indeed promising to have a debate and I hope to be able to make an announcement shortly.

Helen Jones (Warrington, North) (Lab): Could the Leader of the House arrange for a debate on the local government code of conduct, especially on the duties of council officers towards Members of Parliament who raise issues on behalf of constituents? I ask because I have experience with the new chief executive of Warrington borough council, who has failed to reply to several letters that I have sent her on behalf of constituents or has sent replies that were not worth the paper they were written on. She now claims never to have received some letters about very serious antisocial behaviour in my constituency. The suspicion is that she is backed to the hilt by the council's Liberal leader, that she is not interested in issues in my constituency and that she feels that she is under no duty to treat Members of Parliament with the same impartiality that she shows to different groups in the council. For the sake of all hon. Members, is not it time that we had a debate on this matter? We need to be sure that the concerns of constituents will be treated seriously by all local authorities, regardless of their political colour.

Mr. Straw: My hon. Friend raises a matter of very serious concern, and the simple fact is that all chief executives—who often are returning officers as well—are expected to be impartial and to offer to MPs the same high level of services as they do to councillors. We will certainly look for an opportunity to hold a debate on the matter.

Mr. Michael Jack (Fyide) (Con): Further to the Leader of the House's comments about the al-Yamamah deal, many of our constituents will be feeling great uncertainty about the deal as a result of the impending "Panorama" programme and of the exposé in today's edition of *The Guardian*. Is it possible for the right hon. Gentleman to arrange for a statement to be made clarifying what was legitimate under the first, Government-to-Government al-Yamamah arrangement, which did not directly involve BAE Systems as the company soliciting business? Secondly, may we have a statement about when the Serious Fraud Office will come to some conclusions, one way or the other, about the remaining investigations into the activities of BAE Systems?

Mr. Straw: The right hon. Gentleman is right to remind the House about the history of the al-Yamamah deal. It was a Government-to-Government deal, negotiated originally by Margaret Thatcher, with support from both sides of the House. I am unapologetic in saying that it has greatly benefited the country, and Lancashire too. On his second point, we will of course look for an opportunity to give the clarification that he seeks. However, as he will know—although others may not—the Attorney-General in the House of Lords and my right hon. Friend the Solicitor-General in this House made statements on 16 December that set out the facts with great clarity. There was no dubiety—and I direct this at the hon. Member for Cambridge (David Howarth)—about what was said, and there is no inconsistency between what was said then and what is being said now. It may be sensible if I bring to the attention of the whole House the judgment that was made by Mr. Justice Collins on 29 May this year, and issued earlier this week.

Mr. Iain Wright (Hartlepool) (Lab): The shadow Leader of the House referred earlier to yesterday's exchanges between my right hon. Friend the Prime Minister and the Leader of the Opposition about occupational pensions. Given that that is such an important subject, does my right hon. Friend the Leader of the House agree that it deserves a reasoned and mature debate? If one is held, will my right hon. Friend ensure that the wording of the motion dispels the myth that everything was hunky dory before 1997? In fact, the Pensions Act 1995, which was pushed through by senior members of the current shadow Cabinet, singularly failed to provide pensioners with adequate protection when the companies that employed then went bust—something that seemed to happen quite a lot when the Tories were in power.

Mr. Straw: It would be great to have the debate that my hon. Friend seeks, but unfortunately there is little chance, given the readiness of Conservative Members simply to make partisan points and to suffer amnesia about what happened before 1997. He is right to say that the 1995 Act did not give people adequate protection, but I remind him that the Conservatives encouraged people to opt out of public and state-funded schemes. That was a scandal, and it caused large reductions in the pensions to which people were entitled.

Mr. Simon Burns (West Chelmsford) (Con): Could the Leader of the House arrange for a Minister from the Department of Trade and Industry to make a statement next week about what is becoming a very unsatisfactory consultation process in respect of closing or moving Crown post offices, such as the one in Chelmsford? That Minister should explain why the consultation is not about decisions to close or move an office, but only about the services that any new office will offer, and where it will be sited in a building. Such decisions will affect a great many people, in my constituency and elsewhere, who believe that they should have an input into the siting of new offices, as well as into the services that are offered.

Mr. Straw: There have been plenty of opportunities to debate post office changes, including during the statement made by my right hon. Friend the Secretary of State for Trade and Industry and during yesterday's Opposition day debate about the DTI. All hon. Members are affected by the changes, but they have not been occasioned by either the Government or the Post Office: rather, they have been caused by changes in people's practices, and above all by the increasing use of the internet. The hon. Gentleman and his colleagues must answer the following question: what better alternative is there to the policy being pursued by the Government, which has cost £2 billion already? In addition, he and his party must decide whether they

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want the Post Office to be controlled directly by Ministers, or whether it should be given a degree of commercial freedom.

Mr. Jim Devine (Livingston) (Lab): I refer the Leader of the House to early-day motion 1644:

[That this House condemns the actions of Greenbelt Group Ltd with regards to the customers it serves, whilst recognising that it provides over 750 estates across the UK with open space maintenance, serving some 50,000 homes; notes that it is frequently failing to meet the standards as set out in the title deeds of each property it serves; further notes that whenever a customer contacts the company to lodge a complaint - including on health and safety issues - that customer service is consistently unsatisfactory; and believes that charging each household up to 180 per year is an abuse of customer trust.]

May we have a debate about the actions of Greenbelt Group Ltd? It is a factoring company that purchases common land when builders have completed an estate. It charges a nominal fee of £40 to £50, but very quickly raises that to £180 to £200. The company provides a very poor service to 750 estates and nearly 50,000 houses throughout the UK. A lot of money is involved, and we need a debate on this subject.

Mr. Straw: My hon. Friend has been assiduous about raising this matter, which is of great concern to his constituents and many other people. We shall certainly look for an opportunity to debate it.

Sir Peter Tapsell (Louth and Horncastle) (Con): Returning to the subject of President Mugabe, is the Leader of the House absolutely certain that honorary knighthoods cannot be taken away? If so, perhaps I should put my ordinary one on the transfer list pretty quickly.

Mr. Straw: No, I am not absolutely certain about that. My remark was met with much head shaking among people I trust, even on the Conservative Front Bench. I shall have to look at the matter again.

Anne Moffat (East Lothian) (Lab): May we have an urgent statement from the appropriate Minister about the Olympic logo? The visuals in the advertisement have had a major impact on people who suffer from epilepsy. In Great Britain alone, the advert has adversely affected 15 people already. Surely that is unacceptable, given how much we want to be proud of the games.

Mr. Straw: I was told this morning that discussions are under way with the British Epilepsy Association about this problem, and the part of the logo that featured in a film has been withdrawn. I understand that the logo has not received universal approbation, and that it will continue to be the subject of some discussion.

Mr. Desmond Swayne (New Forest, West) (Con): Given the answer that the Leader of the House gave to my hon. Friend the Member for Bournemouth, West (Sir John Butterfill), will he acknowledge the growing consensus among colleagues that we made a dreadful mistake when we accepted the Procedure Committee's daft recommendation to replace the Sessional Orders with a dismal homily from you, Mr. Speaker? It would meet with everyone's approval if one of next week's Order Papers contained a motion to reverse that decision.

Mr. Speaker: Order. I do not make dismal homilies.

Mr. Straw: May I, Mr. Speaker, from a position of total sycophancy say that you are absolutely right? However, I can tell the hon. Member for New Forest, West (Mr. Swayne) that I wish that the matter was that simple. The truth is that all the problems that I faced when I was Home Secretary arose—[HON. MEMBERS: "Look behind you!"] I see that my right hon. Friend the present Home Secretary has arrived, but the difficulties that I faced when I was in that post arose even though the Sessional Orders were still being passed. The problem is deeply frustrating for all of us: we all want an end to it, but the question is how we find a way through.

Mr. David Anderson (Blaydon) (Lab): Is my right hon. Friend aware that for the past three years local government workers have been trying to negotiate their future pensions with no success? Can we have a statement about exactly where the Government stand on this?

Mr. Straw: I am aware of the concerns expressed by my hon. Friend and a number of trade unions, particularly Unison. As he knows, discussions are continuing, involving my hon. Friend the Minister for Local Government, local government associations and trade unions on what we hope is a more positive way forward.

Mr. Mark Harper (Forest of Dean) (Con): I want to take the Leader of the House back to the opening remarks of my right hon. Friend the Member for Maidenhead (Mrs. May) about the debates on the two Iran inquiries. Lord Drayson has already said in the other place that the Government will make an announcement to Parliament—I presume to both Houses—later this month. He made the point that the Secretary of State for Defence took full responsibility for the event. I urge the Leader of the House to ensure that it is an oral statement to give Members the opportunity to question him. It is important, as my right hon. Friend said, that the debates on those inquiries are separate because they raise different issues about media handling and operational issues. It would be for the benefit of the House if we could discuss those matters separately.

Mr. Straw: As I said to the right hon. Member for Maidenhead (Mrs. May), I am sympathetic to those points. I am giving active consideration to the announcement being by oral statement, which is appropriate. I do, however, have a disagreement with him. As the two inquiries arose from exactly the same incident, albeit with different implications, it would be

for the benefit of the House for them to be debated at the same time. Many colleagues on both sides of the House will wish to make comments about the operational aspects as well as the media handling.

Mrs. Madeleine Moon (Bridgend) (Lab): May we have a debate on mobile telephone communication systems for our brave young men fighting in Iraq? Two weeks before going to Iraq, Private Jones, one of my constituents, took out a mobile phone contract with 3, only to find that it did not operate in Iraq. Nevertheless he is expected to pay a standing charge, despite not being able to communicate with his family at a time of great stress and difficulty. Can we look at how we can support our young people and make sure that companies sell them products that are fit for purpose in Iraq?

Mr. Straw: My hon. Friend raises an important matter and I shall certainly pursue it with my right hon. Friend the Secretary of State for Defence as well as with the Secretary of State for Trade and Industry who could perhaps talk to the telecommunications companies concerned.

Dr. Andrew Murrison (Westbury) (Con): Yesterday from the Dispatch Box the Parliamentary Under-Secretary of State for Health claimed that over 3 per cent. of the NHS budget in 2005-06 was spent on IT, but on 5 March his hon. Friend the Minister of State, Department of Health, the hon. Member for Don Valley (Caroline Flint) said in a written answer that the [redacted]ure was 2.02 per cent. comparing like for like. The [redacted]erence, which is getting on for £1 billion, may be a [redacted]e trifle to Ministers, but could the Leader of the [redacted]e ask both of his hon. Friends to attend the [redacted] and say which of them is correct?

Mr. Straw: That is probably not necessary. Often the answer to these apparent inconsistencies is found to be different definitions and different questions. If the hon. Gentleman wants to take up the matter with me, I will follow it up and write to him.

Ms Sally Keeble (Northampton, North) (Lab): My right hon. Friend will be aware that I have been concerned about the use of restraint in secure training centres following the death of a boy in Northamptonshire. Is he also aware of concerns that the Youth Justice Board might shortly be considering changing the rules on the use of restraint? If so, will he ensure that a ministerial statement, either written or oral, is made to the House about the rules, the changes and the reasons for them so that we can apply proper scrutiny and understand exactly what is going on in secure training centres?

Mr. Straw: I know that my hon. Friend has been very concerned indeed about this tragic case and its implications. I will certainly follow it up. My right hon. Friend the Home Secretary is in his place as we speak and has taken note of this. We will give consideration to a written ministerial statement on the matter.

Mr. Andrew Mackay (Bracknell) (Con): Returning to next week's business, can the Leader of the House ensure that there are no deputy leadership hustings outside London on Monday so that each of the candidates for the deputy leadership of his party can be here to vote for our motion which they have been supporting during the hustings, namely to have an inquiry into the war in Iraq? Their absence might be misconstrued by Members of his party who have to vote for a deputy leader.

Mr. Straw: I will draw the right hon. Gentleman's comments to the attention of those who are standing for this position. I am happy to say that I am responsible for many things, but not for the release of members of the parliamentary Labour party for other duties.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): May we have a debate on the double standards of the BBC? [HON. MEMBERS: "Hear, hear."] My right hon. Friend will be aware of the recent criticism of the Deputy Prime Minister's trip to the Caribbean by the BBC and, indeed, others, yet that same organisation agreed to send one of its favourite political daughters to the Caribbean to retrace her roots and teach her to play the piano. Does my right hon. Friend agree that that is not a proper use of taxpayers' money? If rich, middle class yuppies want to learn the piano, they should pay for it themselves. I have written to the BBC on this issue, but have yet to receive a reply.

Mr. Straw: As we all know, the BBC is a special kind of public corporation at arm's length from Government, but all of us who are responsible for spending public money, including the BBC, must do so wisely. I will certainly draw to the attention of the director-general what my hon. Friend has just said.

Mr. Alan Reid (Argyll and Bute) (LD): Following today's announcement of 225 job losses at the Faslane naval base in my constituency, can we have an urgent debate on how the Government allocate work to naval bases? Although there is a gap in the work load at the moment, in a few years' time the work load will increase when the new Astute class submarines require maintenance work. These job losses are short sighted because they will lead to a shortage of skilled workers when that work needs to be done. An even flow of work is required, so may we please have an urgent debate?

Mr. Straw: I obviously understand the concern of the hon. Gentleman and any hon. Member when there are job losses in their constituency. I hope that he takes into account the fact that the defence budget has increased considerably, including in terms of building warships, ancillary vessels and like equipment. I hope that relatively shortly there will be an opportunity to debate defence generally, in which he can take part.

Mark Lazarowicz (Edinburgh, North and Leith) (Lab/Co-op): My constituent Mr. White is currently in a long-running dispute with Ryanair, which I am sure is not unusual. So far Ryanair has not responded to the representations that I have made on my constituent's behalf, which I am sure is not unusual either. Will my right hon. Friend agree to a debate on enforcing consumer rights for air travellers and does he agree that

[Mark Lazarowicz]

if airlines repeatedly refuse to respond to customers' reasonable complaints, we should take measures to ensure that they do?

Mr. Straw: As my hon. Friend says, this is not unusual, sadly. I note that Ryanair's results were not good either, which may mean that potential customers have noticed the same. We shall certainly give consideration to a debate on this.

Mr. Peter Bone (Wellingborough) (Con): Today every household in the country on average pays £4,280 a year to fund the NHS. That is a staggering 175 per cent. increase since the Government came to power. Yet, the number of patients treated has increased by only 29 per cent. Is it not time that we had a proper debate on this extraordinary and shameful financial mismanagement of the NHS by the Government?

Mr. Straw: We have had many debates on the health service. I congratulate the hon. Gentleman on leading with his chin. He has published a terrific—if that is one's point of view—pamphlet describing the NHS as a "Stalinist system". He wants compulsory insurance of the kind which, I suggest, has done so much to collapse health care for millions of people in the United States. What he forgets are the international studies which have just come out showing that the NHS, which he so derides, including the hundreds of thousands of nurses and doctors who work in it, is delivering the highest standards of health care among OECD countries at very good cost indeed.

David Taylor (North-West Leicestershire) (Lab/Co-op): Early-day motion 1609 draws attention to the Divisions that took place after my private Member's Bill, Grammar Schools (Ballots and Consultation) Bill, some time ago.

[That this House recalls that in division 368 of the 2003-04 parliamentary session, the hon. Members for Havant and Witney opposed the introduction by the hon. Member for North West Leicestershire of his private members' Grammar Schools (Ballots and Consultation) Bill which, among other things, proposed the ending of a grammar school system which the hon. Member described as the 'response to the needs of a vanished society which required a small educated class and a large number of manual workers'; notes and welcomes the recent public resilement from their original position on this issue by those two hon. Members of Her Majesty's Opposition; and keenly anticipates a similar change of heart by all other Conservative hon. and right hon. Members who spoke or voted against the Bill at that time.]

It welcomes the fact that the hon. Member for Havant (Mr. Willetts) and the right hon. Member for Witney (Mr. Cameron) have recanted their original position. Can the Leader of the House find time in a packed parliamentary schedule for perhaps a Minister for truth and reconciliation to open a debate that will allow a solemn and formal recantation by the rest of the Conservative party in Parliament and they can fall behind their new policy?

Mr. Straw: My hon. Friend raises a very, very important issue. I am certainly, with my right hon. Friend the Chief Whip, looking anxiously to find time for a full debate in Government time if necessary on the future of grammar schools and the delusional policies that many Conservative Members have now been subject to. I hope that in the course of the debate we are able to recount, for example, the *Daily Mail* editorial of a couple of weeks ago, which said that the position of the Leader of the Opposition

"has about it the reek of political positioning, without a whiff of real conviction.

It's all part of an attempt to capture that illusory 'middle ground', and to counter the perception that Mr Cameron's team are a bunch of Etonian elitists."

Charles Hendry (Wealden) (Con): The Leader of the House and the Home Secretary may have seen a press report last week following the coroner's report into the death of a young constituent of mine who was a gifted and bright student but appears to have taken his life after looking at suicide websites. Will the Government bring forward urgent measures to close down websites that encourage or assist suicide and may we have a debate in the House on this evil and disturbing practice?

Mr. Straw: The hon. Gentleman is right to raise this issue in the way that he does. I hope that he is able to obtain a debate on the matter. He will also be aware that closing down websites in a democratic country like ours is very difficult, but of course we will have a look at it.

Mr. Nigel Evans (Ribble Valley) (Con): If the Leader of the House accedes to the request for a debate on extra funding for delusional services, can I make a bid for some of that funding for myself? Like a lot of people, I was deluded into thinking that we were going to get a referendum from the Prime Minister on the European Union constitutional treaty. Everyone knows that Angela Merkel is driving it forward and Nicolas Sarkozy is supporting it. She does not care about the nuancing of language. We understand from leaks that major constitutional issues will be at stake, including home affairs. Surely we do not want a tidying-up exercise or to delude people into thinking that nothing has happened. Surely we should trust the people, and we can do that only if we have a referendum.

Mr. Straw: The hon. Gentleman is anticipating what may or may not be in any amending treaty. There will be a full opportunity to discuss the forthcoming European Council before it takes place. If proposals have to go through the intergovernmental conference that require changes in legislation, which any change in treaty will do, they will be the subject of the greatest consideration by this House and judgments will be made at that stage. The hon. Gentleman is wrong to anticipate this.

I congratulate the hon. Gentleman on naming himself as delusional. Indeed, he fits the category exactly, given what he has told the *Lancashire Telegraph* about his 100 per cent. support for grammar schools, even after Tory party chiefs' decision to ditch them.

Counter-Terrorism

12.33 pm

The Secretary of State for the Home Department (John Reid): With permission, Mr. Deputy Speaker, I will make a statement on counter-terrorism. The House will know that we face an unprecedented threat from terrorism. It is the duty of the Home Secretary to ensure that our response provides the best possible protection against that threat, on a personal, local and national level. That is why we have already increased spending on counter-terrorism to £2.25 billion in 2007-08. It is why our security services have never been better resourced. Since 2001, MI5 has doubled the number of people it employs. We have given greater powers to the police, such as increasing the length of time they can detain terrorist suspects from 14 to 28 days.

Furthermore, in April we refocused the Home Office to concentrate on more effectively protecting the public and securing our future. The new Home Office brings together responsibility for managing the Government's counter-terrorism strategy, including the new Office for Security and Counter-Terrorism. In pursuit of the same objectives, we have now completed a comprehensive review of potential counter-terrorist legislation. Legislation forms a relatively small but vital part of our response to the terrorism threat. It sends a signal to those who wish to plot terror and turn people towards violent extremism that their actions will not be tolerated, as well as offering substantial protection. This threat is continuously evolving. It is crucial that our responses evolve with it, to include legislation that is effective and proportionate, to provide the maximum possible security and liberty for the law-abiding majority.

In approaching this, I have tried to incorporate three elements. First, I want to strengthen our capability to counter terrorism and protect this country from acts of terrorism. Secondly, I want to try to ensure that as we increase these powers we also, where appropriate, increase the parliamentary, judicial and sometimes public scrutiny to ensure a counterbalance against any arbitrary use of these strengthened powers. That is essential in a democratic society. Thirdly, it is my intention, wherever possible, to proceed to build national consensus on national security—in other words, to build, wherever possible, cross-party and cross-Parliament support for the measures being introduced. That is why I shall spend some time today explaining the process that I envisage as well as the measures. It is in that context and spirit that we will bring forward new counter-terrorism proposals in a new counter-terrorism Bill later this year. Today, I want to outline our approach and the main areas of the law that it might strengthen.

I start from the position that it is desirable to reach a consensus on national security wherever possible, so I want to ensure that there is extensive consultation before any legislation is introduced. Today's announcement is only the start of that process. For good reasons, previous counter-terrorism legislation has been fast-tracked through Parliament. We have an opportunity here to do things differently. That is why my right hon. Friend the Prime Minister, my hon. Friend the Minister for Security, Counter Terrorism and Police and I have already met members of the Opposition.

Today, following these meetings we will outline the main areas and direction of measures that we wish to pursue. We will then conduct further discussions and consultation, after which we will produce further detail, including a full Bill content paper, which will inform further discussion. It has been said to me, and I accept, that the devil is often in the detail of proposals, so we will then share draft clauses before introduction and seek the scrutiny not only of Opposition parties but of the Home Affairs Select Committee and the Joint Committee on Human Rights on key areas of the legislation.

I have also today asked Lord Carlile, the independent reviewer of counter-terrorism legislation, to undertake a report on what is proposed. In addition to discussions that we will have in Parliament, with colleagues on my own Back Benches and in the Opposition, I am also committing the Government to discussing fully with those organisations that have an interest in the proposed legislation—the police, representatives of the judiciary, civil liberties groups and communities. I hope that the House will accept that this is a more comprehensively consensual approach than we have ever taken before. It is the best way to approach establishing national security measures. To begin the consultation, I have today produced a short document; copies will be placed in the Vote Office and it will be available on the Home Office website.

I now turn to a number of specific areas, of which the first is pre-charge detention. The decision to increase pre-charge detention limits from 14 to 28 days has, I believe, been justified by subsequent events and means that we have been able to bring forward prosecutions that otherwise might not have been possible. For our part, we have made it clear that the Government's position is that we believe it is right for terrorist cases—I stress terrorist cases—to go beyond 28 days, where necessary; but I want wherever possible to build broad agreement on the way forward. I would, therefore, like to begin discussions now on how we might do that. I am not being definitive, but one way might be to legislate now to extend the current limit while making it clear that there would be extra further judicial and parliamentary oversight if such measures were ever implemented. That would obviously continue to include judicial approval every seven days for any request to hold suspects. It might also, for instance, include further detailed annual reports to Parliament on the pattern of use of such events, with an accompanying parliamentary debate. That is one example, but we will discuss it further with all interested parties, including the Opposition.

Beyond that, there are other measures—for instance, on post-charge questioning. We are planning to legislate so that in terrorist cases suspects can be questioned after charge on any aspect of the offence with which they have been charged. With regard to adverse inferences drawn from that, we would apply the same rules for post-charge questioning as those that currently apply to pre-charge questioning. In addition,

[John Reid]

we are considering notification requirements, similar to those already in place for sex offenders, for convicted terrorists who leave prison.

Where terrorists are charged with general offences, we believe the sentences should be enhanced to reflect the additional seriousness that terrorist involvement represents.

The House will know that I do not consider control orders to be our best or most effective option in countering terrorism. However, having said that, we need to make what we can of them, so we are proposing a number of changes to control orders, including measures relating to fingerprinting, DNA and powers of entry that do not exist at present, but need to exist to enhance the effectiveness of not entirely satisfactory measures that would benefit from strengthening. However, we do not want to propose any amendments at this stage that might pre-empt forthcoming judgments from the House of Lords.

I accept that measures on data sharing and DNA are always difficult and controversial for the House, but we would also like to legislate to place data sharing powers for the intelligence and security agencies on a statutory basis, and put the police's counter-terrorist DNA database on a similar statutory footing to the national DNA database. I stress that neither of those measures will alter the powers of the police and agencies to collect material.

On the subject of intercept as evidence, the Government's position has consistently been that we would change the law to permit intercept evidence only if the necessary safeguards could be put in place to protect sensitive techniques and to ensure that the potential benefits outweigh the risks. I have not personally been persuaded that this is the case, but I accept that the right approach is to address the issue carefully and fully before deciding whether to use intercept as evidence. That is what we are, and have been, doing. However, we believe that we now need to reach a conclusion on the issue. Therefore, subject to further discussions to agree the structure and time scale, I am today confirming and announcing to the House that we will commission a review of intercept as evidence on Privy Council terms.

There has been some discussion of stop and question outside in the press. Consideration of powers to stop and question, currently available to police in Northern Ireland and suggested for introduction across the UK by the Northern Ireland Office, is at a very early stage and is currently subject to a process of internal Government consultation, and we will report the outcome of that in due course.

I believe that terrorism remains the greatest threat to the life and liberty of this nation and the many individuals who make up this country. It is the greatest challenge we face and it is important that our legislation continues to evolve to meet that threat, just as the terrorists will continue to evolve and advance their means of constituting it; but I firmly believe that any legislation to deal with that threat to national security should be taken forward with the full support of the House, where possible. I hope that the process I have outlined today will enable us to do that to the greatest effect.

David Davis (Haltemprice and Howden) (Con): I thank the Home Secretary for sight of his statement. The Leader of the Opposition and I have been in consultation with him and the Prime Minister on these matters before today. We made a number of proposals to them and we can support a number of the Home Secretary's proposals today.

On issues of security, I agree with the Home Secretary that the national interest is best served when we can proceed on the basis of consensus, so it is very regrettable that during the consultation process the incoming Prime Minister pre-emptively made announcements through the media about matters that should be above party politics. On our side, we will continue to try to achieve consensus where possible.

We can support, in principle, several of the current proposals. First, we can support the proposals on sentencing, subject to proper judicial process. Secondly, I see no objection in principle to a number of the other measures, including one that the Home Secretary did not mention today, but which was in today's press, and has been called the "terrorist offender register"—the travel notification arrangements.

I have to tell the House that there have been serious failures in the equivalent operation of both the sex offenders register and the control order regimes, to which the Home Secretary referred, with large numbers of escapes from control in both cases. We should remember that no legislation will work if the Government do not implement it properly—a key issue in this area.

Thirdly, we strongly welcome the intervention to lift the ban on post-charge interview of terrorist suspects. We first proposed that two years ago.

Fourthly, we have been calling for some time for the Government to lift the ban on using intercept evidence in terrorism cases. The Leader of the Opposition recommended to the Prime Minister that a Privy Council Committee should come up with a proposal for the use of intercept evidence, although the Home Secretary referred to it in slightly different terms. For that to work, the Committee has to produce its recommendations in time for the Government to incorporate them in the terrorism Bill in November, so I urge the Home Secretary to make those last two measures his first priority. They would have the greatest impact, by enhancing our ability to prosecute terrorists, which is at the end of the day the only sure way to protect the public.

When the Government previously tried to insist that 90-day detention without trial was essential to the security of the nation, the House did not believe them, and rejected the idea. Since then, the evidence is that the House of Commons was right. We are told, for example, that the 28-day limit did not handicap the complex investigation into the alleged Heathrow terror plot last August, which is presumably why the Minister for Security, Counter Terrorism and Police told the shadow Attorney-General yesterday that there was no pressure from the police for an increase beyond 28 days. Many counter-terrorism experts fear the reverse: that such a move will cause resentment in the Muslim community and damage our ability to gather intelligence—the critical weapon in our battle against terrorism.

At 28 days' detention, we are already the most draconian of the common law democracies. America,

with all its sensitivities on the subject, allows only 10 days' detention before indictment. In December, the Attorney-General and the Lord Chancellor said that there was no evidence for extending the 28-day limit. Will the Home Secretary tell the House what has changed since then?

I have set out several proposals that we can support. Our priority must be to prosecute and convict terrorists—nothing less. That is the only way in which a liberal democracy can ensure that terrorists remain locked up until they no longer pose a threat to public safety. It does not require the House to undermine the ancient rights that millions died defending. We do not defend our way of life by sacrificing our way of life; we cannot protect our liberties by sacrificing our liberties.

John Reid: I thank the right hon. Gentleman for his support for a number of the proposals and for his general approach and the manner in which we have been able to conduct our discussions, which augurs well. I extend those comments to the hon. Member for Sheffield, Hallam (Mr. Clegg). I will not deal with all the points the right hon. Gentleman raised, but I will deal with two big ones.

On intercept, I can confirm that the idea of looking at the matter in Privy Council terms arose from a suggestion made by the Leader of the Opposition in discussions with the Prime Minister. I was happy to accept that and I announced today that, in principle, we will do that. I am also aware, as the right hon. Gentleman will be, that the Leader of the Opposition has written to the Prime Minister in the past 24 hours to carry forward those discussions. The sooner that can take a concrete form, through the usual channels, the better. We can leave that to them, but we have the basis for proceeding and seeing whether we can examine the matter again. In the last instance, Governments cannot abrogate the responsibility to make decisions when they believe that that is in the national interest. That is why I used the words "wherever possible". But I also believe that there is an obligation on us to try to find some way of resolving apparent impasses.

Let me deal with the issue of 28 days. The right hon. Gentleman raised two questions: the first was about what has happened in the past year and the state of the evidence, and the second was about the view of the police. On the evidence, I have said that I do not think that there is an open-and-shut case for going beyond 28 days. I do not believe that we are talking about something that is self-evident. However, the experience in the course of the last year—particularly in relation to the events of last August and the charges that followed—suggests that the evidence for going beyond 28 days has strengthened. For instance, in one or perhaps even two cases, charges were laid at the 28-day limit. Combined with the statement from the police that they can envisage circumstances in which it might be necessary to go beyond 28 days, that means that we ought to reconsider that possibility—I have not said how far beyond 28 days we should go.

On the police view, the police have not put pressure on us in the sense of saying, "This must be done, or there will be a crisis." However, it would be untrue to infer that they have not asked me to consider the matter and to raise that consideration inside and outside Government, because they have. They have said two things: first; they can envisage circumstances in which they might have to go beyond 28 days and, secondly, that they would like me to raise the matter for discussion again, which is precisely what I am doing. I hope that that is a balanced way of presenting the issue. I personally believe, as do the Prime Minister and the Chancellor—the next Prime Minister—that it is necessary to go beyond 28 days. However, we accept that others have reservations and we therefore want to see whether we can achieve any consensus on the matter.

Finally, it is one thing to say that we should prosecute and convict. That is our earnest desire and our key priority. It is what our whole legal system is geared towards. We all agree on that, but that is not the question. The unavoidable question that confronts us all is: what should we do when there is sufficient information to suggest that there might be the possibility of murder on a massive scale through an act of terrorism, but the evidence does not reach the threshold required to allow us to bring charges? Whatever we do on intercept or post-charge questioning, it will not be a magic solution. We will still face the question of what we, as a responsible Government, should do if there is sufficient information to convince us that there is a chance that there will be murderous mass slaughter in a terrorist attack, but we cannot get the level of evidence that would enable us to bring a charge within 28 days. That question will not go away, whatever we do on the other issues.

Mr. John Denham (Southampton, Itchen) (Lab): I believe that this will be the first ever terrorism Bill that has been approached so openly and consultatively, and I welcome that. The debate on a 90-day limit was dogged by the lack of a robust and open police analysis of the issue. It was clear that 28 days was justified, but that 90 days would not have been. In this consultative process, may we have at least three pieces of robust police analysis of the current situation? The first should be on the issue of the 28-day limit on detention. The second should be on stop-and-search powers. It is not yet clear that the existing legislation—sections 43, 44 and 60—is not sufficient, if properly used by the police. The third should be on the current state of play on control orders, as an operational issue for the police and security agencies, so that we can consider whether there are any further measures—other than those that my right hon. Friend suggests—that would improve the control order regime.

John Reid: I thank the right hon. Gentleman for his comments. I have found him enormously helpful as a constructive critic of the Government's approach to these matters, as well as of specific measures. We regard the Home Affairs Committee as an essential element of the process.

I will try to make sure that we give a balanced view—including the view of the police—of where we think the case has strengthened, or indeed moved in the other direction, in relation to going beyond 28 days. I would merely point out that I have not mentioned any figure today. I have not referred to 50 days or 90 days. I have said that I can envisage the need to go beyond 28 days, but that was said in the spirit of opening a discussion.

[John Reid]

I want to make it absolutely plain that discussion on the stop-and-question powers is going on inside Government. I did not raise the matter, and neither did the police in mainland Britain. It derived from one source. However, it is also evident that at least one source has major misgivings about it. The problem is that the source is the same in both cases. *[Laughter.]* We will carry on with the consultation on these matters.

Mr. Nick Clegg (Sheffield, Hallam) (LD): I warmly thank the Home Secretary for his statement and the cross-party spirit in which it was delivered. If his successor and the incoming Prime Minister are able to maintain that approach, and if we are all able to ensure the right balance between the defence of our customary British liberties and the new security measures, we as an Opposition party will seek to play a full and constructive role in the process. Will he confirm that there is scope for us to introduce other proposals and ideas that are not in his statement? For instance, we could explore the use of plea-bargaining procedures to encourage informants on the periphery of terror plots to provide more information, and we could look at the threshold test used by the Crown Prosecution Service when bringing charges in terror cases. Will he confirm that we will be able to introduce such things over the next few months in time for the debate on the Bill in the autumn?

The Home Secretary has said that control orders are full of holes. Will he confirm that far from just operational tinkering of the existing control order regime, there will be scope for its wholesale review? Does he agree that if we are able to build on the apparent cross-party view that there is a real case for expanding the possibility of questioning post charge, it will significantly diminish the case of those who believe that we need once again to reopen the vexatious and time-consuming debate on the period of detention without charge that can take place?

John Reid: On the first point, people will be able to put forward other proposals—I hope that they will. I do not think that we have a monopoly of wisdom on this. This is a national question of national security, so a national effort that includes contributions from everyone is to be welcomed. I will pass no comment on the individual measures that the hon. Gentleman suggests, except to say that they are interesting proposals that we should look at.

The hon. Gentleman asks the question of whether doing x will lessen the case for doing y. I do not see this as a zero-sum game. Whether or not we have intercept evidence and post-charge questioning, I genuinely believe that we are confronted with a difficult question. I understand why those who are committed to the present legal traditions find the question so difficult. However, there are times when there is a disjunction between inherited legal conventions and frameworks and the present reality, because things arise that have never been imagined or anticipated.

If we look at the laws of conflict and peace, we find that the legal conventions and traditions are based on circumstances that have been overtaken by the reality of today's conflict and the nature of the enemy of terrorism with regard to the scale, intention and capability that we are facing. We should thus approach this with as open a mind as possible and accept that we should go forward when we can reach consensus, and minimise our differences where there is difficulty. Ultimately, a decision will be made in Parliament on the matters on which we cannot reach consensus that the Government think they have an obligation to put before Parliament. In that spirit, I think that we will achieve a lot more than we could through the way in which circumstances meant that we had to proceed in the past.

Mr. Michael Meacher (Oldham, West and Royton) (Lab): As my right hon. Friend is now proposing that the decision about detaining a terrorist suspect without charge beyond 28 days in certain cases might be put in the hands of a senior judge, will he consider the further proposal that the decision about whether a terrorist suspect is tried in a court, or made subject to the special advocate procedure—under which he is not even told the charge alleged against him—should also be put in the hands of a senior judge?

John Reid: I am not sure of the premise on which my right hon. Friend asks his question. On prolonging the detention period beyond 28 days, I think that I said that the weekly judicial review—the present position—would obviously continue. In addition to that, I suggested not necessarily another judge, but that an independent report could be produced, such as an annual report to Parliament on the pattern of the use of such powers. However, that is not to say that issues such as that which he raises should not be considered. Given that we will be consulting widely, I am sure that my right hon. Friend will make his views known to us. We will take his and many other views into account.

Mr. Michael Howard (Folkestone and Hythe) (Con): I welcome much of what the Home Secretary has said, obviously including the proposals that we have been advancing for some years. I especially welcome his consensual approach. Does he think that it was entirely consistent with that approach for his old and close friend the Chancellor of the Exchequer to pre-empt the statement by giving the details of what the Home Secretary told the House today to newspapers over the weekend and indeed, in return for the story, imposing on those newspapers a condition that they should not carry any comment from my right hon. Friend the shadow Home Secretary or any other Opposition spokesman? Does the Home Secretary think that that is the best way of establishing consensus?

John Reid: The Chancellor is indeed an old and close friend. We have discussed such issues over many years—in recent months, we have discussed them in some detail. Let me be absolutely straight about last Sunday's reports. First, most of the issues that were cited not only were raised during a question and answer session with the Chancellor on Sunday, but had already figured in speeches made by him, me and the Prime Minister over a period of months. They arose out of our discussions.

Secondly, the points were made not before we had consulted others, including the right hon. and learned Gentleman's party's leader and spokesman, but after

that. In fact, everything that appeared in last weekend's press had previously been given to the Members who speak for the Opposition parties. Thirdly, it is absolutely appropriate that the person who will inherit the premiership of this country in the next few weeks, all things being equal, should be fully engaged in the biggest issue facing the country: national security and counter-terrorism. I discussed the matter with the Chancellor before and after last Sunday and I will continue to do so.

Mr. Shahid Malik (Dewsbury) (Lab): My right hon. Friend will be aware that there is a disproportionate fear of anti-terror legislation among many British Muslims. The former leader of the Conservative party talked about my right hon. Friend the Chancellor's speech and question and answer session on Sunday in which he said that legislation ultimately will not defeat terrorism and extremism and that we need to

"win the battle of hearts and minds".

That is why I welcome the approach of consultation and consensus. However, does my right hon. Friend the Home Secretary accept that we need to do much more to reassure British Muslims that the approach of the security services and police will be intelligence led, not beard led?

John Reid: The present form of terrorism makes victims of Muslims twice over: first, because like the rest of us they face the danger and, sometimes, death and injury caused by terrorists; and secondly, as was the case for Irish people in decades past, because they are often at the front of counter-terrorism measures. We must understand that and, in that context, I agree entirely with the statement that we will not defeat international terrorism, nor counter terrorism at home, by using the security services and military means alone. At its heart, this, like many other things, is a battle over values. I am absolutely convinced that the vast majority of British Muslims abhor terrorism and terrorists and support the values on which this country is based, as does any other group that makes up this country. I hope that not only Muslims, but people from this country's other ethnic minorities and minority groups, will take the chance to reassure themselves and participate in our consultation. I hope that that will strengthen the ownership of the measures and reassure everyone in Britain.

Mr. Iain Duncan Smith (Chingford and Woodford Green) (Con): Like my colleagues, I welcome the general thrust of the Home Secretary's proposals and, especially, the consensual way in which he presented them. May I take him back to the time limit for detention without charge? Given the nature of the Chancellor's firm statements and the Home Secretary's indication that the Government are clearly minded to move beyond 28 days, although they want to discuss that, we can accelerate forward and recognise that the Government will ultimately make a decision about the legislation that they bring before the House and might do that despite quiet disagreement about the extension of 28 days. As the Home Secretary will sadly not be in his position at that time, will he say to his successor and the future Prime Minister that they should not repeat the disgraceful antics that took place last time, when those who were genuinely and reasonably opposed to an extension beyond 28 days were accused of being soft on terrorism and terrorists? Will he please continue the consensus and stamp on such antics in advance so that we do not go through that again?

John Reid: The right hon. Gentleman has made his point, but I hope and expect that that will not happen. It is not for me to defend or explain the Chancellor's views as reported through the media, but I know that in at least one case his views—for instance on intercept as evidence—have not been represented accurately in reports. I know that because I have talked to the Chancellor both before and after the reports appeared. First, we should not take all media reporting as the basis on which we exchange views; some reporting may be accurate, but some of it may not be. Secondly, I hope that all of us who are involved, including my successor and the Prime Minister's successor, will attempt to make sure that we rise above party politics on great issues and put the interests of the nation first, and I am sure that we will.

Mr. Andrew Dismore (Hendon) (Lab): I am sure that the Joint Committee on Human Rights, which I chair, will welcome my right hon. Friend's consensual approach. Of course, the most important human right is the right to life and the state's duty to protect it. We believe that it is possible to introduce counter-terrorism measures that are human rights compliant, as we recommended last year, and I am pleased that the Home Secretary has adopted, or is considering, a number of the measures that we proposed.

On the 28 days issue, I am appreciative of his rather more cautious approach, particularly bearing in mind the fact that a number of measures have only recently been adopted and brought into force, and we have yet to gain experience of how they operate—and that also applies, of course, to the measures that he put forward today.

On pre-charge detention, may I ask him to consider the conditions in Paddington Green police station? They are not really suitable, either for the police or for the detainees. Will he see what can be done to improve conditions? They need to be made much better, bearing in mind the length of time for which people are already held.

John Reid: Yes, I will undertake to look into that. I very much welcome a phrase that my hon. Friend used: the most fundamental of human rights is the right to life. If we cease to exist we cannot enjoy any of the other rights that we want to protect.

Mr. Shailesh Vara (North-West Cambridgeshire) (Con): The Home Secretary has said that he is minded to increase the detention period beyond the current limit of 28 days. My right hon. Friend the shadow Home Secretary asked the specific question of what further evidence the Home Secretary had to substantiate the belief that that is necessary. "Evidence" is the key word; the Lord Chancellor and the Attorney-General have said that we need further evidence. In a letter that the Prime Minister sent me on the issue in November last year, he said:

"If we bring forward new proposals, we will do so on the basis of evidence, including on the use of existing pre-charge detention powers."

[Mr. Shailesh Vara]

Will the Home Secretary give a simple answer to the House, confirming that if the 28-day period is increased, it will be done on the basis of evidence, and not on the basis of mere beliefs or suppositions?

John Reid: I will turn that round: our approach will be to try to argue that the evidence of the past year has strengthened the case for going beyond 28 days. That is precisely what I have said, and in a week or two, after the initial discussions, we will attempt to illustrate that point. We have already argued the case with the Opposition spokesmen. I have been absolutely plain: I have said that I do not believe that it is an open and shut case as regards the evidence; I said that I think that the case has strengthened. The police, as a result of the evidence of their experience last year, think that they can envisage circumstances in which they might have to go beyond 28 days, and they have asked us to raise and discuss the matter. In that spirit, we think that the case is strengthened, and that it is strengthened on the basis of the evidence of the past 12 months. As to whether that is sufficient to convince people to change their position, and whether the burden of evidence has got to the crucial threshold at which it will change people's minds, we will wait and see.

Mr. David Winnick (Walsall, North) (Lab): Does my right hon. Friend accept that no one is likely to dispute the fact that there is an acute terrorist danger? We remember what happened exactly 23 months ago, when 52 innocent people were slaughtered. Does he recognise that Parliament has a duty and a responsibility, as it had in November 2005, not to approve measures that are counter-productive and that could alienate law-abiding people whose loathing and detestation of terrorism is no less than our own? Is it not a fact that the Attorney-General stated recently that he has seen no evidence to justify any extension beyond 28 days? If such a senior a Law Officer says that, how can we Members of Parliament agree to go beyond 28 days?

John Reid: I agree with most of what my hon. Friend said, including about the fact that the Attorney-General takes a view on the subject. He takes a legal view, but lawyers and Law Officers are not the only people who have to make decisions about legislation. That is why in a democracy we elect politicians, and the job of politicians, among other things, is to decide whether the laws of the country need changing. That is why it is appropriate that Parliament consider the issue, rather than our just taking the view of a Law Officer, or of lawyers.

Where my hon. Friend is right, and where I agree with him, is that there is an obligation on us to scrutinise the issues and to ensure that, if the cherished liberties of this country are to be changed in any way, it happens only on the basis of evidence that has persuaded us, and only when there are safeguards that prevent the arbitrary misuse of such powers. That is why I have tried to include elements that address both of those things in what I have said today.

David Howarth (Cambridge) (LD): May I clarify what the Home Secretary is setting out as his personal view? Is he really saying that even if there were questioning after charge, which we have always supported, and even if phone-tapping evidence were admissible—again, we support that—he would still think that there was a case for extending detention without the person being told the charge against them to beyond 28 days? If that is what he is saying, he should not be surprised that some people think that what he is asking for is preventive detention—in other words, internment.

John Reid: It is what I am saying, but I do not classify internment in the way that the hon. Gentleman does. I return to the question that he has to answer in the context of a new phenomenon of threat—and threat has two elements to it: intention and capability. People have an untrammelled, unconstrained intent to murder people in their thousands—as they did in New York—or potentially millions, and they potentially have unconstrained capability, through radiological, chemical and other means. That is a new phenomenon. In light of that new phenomenon that we have to confront, the question that he has to answer is what happens when there are reasonable grounds for believing that people might actually do that, but we have not reached the level of evidence that would allow us to charge them. That is the question that we all have to answer. Of course we would prefer to charge them; we want to prosecute, and we wish to convict, but the issue is this: given the complexity of the questions, if we cannot reach that threshold within 28 days, do we just say, "Tough; we will have to take the risk that there will be a mass murder of thousands"? That is the question that we all have to answer. I do not have the solution to that today, but I am suggesting that it is a question that we cannot avoid.

Ms Karen Buck (Regent's Park and Kensington, North) (Lab): The overwhelming majority of the substantial and very diverse Muslim communities in my constituency are united in abhorring terrorism. Indeed, many members of those communities are here precisely because they fled terrorist regimes. Does my right hon. Friend agree that it is hard to overstate the extent of anxiety among those communities about the way in which they often feel targeted by anti-terrorist measures, and does he agree that the extremist minority is very good at exploiting those fears? I assure him that if we proceeded with stops-and-question powers without ensuring that we deal with the moderate majority, and without explaining and encouraging understanding of the measures, that anxiety will be intensified.

Consensus in the House is not the same as consensus in the community. It is not good enough to expect the Muslim communities to participate in the discussion. What steps will my right hon. Friend take to reach out into those communities, particularly to young Muslims, to ensure that they take advantage of the measured and lengthier approach to developing the next stage of legislation and that we can bring them on board so that they understand what we are doing and why?

John Reid: I think that I agree with every point that my hon. Friend raises. I merely point out at this stage that we will not put forward for consultation the stop-and-question powers to which she referred because we have not finally resolved that inside Government. Perhaps it gives her a degree of reassurance that that will take place before any consultation outside. I hope

everyone will get involved in the consultation outside, including through their representatives in the House. There are hundreds of people in the House who represent every section of British society, and I hope that they will continue to make their views known, as my hon. Friend has done.

Mr. John Maples (Stratford-on-Avon) (Con): One of the great gaps in our counter-terrorism strategy is our inability to detain or deport dangerous foreign terrorists. That is the result partly of decisions of our own courts, partly of a European Court decision and partly of the European convention on human rights. Has the Home Secretary come to any conclusions about whether we can resolve the issue through domestic legislation, in which case will he introduce it soon? If that is not possible, what steps is he taking to try to get the European Court's judgment changed, or to get an amendment to the European convention that will enable us to do that? It is surely a fundamental characteristic of a country's Government that they can decide whether someone who is not a citizen is entitled to live here.

John Reid: I agree with some of the hon. Gentleman's comments. I have long said that control orders are not even my second-best option. In many cases deportation would be the second-best option. Next to that, detention would be. Beyond that, full control orders and surveillance might be, so we get to the fourth option, which sometimes feels like trying to keep soup in a sieve. Then, ironically, people who are sometimes those who have most bitterly opposed the strengthening of my powers, point out how inadequate they are for controlling terrorist suspects. I agree with that.

However, the conclusion that we would need to derogate from or abandon the principles enshrined in the European convention on human rights is not a right conclusion. We certainly need to appeal against one judgment in particular—the Chahal judgment, with which the hon. Gentleman will be very familiar—which was made by the European Court before we had a Human Rights Act in this country, and even before we had a Labour Government. I believe that that decision is very wrong, and we are appealing and doing everything we can to reverse it. We are appealing on the back of one case, and considering appealing on the back of a second case.

There is a growing awareness throughout Europe that that decision and its implications are extremely serious, and that we need to try to ensure that we strengthen our European convention to take account of today's threat—the intention and capability that was not envisaged when we brought in the European convention from the circumstances of the mid-20th century. There are now individuals who have the potential capability of wreaking misery and death on a massive scale that 60 years ago was within the grasp of only a sovereign state. There are now individuals and networks of individuals who are capable of doing that, and we need to ensure that our powers are strong enough to encompass that challenge as well.

Paul Flynn (Newport, West) (Lab): The major counter-terrorism decision taken by the House was our decision to go to war in Iraq, with the aim of eliminating the threat of terrorism to British citizens. It did nothing of the sort. In fact, that threat and the reality of terrorism became worse because of that decision. Will my right hon. Friend please understand the position of those who opposed the measure the last time it was introduced? If any new proposals are introduced which are seen by a significant minority in this country as excessive, unfair and discriminatory, that will not reduce the threat of terrorism, but increase it. That will be counter-productive and increase the feeling of alienation among many young Muslims in this country, a large number of whom remain disaffected.

John Reid: I profoundly disagree, not surprisingly, with my hon. Friend's premise, which is muddled and ahistorical. If the intervention in Iraq had been the cause of acts of terrorism in the United Kingdom, the acts of terrorism in Birmingham in 2000 would not have happened, because they came before the intervention in Iraq. People would not have been arrested in Canada for terrorist-related offences, because Canada was not only not in Iraq, but opposed the intervention vociferously. People would not have been lifted in France for terrorist-related offences as recently as three weeks ago. The premise from which my hon. Friend works is ahistorical and not only not evidentially based, but contrary to the historical evidence. However, I shall continue to try to persuade him.

Mr. James Clappison (Hertsmere) (Con): On another aspect of deportation, is the Home Secretary aware that in a number of terrorist cases resulting in convictions there appears to have been a connection between the commission of terrorist offences and the influence of extremist preachers and extremist figures? In August 2005, just after the London bombings, the Prime Minister announced that the Government would immediately establish new grounds for the deportation of people involved in fostering violence in that way. In a written answer to me at the end of March this year, I was told by the Government that there had been only one such deportation for fomenting acts of terrorism. I understand that there may have been one since then, but will the Home Secretary reconsider a more vigorous approach which does justice to the scale of the problem of the extremist preachers and their wretched influence?

John Reid: The hon. Gentleman would no doubt accept that although there have been limited numbers of people prosecuted under the measures that we brought in to counter the glorification of terrorism and the spread of terrorist preaching, that is not surprising, given that the measures have been put into effect relatively recently. But they do work and they are being used. Yes, we will look again at how we can strengthen that in its operational form or introduce any other proposals that are necessary in order to accomplish our objectives in that area.

Stewart Hosie (Dundee, East) (SNP): I agree that terrorism poses an unprecedented threat and is continually evolving. I welcome the Home Secretary's approach to strengthening the counter-terrorism capability,

[Stewart Hosie]

while putting in place corresponding parliamentary and other scrutiny as a bulwark against arbitrary misuse of powers. I welcome also his intention to proceed on the basis of consensus, and his statement that in advance of a new Bill there would be a content paper, the sharing of clauses and early engagement with the Select Committee on Home Affairs and the Joint Committee on Human Rights. Will he undertake early communication with the Minister for Justice in Scotland, who I know shares our concerns on these matters? There are some issues in today's statement that we will need to consider more fully, such as the use of DNA, but we welcome things such as post-charge questioning with the correct legal protections. We would welcome the use of intercept evidence, but I understand the Home Secretary's caution and support the Privy Council approach.

Might not pre-charge detention post-28 days still run counter to the right not to undergo arbitrary detention? Is it not still the case that evidence gathered after 28 days may not be admissible in a court of law? If he has not already done so, will the Home Secretary commit to having a legal opinion prepared by the Government's Law Officers and published, so that all of us in the House can see the legal position in respect of post-28 day pre-charge detention?

John Reid: The hon. Gentleman has raised a host of points. It is not normal to publicise the advice of the Law Officers, for obvious reasons, and I will not break that convention. I thank him for the welcome that he gave to various aspects. We look forward to receiving any contributions to the consultation from him and his party. I have no doubt that in the course of that we will be in contact with the Scottish Executive. I have already briefly met the First Minister and congratulated him—at the Scottish cup final, in which we both took an interest. I am sure that we will contact all the devolved institutions—Northern Ireland, Wales and Scotland—on these matters because although the responsibility is at the level of the nation state, at the national level as opposed to nationality, it affects everyone in our community.

Miss Julie Kirkbride (Bromsgrove) (Con): Has the Home Secretary examined the French system of disruptive arrest without charge, and can he tell us whether it is likely to form any part of the proposals to be put before the House in the forthcoming Bill?

John Reid: One of the difficulties of comparing the length of time for which people can be detained without charge is the fact that we all have very different legal systems. The French have an inquisitorial system that allows them to detain for a considerable period—certainly for a lot longer than 28 days, and in some cases for years. It has been suggested to me that we should look further into having an inquisitorial-type system for terrorist suspects. That would be a pretty fundamental thing to do, but we are prepared to look into any suggestions that come forward. At the moment, however, we have no plans to do anything of that nature.

Dr. Evan Harris (Oxford, West and Abingdon) (LD): I welcome in particular the Home Secretary's indication that he wishes the Joint Committee on Human Rights to be actively involved in scrutiny of this matter and I hope that he will accept that knowing the Government's actual position on possible amendment of the European convention on human rights is critical. On two occasions now, the right hon. Gentleman has indicated that, in the absence of the reversal of the Chahal judgment, he believes that there may be a need to amend the European convention, but in giving evidence to our Committee Lord Falconer specifically said the opposite. May I genuinely suggest that the Home Secretary add that to the limited list of matters for internal Government consultation, so that before we consider the draft legislation we can know the Government's backstop position on that very important human rights convention?

John Reid: The Government's position is quite clear. We think that the Chahal judgment is wrong and we are appealing against it. That is our position and if we are not successful in that appeal, we will have to look further into it. It is as simple as that. What I have done today is say that no one in government takes the view that any alternative, however hypothetical, amounts just to abandoning the terms and principles of the European convention on human rights. We all have an obligation to make sure that legal conventions—domestic and international—accord with today's reality. That is what we do in every other walk of life. Taking the view that any particular piece of legal or constitutional apparatus is somehow unchangeable, irrespective of the changes in the world around us, is not a sustainable position.

Mr. Ben Wallace (Lancaster and Wyre) (Con): Some of the technologies that UK counter-terrorist agencies use for intercept and surveillance are so sensitive and advanced that we do not even share them with some of our closest allies. Is the Home Secretary convinced that bringing intercept evidence into court will not undermine the ability of those agencies to carry out their job by giving away some of their methods, therefore putting into doubt our ability to counter future operations?

John Reid: No, I am not convinced that this can be done without the disadvantages outweighing the advantages. I am in the opposite camp, as I am persuaded—certainly at present—that the disadvantages would outweigh the advantages. I agree with the intelligence and security services in that case. However, it is obvious that others, including the hon. Gentleman's own spokesman and party leader, take a different view. We think that the best way to deal with this, at the suggestion of the hon. Gentleman's party leader, is to have some independent assessment based on Privy Council terms. My personal view at the moment is exactly as the hon. Gentleman outlined. We ought to be very careful to ensure that we do not win the minutes in a few of these cases but by following those methods lose the hours in the fight against terrorism.

Patrick Mercer (Newark) (Con): I used powers to stop and question extensively in Northern Ireland in the 1970s, '80s and '90s and as far as I am aware I never once got any useful intelligence from them. I believe that those powers were often misused to harass people

and I know that they alienated parts of the population who were entirely innocent. All in all, in my opinion, they were thoroughly useless and dangerous. May I ask the Home Secretary to look at the lessons of history before going any further with what I consider to be deeply flawed proposals?

John Reid: Yes, indeed, the hon. Gentleman may. In anticipation of his remarks, I have decided to do precisely that.

Orders of the Day

Rating (Empty Properties) Bill

Order for Second Reading read.

1.35 pm

The Financial Secretary to the Treasury (John Healey): I beg to move, That the Bill be now read a Second time.

This is a short, specific Bill, but it contains a reform with important economic, social and environmental merits. The basis for that reform is twofold: competitiveness for UK businesses and the economy and efficiency in our use of land. All right hon. and hon. Members with an interest in the future of the UK economy, the protection of our green spaces or the efficient use of previously developed land to provide for housing needs will want to support this important reform. I hope that there will be all-party support and consensus this afternoon.

I shall deal first with competitiveness. A series of recent reports by firms such as Jones Lang LaSalle, King Sturge and CB Richard Ellis have shown that the cost of property in the UK is high. Perhaps we should expect that to be the case in London, which is now the principal location for the financial services sector not just in Europe but worldwide. More strikingly and perhaps more surprisingly, the price of property—either industrial or for office firms—in cities such as Birmingham, Manchester, Leeds and Bristol is actually more expensive than in locations such as Manhattan, Madrid, Frankfurt and Singapore. Clearly, competitiveness in any modern global economy includes ensuring that incentives are properly aligned to offer good quality property at the right price—to new firms, to growing firms and also to firms that are looking to invest in our country.

Mr. Philip Dunne (Ludlow) (Con): The Minister has just argued that this country is enjoying—if that is the right word—a very high level of rents for office premises. Does he recognise that commercial rents, particularly in the office sector, fluctuate very rapidly, reflecting economic activity, and that it is only relatively recently that the property market has recovered from the significantly lower rents prevailing in the early part of this decade?

John Healey: It is right that supply of property fluctuates as it reflects and responds to demand. That is precisely the efficient operation of the property market that we want. Empty property relief was introduced during the 1980s, when the economic circumstances and therefore the demand for property and the level of economic activity were really very different, so we are returning to the issue again. We judge now to be the right time—in totally different economic circumstances, I am happy to say—to introduce the sort of reforms proposed in the Bill.

Rather than properly aligning or encouraging investment and expansion of new firms, high rents dissuade businesses from starting up, act as a limit on growth and provide a barrier and disincentive to those who might otherwise be looking to invest in the UK

[John Healey]

from overseas. We therefore need our stock of commercial property to be used efficiently, and in doing so we need to increase the supply and reduce costs to businesses. That is precisely the purpose of the Bill.

Robert Neill (Bromley and Chislehurst) (Con): The Financial Secretary talked about the need to invest, which we all understand and appreciate. There is concern, however, among my and many Members constituents who have investments in pension funds—many of which are dependent on their property portfolios—that the proposals might affect the net yield from property. If we also take into account the issues in relation to tax dividend credits and so on, will the proposals be advantageous to such people? What reassurance can the Financial Secretary give that they will not suffer?

John Healey: The properties in any well-managed investment portfolio, whether of a pension fund or other property investor, are generally typified by low vacancy rates. The measures in the Bill create a greater incentive to ensure that vacancy rates are lower rather than higher. Those who fear an impact on their pension fund returns misinterpret the likely impact, and certainly the purpose, of the Bill.

Ann Coffey (Stockport) (Lab): On the issue of higher rents, my constituency has a number of old mills divided into units for small businesses. Those have a high level of vacancies because the upper stories are difficult to let. I have some concern that the Bill might add to the management costs for owners who are not deliberately leaving units vacant. I am also concerned that those costs might be passed on to small businesses in higher rents, which is not to be welcomed. Will my hon. Friend assure me that he will consider the problems of old mills and of letting space in them, which will not be improved by simply penalising owners for vacant units?

John Healey: Our assessment and modelling of the macro-impact of the measure, especially in the context of other reforms that we are putting in place, suggest that rents are likely to come down. If my hon. Friend is not aware of it, she, her local authority and property owners in her constituency might find relevant a consultation launched recently on the future of tax incentives for the development of brownfield land. The closing date for that consultation is 14 June, and if she or her constituents wish to make points in that context, I and my hon. Friend the Minister for Local Government would be pleased to receive them.

Clearly, as I said to the hon. Member for Ludlow (Mr. Dunne), it is high time to consider again the rating of empty property. Since the 1980s, that has been limited to a 50 per cent. rate on empty office and retail space and a complete relief on empty industrial space—reliefs that continue without time limit. That level of rates was set, in the words of the 1983 White Paper on rates, in "a period of recession". That same White Paper clearly argued that the rating of empty property,

"encourages owners to bring empty properties back into full use".

It is right that we consider those reliefs in the current situation, which, after 10 years of strong, steady, stable economic growth, is clearly not comparable to that in the 1980s, which saw such a deep recession and sluggish economic activity. That is not to say that the Government need not support regeneration and support communities in areas where demand for commercial property is lower—that is essential. That is a commitment of the Government, and a personal and political commitment shared by me and my hon. Friend the Minister for Local Government from a constituency perspective. In a moment, I shall refer to several parallel policy measures and reforms that we are putting in place alongside the empty property relief reform in the Bill.

When London is the world's most expensive place to which to locate, and its rents are the highest in the UK, can it be right that we offer a tax relief on empty property in Westminster, for instance, costing the public purse more than £70 million a year, or in the City, costing £60 million a year? Instead, we have fully accepted the arguments made to us by the Federation of Small Businesses in its review of business rates. It said that we should

"remove the tax exemption and relief for empty properties—the tax would be paid by the owners of empty premises and might persuade them to ensure that properties are used and not left empty, often as an eyesore in the community."

Robert Neill: The Financial Secretary makes the point about London, and I do not dispute the basic situation that he sets out. Does he accept, however, that London has two economies? There is the economy of the City, and the west end, with very high rates, but there is also that of the many suburban town centres in London, which is often much more fragile and where vacancies often occur not for any improper reason, but because of the difficulties that landlords sometimes have in attracting new businesses. What assurance can he give us that they will not end up losers?

John Healey: I shall refer in a moment to such circumstances and cite the assessments of one or two significant experts on the likely impact of the reforms.

There are strong competitiveness arguments for the reforms.

Mr. Dunne: If I heard the Financial Secretary correctly, he said that owners would be encouraged to move on their properties more rapidly than they would if they benefited from the relief. That might apply when the owner is a developer of property put up for speculative purposes, which might be the case for much of the central London property to which he has just referred. What analysis has the Treasury done of the proportion of empty space to which the relief applies for occupiers—tenants of buildings—rather than owners? Outside speculative development, it is largely tenants of properties—and their predecessors, which I shall talk about in my speech—who might be unable to continue trading in those properties, who end up paying the bill.

John Healey: The hon. Gentleman makes an important point—there is a distinction. Clearly, the measures in the Bill are designed to reinforce the incentives for owners of property to look to re-let more quickly than they might do otherwise, or to sell on, reuse or develop the properties that they hold. In

relation to tenants of properties that have fallen empty, who are sometimes caught by inflexible and onerous lease terms that prevent them from making judgments in the same way, the hon. Gentleman might want to consider our commitment to consult later this year on reforms to the treatment of tenants who are subject to what might be termed "onerous lease arrangements". He is right to point to the problem, and we need to examine that potential barrier to more efficient use of property.

The second purpose of the Bill is to encourage more efficient use of the property stock already developed in this country. It will be a common observation across the House that land is scarce. In a growing economy, with a growing population and an increasing demand for housing, particularly with the rising number of households, we need to ensure that land is used as fully as possible. That is essential if we are to be competitive and to provide the housing that we need, while protecting our green spaces. The shortage of land is also a key concern for the house building industry, which is why the Home Builders Federation's view is that that supply of land is the major factor that will determine whether the Government are successful in meeting their target of increasing the number of new homes by 200,000 a year by 2016. The same message about the central importance of land supply was conveyed very clearly today by the newly established national planning and housing advice unit. I am pleased to see that the hon. Member for Surrey Heath (Michael Gove) is nodding.

As the Government increase the supply of housing to meet the needs of households across the United Kingdom, a tax relief for properties sitting empty on developed sites makes little sense. It makes little environmental sense, little social sense and little economic sense.

Joan Walley (Stoke-on-Trent, North) (Lab): In the south-east there is a real need for affordable homes, but the position is slightly different in parts of the country that have not benefited from the investment provided for big cities such as Manchester and Birmingham. Those areas contain industrial land that is not let. There is a danger that the letting of such land would become beneficial only if it were used for residential purposes, and there is no point in residential use if there are not the jobs to go with the homes. Economic and social development must go side by side. I am rather anxious about the fact that we do not seem to be viewing the situation holistically, in a joined up way. I hope to say more about that in my speech.

John Healey: As I shall explain more fully later, the Bill is not a policy measure designed to deal with a problem located only in the south-east. What my hon. Friend says is true, but this is a specific Bill with a specific purpose.

I know that my hon. Friend has taken an interest in a much wider review that the Government are conducting on reinforcing the capacity of areas to lead and encourage more redevelopment and regeneration. I welcome the contributions that she has already made from a Stoke-on-Trent perspective, and I look forward to hearing her speech.

Robert Neill: I understand the Financial Secretary's point about the need to make land available when appropriate, but what proportion of vacant buildings, potentially developable sites and brownfield land is being withheld for speculative or other purposes? Have the Government established the extent of the problem with which the Bill would deal?

John Healey: As the hon. Gentleman probably realises, the answer to his question is problematic. We can never be certain about the intent of landowners and their possible reasons for keeping property vacant. What we do know—because they have been published by the Department for Communities and Local Government—are the vacancy rates of properties that are eligible for empty property relief, which show some striking patterns.

In Birmingham, where I do not think anyone would argue that demand for property is particularly low, a fifth of rateable value property is not just empty but the subject of claims for empty property relief. In the City of London, the proportion is 16 per cent. The existence of such oddities in the system underlines the argument for reform and a more sensible and efficient regime. That was certainly Kate Barker's conclusion in her analysis of land use in England. She outlined the beneficial effects of reform of the rating of empty property, stating, for instance:

"development is encouraged on sites which have already been developed, which reduces the need to build on greenfield sites and improves environmental outcomes."

In accepting Kate Barker's recommendation for reform, the Government also asked Sir Michael Lyons to consider the case for change from the point of view of local authorities and local authority financing. The nature of the representations that he received from local authorities across the country, which are aware of the local impact of the current empty property relief regime, was very revealing. A number of authorities expressed the strong opinion that it should be reformed. Hampshire county council, in the constituency of the hon. Member for Fareham (Mr. Hoban), said simply "Yes" to the proposal for reform. It therefore came as no surprise when Sir Michael—agreeing with Kate Barker—concluded:

"Analysis shows that vacant property is found in areas of high demand as well as in areas of low demand and former industrial areas.

Finding ways to raise the opportunity cost of holding unused land and property in areas of high demand at such a time would be desirable. Reforming the empty property relief would help to provide this, and thus assist local authorities in their place-shaping role."

The Chancellor accepted those recommendations in the Budget, and the Bill legislates for the reform.

The Bill, although short, has four principal elements. First, it will increase the empty property rate from 50 per cent. to 100 per cent. of the occupied business rate for all properties. At present empty industrial property is, through regulations, exempted from the 50 per cent. rate. In the light of evidence in Kate Barker's analysis that holding one type of property involves no difference in risk, those regulations will be amended to equalise the tax treatment of all empty property—albeit with six months relief of industrial property rather than the current three months, which

[John Healey]

will remain for empty retail and offices premises. We believe that that will give owners a strong incentive to re-let, redevelop or sell on empty non-domestic buildings, thus reducing the need for new development on greenfield sites and increasing access to existing premises for businesses, which will help to reduce rents overall.

Secondly, the Bill provides for a zero rate on empty properties owned by charities—as announced by the Chancellor—and those owned by community amateur sports clubs. Many such bodies play an important role in regeneration and heritage projects in all our constituencies, and the Bill will give a significant boost to the Government's support for the activities and commitments of the third sector and community sports clubs. Thirdly, the Bill provides a power to return the empty property rate from the new level of 100 per cent. of the basic occupied rate to a minimum of 50 per cent. of that rate. It is a reserve power, which will ensure that in future any Government will have flexibility to respond to changing or prevailing conditions in the property market. Fourthly, the Bill provides a power to tackle rate avoidance tactics by disregarding changes to the state of property in circumstances to be defined in regulations. For example, if an owner removed the roof of a property for rating purposes, it could be valued as though the roof had not been removed.

Property development and investment are key parts of the United Kingdom's economy and the Government are well aware of the role that they play in its present and future success. I therefore want to ensure that we respond to the main issues raised by industry bodies. Since the Budget, we have had received useful representations from professional bodies. In general, they have welcomed the Bill's intention, and although they have raised concerns about its likely effects I am confident that we can deal with them.

Mr. Andrew Love (Edmonton) (Lab/Co-op): I apologise to my hon. Friend for my absence at the beginning of his speech, and commend him on the authoritative way in which he is presenting a Bill that I hope and believe Members on both sides of the House will approve. However, concern has been expressed to me about property regeneration schemes, many of which are only just commercially viable or will not be so for some years. It has been suggested that the change in the system may well affect their viability. Has the Minister considered that, and is it a concern that has been expressed to him?

John Healey: That is indeed something we have looked at—it was a concern that was expressed to me and on which we have already begun to act. From April this year—we are not waiting for the Bill's reforms to come in next year—we introduced a business premises renovation allowance, which may be of interest to my hon. Friend. He may have missed my saying earlier that we are consulting on future tax incentives that can help the redevelopment of brownfield land.

May I correct one common concern, namely, that the Bill has something to do with the business rate as a tax? Empty property in the UK has been rated in the UK for tax for well over 40 years. As Michael Lyons made clear, business rates are a tax on property capable of occupation. The Government are not intending to bring new property into the rating system; rather, we are looking at the level and duration of the reliefs that are offered to property when it becomes empty.

In the past, a minority of firms decided that deliberate dereliction was preferable to paying empty property rates. The Secretary of State for Communities and Local Government will be publishing next month a consultation on the secondary legislative provisions in this Bill, in which the Government will ask for industry's comments and those of wider groups on a package of potential anti-avoidance measures to deal with such risks. However, I want to be clear that it is not the Government's intention to penalise legitimate development activities that lead to properties being removed from the rating list. On regeneration, it is true—as my hon. Friend the Member for Edmonton (Mr. Love) said—that the Bill has been criticised as a barrier to regeneration and redevelopment. The principal flaw with this argument is that those who make it have looked at the Bill, but not beyond it to the parallel reforms to the system.

A list was published by the DCLG of the top 10 local authorities where property is sitting empty. With the exception of three—Hyndburn, Sandwell and Wolverhampton—the other seven with the highest level of vacancy rates claiming empty property relief are in London, the Thames Valley and the city centres of Manchester and Birmingham. Those are not areas where the demand for land is weak or where there is an excess or supply. All, of course, are areas with high property values, hence the £60 million of empty property relief costs to property in the City.

For areas where demand is low—for example, wards across Hyndburn, Sandwell and Wolverhampton, as well as for wards across all of the assisted areas in the country—we have introduced a new 100 per cent. capital allowance for the renovation of empty commercial property from April this year. The business premises renovation allowance is available now, a year in advance of the reforms proposed by the Bill.

We are ready to go further. I have mentioned the consultation on the future of tax incentives for the redevelopment of brownfield land, which proposes an extension of the 150 per cent. allowance provided for the remediation of contaminated sites to cover long-term derelict land and property, as well as biological problems such as Japanese Knotweed.

Mr. Mark Hoban (Fareham) (Con) *indicated assent.*

John Healey: The hon. Gentleman nods his head sagely; perhaps he has constituency experience of Japanese knotweed.

A further issue on which we shall consult—the hon. Member for Ludlow mentioned this—is the treatment of leaseholders who have surplus property but are unable to reduce their liability because, essentially, they are bound into what could be termed onerous agreements that do not allow for flexible sub-letting or for assignment of those leases. Our commitment to consult on that has been widely welcomed and many are looking forward to the consultation later in the year.

Let me sum up by quoting two sources of expertise. The first is a firm that attempts to place small firms into available commercial property. The firm has commented that the

"proposed reform will create new opportunities for smaller companies and for more innovation and flexibility on the part of landlords."

The firm's professional opinion is exactly what the Federation of Small Businesses was hoping for and what the Government intend as a result of this Bill.

The second quote comes from Sir Peter Hall in *Regeneration & Renewal* last month. He believes that the Bill will provide

"the incentive necessary to reduce rents on the high street and in shopping centres, providing the opportunity for new entrants to the market place."

In doing so, he echoes exactly the Chancellor's analysis that this measure is about competition and access. Sir Peter also points to the benefits for redevelopment and land supply and in particular for new housing starts. He concludes his article:

"It looks as if Brown is answering the call for a big increase in housing starts - on brownfield urban sites too."

Indeed we are, and I hope that the Bill will command all-party support for its Second Reading today.

2.7 pm

Michael Gove (Surrey Heath) (Con): It is always a pleasure to speak in a debate opened by the Financial Secretary to the Treasury. He makes his case with fluency and care and today he has once again underlined his reputation as an asset to the Treasury. It needs every asset it can get. His presence here underlines another fact; the Bill is a straightforward exercise in raising revenue. Despite all the claims made for the Bill as a supply-side reform of the property market, it is nothing of the kind. Despite the eloquence of the Financial Secretary and, indeed, the presence of the Minister for Local Government, we know what this Bill constitutes; it is a straightforward tax demand.

If we look at the Bill as an application to reform the way in which we use land, it simply does not convince. Planning applications need to pass certain robust tests and this Bill fails the tests that any application to change the use of land would have to pass. The measure has been flimsily constructed, buckles under pressure and will not enhance the built environment.

Let us examine how flimsily constructed it is. The basic premise of the Bill is that owners are deliberately keeping property empty and need to be taxed into putting it to good use. When we first debated the issue, I asked what justification there was for the idea that individuals were deliberately forgoing the chance to maximise their income and the return on the capital they had invested. Who were these remarkable individuals or odd companies who wanted to earn less than they could every year? What evidence was there for widespread economic masochism on the part of the commercial property sector? Despite the best efforts of the Minister for Local Government, no evidence was produced at the time. Despite the best efforts of the Financial Secretary, no evidence has been produced of the wilful keeping empty of property that could otherwise be filled.

The Minister could not offer us any evidence because there is no robust evidence that landlords are wilfully depressing their balance sheets and turning away eager tenants simply out of perversity or idleness. If the Minister had taken the time to read *Property Week* at any point over the last two weeks, he would have seen how that magazine's readers have been up in arms at this proposal. They have underlined how unjustified the assumptions behind the legislation are. As one correspondent said:

"Would Phil Woolas buy a car for £50,000 or £100,000 and never use it, leaving it in the garage? Why do people invest in property; to board it up and leave it empty? No—to obtain a return on their investment."

Let me make it instantly clear that we know that the Minister for Local Government is a frugal guy and that he would never spend anything like that amount of money on a flash motor. *[Interruption.]* He would if he could, but he will have to wait until he is Deputy Prime Minister before he can spend those sorts of sums on cars. The reason why he would not leave that car rusting in his garage is the same reason why individuals who happen to be property owners want to find tenants. They want to get their capital working for them. It is to misunderstand the commercial property market completely to believe that some individuals who would otherwise fill their property with tenants are sitting back and drawing this relief rather than getting their capital to work for them.

In considering the tax justifications for the measure, it is also important to appreciate that it changes how business rates are levied. The Financial Secretary dealt with that to an extent, but it is important that we return to the core principles of taxation. We discussed them during the first debate on this measure—that on the Ways and Means resolution. Business rates are, like all business taxation, understood by business to be a levy on commercial activity. Unless there is activity, it is hard to justify a charge on the balance sheet. How can we tax no commercial activity?

We also need to understand that rates are a charge on the occupants of a building for the use of local services. The principle behind both domestic rates—the council tax—and business rates is that the occupants of a building are asked to pay for the services that they use. However, that principle is upended in this proposed legislation. There will be buildings that are unoccupied so there is no occupant to tax, and, because they are empty, they will not require the same level of local services as they would if they were fully operational and occupied, and yet their owners will be asked to pay for services that they do not use. That is an unfair and unjustified additional levy on business, and it upsets the delicate principle on which business rate taxation has rested.

Another basic principle is threatened by this proposed legislation: the principle of the retail prices index cap on the business rate. We also discussed that when we debated the Ways and Means resolution; however, although the Minister made his best attempt to address the matter, I felt that it was unsatisfactory. Sir Michael Lyons has been prayed in aid as the godfather of this measure, but in terms of the reform

[Michael Gove]

of business rates he was very clear that any change to the relief that people enjoyed on empty properties should be granted only after extensive consultation and as part of a broad rebalancing of the business rate system. He did not argue for the introduction of this change in isolation, which is what the proposed legislation will do. Sir Michael explicitly said that any change should occur in 2010 after extensive consultation. It will not have escaped the House's attention that this legislation is being introduced three years earlier and after merely weeks of consultation. This is not considered legislation intended to rebalance business rates; it is a rush to plunder.

On the RPI cap, the principle that businesses understand in terms of the business rate is that there will be revaluations from time to time and when that happens the rateable value of some properties—such as those that have been suitably enhanced or those in areas of high demand where property values have increased—will increase. However, they also appreciate that if that happens, the multiplier—the amount they will have to pay in consequence to keep their business rate at an appropriate level—will increase only in line with inflation in the rest of the economy. The principle behind that is that business should not be used as a milch cow to subsidise other parts of the local government taxation system or of the taxation system in general. Instead, it should pay its way in accordance with inflation.

This taxation change will lead to business paying an extra £1 billion a year direct to the Exchequer through the business rate system. The basic principle behind the RPI cap will be busted. Business will be paying more than any increase in inflation would merit. The RPI cap can be maintained only if somewhere else there is a compensatory relief or reduction in the amount that businesses pay in the rating system. I would be interested to hear the Minister's explanation of how we can possibly raise an extra £1 billion from business through the rating system and also maintain the RPI cap; if he can square that circle, I will be fascinated to learn how.

Mr. Dunne: My hon. Friend has elucidated one of the fundamental flaws in the Bill. Would he care to speculate on why the Chancellor has chosen to attack business in this way for such a significant revenue-raising element of his Budget? Might that be because business is disfranchised and has no vote?

Michael Gove: My hon. Friend makes a telling and fascinating point. We must speculate about why business has been targeted. Elizabeth I once argued when talking of this House that we cannot make windows of men's souls, and I cannot make a window of the Chancellor's soul; I do not know why he has chosen to target business, and in particular small business, in this way. All I do know from having looked at the Red Book is that in order to make sure that his accounts balance, he has had to mount a smash and grab raid on the business sector, which is what this measure is. Unfortunately, this tax change is built on flimsy foundations and will lead to unfortunate consequences.

Robert Neill: Is not the concern felt by many in the commercial sector, particularly those involved in small businesses, reinforced by the remarkable fact that this is the only element of the Lyons review that the Government have made great haste to introduce into legislation? Every other matter is kicked back so that there is more consultation, but the one element from Lyons that is immediately seized upon is the element that happens potentially to increase the burden on business. That gives us concerns about the Government's motivation.

Michael Gove: My hon. Friend makes a characteristically acute point. The Chancellor plucked the plumpest cherry that he could from the Lyons review: £1 billion of additional tax revenue.

The Minister for Local Government (Mr. Phil Woolas) *rose—*

Michael Gove: Michael Lyons argued that what is required is a balanced change to how the business rate operated. The removal of this relief was justifiable in the context of a balanced package of reforms. Instead of introducing such a balanced package, the Chancellor has chosen the quickest, dirtiest and most effective way of raising £1 billion. Talking of quick, dirty and effective, I am happy to give way to the Minister.

Mr. Woolas: I cannot resist intervening on the accusation that the Chancellor has plucked the plumpest, ripest cherry. The hon. Gentleman ascribes a motive to the Chancellor that he clearly understands, but which we do not recognise. I assure the hon. Gentleman that that was not the plumpest and ripest cherry that Sir Michael Lyons tempted us with. As my hon. Friend the Financial Secretary has said, the Federation of Small Businesses supports this measure, even though the hon. Gentleman and the hon. Member for Bromley and Chislehurst (Robert Neill) have said that small businesses do not welcome it.

Michael Gove: I am grateful to the Minister for telling us about the FSB. I will not at present go into the details of the case made by its head of parliamentary affairs, Mr. Stephen Alambritis. However, I will move on to the broader impact that the measure will have on businesses large and small across the country. One lobby group led by one individual has made the case in favour of the Government's measure, but many other groups, which cover not only the commercial property sector but also the important areas of regeneration and retail are deeply upset about what is happening. They include the British Property Federation, the British Retail Consortium and the Royal Charter—I mean the Royal Institution of Chartered Surveyors. How on earth I forgot the name of that body when it has been so helpful to me in the past I will never understand—it is a fantastic body. The point stands: we can trade trade bodies at the Dispatch Box for some time, but the balance rests with the Opposition and those who are concerned about the measure. If we are simply going to weigh the number of representations that have been made, the measure will fall, as the total representations critical of the measure far exceed the total representations from the commercial sector that support it.

Mr. Woolas: I take it that the hon. Gentleman will give the House an undertaking never to pray in aid the views of the Federation of Small Businesses, given that he discounted it on this occasion. Did he read last night's editorial in London's *Evening Standard*—a paper not known on the whole for supporting my party—that praised the measure for supporting small shops?

Michael Gove: I read the shameful piece of spin for which the Minister was responsible when he managed to get his particular gloss or varnish on the legislation into the *Evening Standard*, whose normally Olympian standards of objectivity buckled on that occasion. That is a tribute to the Minister's guile rather than to the quality of the measure. One of the Government's principal justifications for the measure is that it will encourage the more efficient use of land and promote the regeneration of run-down areas.

Mr. Dunne: I am grateful to my hon. Friend for allowing me to pick up the allegation by the Minister that the Federation of Small Businesses is uniquely in favour of the measure. If the Minister took the trouble to read the federation's remarks in full, he would see that it is in favour of the way in which the measure attacks large business. When it comes to the small businesses that it represents, it says:

"However, the FSB is keen to ensure that small businesses who are unable to use or sell empty property for legitimate commercial reasons are not punished by the new rules. There should be exemptions in such cases."

In other words, it thinks that the measure should apply to everyone other than its members.

Michael Gove: I am grateful to my hon. Friend for pointing out the true way in which we should look at the FSB's case, and the fact that it is capable of more than one interpretation. The devil can quote scripture for his own purposes, and Labour Ministers can always pray in aid submissions from small business organisations at any time they choose. The truth is that the measure will not encourage the more efficient use of land, and it will not promote regeneration: it will actively work against both.

If we look at regeneration projects overall that benefit businesses large and small, as well as the residents of areas that are run down and require investment, we can see that when people attempt to put such a project together, it is sometimes difficult to get all the parcels of land in one place before they can press the button, get the green light and go ahead with a significant regeneration project in, for example, Stoke-on-Trent. It is sometimes difficult to align all the investors that one needs for a project until different parcels of land have been brought together and investors are satisfied. By their very nature, such projects operate on the margins of viability and profitability for some investors—they are high-risk options. For many investors considering whether to press ahead with regeneration schemes, the existence of the relief is vital in making viable schemes that would not otherwise be so. The removal of the relief will imperil future regeneration projects, and a number of regeneration practitioners, developers and others have made crystal clear in the pages of *Property Weekly*, the *Estates Gazette* and other publications the direct threat to future regeneration, particularly in the most vulnerable areas of the country, posed by the measure. I should therefore like to ask the Minister, when we reconsider the measure in due course, whether he would contemplate amending it to ensure that the areas of greatest vulnerability or areas where regeneration is most needed can enjoy a measure of relief that is not extended to other areas. Is there any opportunity to achieve cross-party consensus to ensure that regeneration in vulnerable areas is not affected by the measure?

Another of the Government's justifications for the measure is that it will help the small businesses to which the Minister referred by compelling property owners to let properties that they are perversely keeping empty. The belief is that because property owners will lose the relief, they will be compelled to lower rents to fill their properties: that is the case that the Minister has made for the measure. The truth, however, is that smaller businesses will find that owners have to take steps to safeguard their properties against the risk of companies that take leases failing, and those properties being left empty. Those businesses will therefore be liable for additional rates without commercial activity taking place on those premises. A case that has been put to me and, I am sure, to Ministers by people with a direct interest in the commercial sector is that the system of leasing commercial property will become more rigid and onerous for smaller companies. Landowners who are concerned about the additional risk of sites falling empty, will frame their leases in such a way as to make them significantly more rigid and more difficult for smaller companies to accede to. I accept that the Minister said that the Government have consulted and want to make life easier for people who want to take on commercial leases. All that good work, however, could be undermined by large property companies wishing to insulate themselves from risk and framing leases that work against flexibility and act as a barrier to entry for precisely the small shops that, I suspect, both of us want to occupy a healthy high street.

Another justification for the measure concerns the overall economic benefit that it is supposed to bring by encouraging the more efficient use of resources and increasing the amount of commercial property and commercial activity. However, as was pointed out by my hon. Friend the Member for Bromley and Chislehurst (Robert Neill), the measure has another economic effect that could be profoundly deleterious, as it impacts on pension funds. Pension funds, as we all know, hold significant property assets—a point acknowledged by the Financial Secretary. If he is right, and the measure leads to the lowering of rents, that will mean that the capital value of those property assets will decline and the yields from those properties will decline. That means—*[Interruption.]* It is the Financial Secretary's argument, and I am merely pointing out that if it is correct, it will have an unfortunate effect on pension funds. The Government made a tax change before when they were in a hurry to get revenue for a pet project. They were warned by pension funds and investors in those funds that the tax change would have a deleterious effect. They pressed ahead regardless, and the effect on pension funds was significantly greater than even the most profound pessimists had imagined. There is therefore a serious risk that the value of pension fund assets will be adversely affected by the changes. It is clear that those involved in the commercial property sector fear that as a result of

[Michael Gove]

future projects becoming unviable, of costs increasing and of the greater rigidity of leases, the value of their assets will be lowered. That will have a direct effect on every saver in this country.

Mr. Woolas: I congratulate the hon. Gentleman on the ingenuity of his arguments. He is now telling us that pension funds will be affected because rents will go down. Five minutes ago, he was telling us that the retail prices index cap would be busted because of the opposite effect. Which is it?

Michael Gove: The hon. Gentleman uses two completely separate parts of the argument; however, both emphasise the point that this provision is a tax increase. I should be interested to hear in the Minister's summing up examples of tax increases that are good for business. This tax increase will be an additional hit on business and busts the RPI rule, and it will also have an effect on the commercial property sector. Those who hold shares in commercial property will, like our pension funds, suffer. As I said, I should be interested to hear of any example that the Minister can give of tax increases that work in the interests of beneficial commercial activity, because they very rarely do so. As we explained earlier, the principal justification for this measure is simply the raising of £1 billion.

There are a number of different ways in which this measure will make life more difficult for businesses. We have outlined how it will make life more difficult regarding leases and the adverse effect on pension funds, but the manner of this change's introduction could also lead to an increase in the number of companies contesting valuations, more tribunals, more bureaucracy and additional cost. So as we can see, the original foundations of the Government's case are flimsy. The basis on which they are introducing this measure does not stand up. The costs for business are clear. Crucially, this change will also work against the improvement of the built environment.

The Government now explicitly acknowledge in the Bill that there is a real risk that some people will vandalise their own property in order to escape liability for tax. During the paving debate on the Ways and Means motion, the Minister for Local Government said that it was debatable whether people would rip roofs off buildings and strip out floors in order to evade tax. However, what was debatable then has become a real danger that the Government now feel that they need to legislate to prevent. Indeed, schedule 1(4) is specifically intended to deal with that risk. That legislative change acknowledges the force of our argument that this legislation could lead to all sorts of perverse incentives and temptations in the operation of the commercial property market.

More than that, the measure itself raises all sorts of questions. How will intent be proved? What exceptions will arise? We will have to wait for the answers until secondary legislation is introduced, but the Minister risks putting himself in the position of having to judge the intention of an individual when they change the use of their property, and all because of the creation of a perverse incentive.

The truth, which the Minister has failed to acknowledge, is that the real reason why properties lie vacant for longer than they need to is not the existence of this rate relief but our dysfunctional planning system. The operation of the use class system and the making of a change of use so difficult prevent the property market from responding as rationally as it should to demand. In the previous debate to which I referred, several of my hon. Friends—my hon. Friends the Members for Salisbury (Robert Key) and for St. Albans (Anne Main) chief among them—pointed that out eloquently. The planning rules needed to be changed, so that the use of certain properties in their constituencies could be changed and they could move from a function that was no longer required to a new one that was very much wanted. However, because of obstacles and delays in the planning system, those properties were compelled to lie empty for too long.

Under this measure, individuals who are desperate to see an active and effective new commercial use for their property will pay additional taxation even as they strive to do the right thing commercially, but are prevented from doing so by the planning system. Our built environment thus suffers, because buildings are not used as they should be. They are not used as effectively and efficiently as they should be to satisfy local demand, to meet local market needs and to ensure a proper return on the investments made.

Mr. Richard Bacon (South Norfolk) (Con): My hon. Friend reminds me of an occasion when a pig farmer constituent of mine came to see me. He wanted to use his pig sheds for other purposes because, unfortunately, the demand for pigs was not as great as he had hoped. He wanted to turn the sheds over to light office use, and he has been fighting the planning system for several years. The buildings are still lying empty; I drive past them regularly. How much more difficult will the situation be when he has to pay a tax on top?

Michael Gove: My hon. Friend crystallises the point that was made equally eloquently in the debate of just a few weeks ago by my hon. Friends the Members for St. Albans and for Salisbury. The way in which the use class system currently operates prevents properties from being deployed in the most efficient way. The problem is not just the use class system, however; other aspects of the planning system's operation prevent properties currently lying empty, because their old use is no longer appropriate, from being redeployed for a more appropriate commercial or other use.

When the real answer to a problem is deregulation, it is typical of this Government to propose a tax increase. It is a particular pity that the eloquence and intelligence of these two Ministers has been deployed in the service of making life more difficult for businesses, when their hearts surely cannot be in this measure. It is genuinely sad for us to have to contemplate these two Ministers bringing forward a measure that will mean that, once again, the wealth creators, the enterprising and the bringers of opportunity are forced to pay for the Chancellor's inability to balance the books, but there we have it.

2.35 pm

Joan Walley (Stoke-on-Trent, North) (Lab): I do not wish to let the opportunity pass of having a Treasury Minister and a Local Government Minister side by side on the Front Bench without flagging up some issues of

regeneration. This is a short Bill, but it connects with many other areas of Government policy, including planning—as we heard from the hon. Member for Surrey Heath (Michael Gove)—and many other initiatives. It is important to put on the record some of the issues that I wish to be considered in some detail in the reviews that will flow from this Bill and the proposals in the 2007 Budget, and in respect of the joined-up Government agenda on the changes in how No. 10 and No. 11 will operate. It is critical that we consider regeneration and how this Bill will help that.

In general, I welcome the Bill, especially the provisions on unoccupied properties owned by charities and community amateur sports groups. They will make a real difference and will be welcomed.

The origins of the Bill lie in the Barker report on housing and land use planning, and in Sir Michael Lyons's review of local government. I have grave reservations about the implications of the Bill for areas of hard-to-let properties, such as those in Stoke-on-Trent. It is a good thing that we are encouraging developers not to let buildings stay idle. Developers can stand by waiting for the right time for speculative developments and that is all well and good in the south-east. When Kate Barker came before the Environmental Audit Committee, much of the thrust of her recommendations related to the particular problems of lack of affordable property and the overheating of the economy in the south-east. In the Committee's report on that inquiry, we considered the Egan report on the predict-and-provide approach in the south-east. The Minister mentioned the Lyons report, and Michael Lyons has confirmed that it was about hard-to-let areas and the rest of the country. He also said:

"Finding ways to raise the opportunity cost of holding unused land and property in areas of high demand would be desirable."

The Bill is about areas of high demand, and the danger is that we end up with a one-size-fits-all approach that will not have the same relevance for places such as Stoke-on-Trent. I do not want a Bill on empty properties that has no relevance to my constituency. We already have a fragile economy in the area, but we also have strong regeneration strategies in place. They should not be weakened by a blanket proposal to end all relief on empty commercial properties.

The hon. Member for Surrey Heath mentioned further reviews and flexibilities. I hope that Ministers will look at how areas of low demand that need regeneration can benefit from the regulations and statutory instruments that will be introduced as a result of the Bill. That secondary legislation should be used to increase the flexibility in areas such as Stoke-on-Trent.

The Government are concerned about the economic performance of areas such as mine, and I hope that Stoke-on-Trent's record in that respect will be included in the terms of reference for the commission that my hon. Friend the Minister for Local Government is about to set up. We urgently need a joined-up approach to regeneration.

Earlier, my hon. Friend the Financial Secretary mentioned the private discussions that we have had on this matter. I hope that the forthcoming comprehensive spending review will be used to continue the £1.5 billion already available through the neighbourhood renewal fund—

Mr. Woolas: More than that.

Joan Walley: I am very pleased to hear my hon. Friend the Minister for Local Government say that there will be more than that. I hope that he is right—

Mr. Woolas: I did not say that!

Joan Walley: I know that my hon. Friend the Minister said that there would be more money only from a sedentary position and not formally through you, Mr. Deputy Speaker, but the neighbourhood renewal fund is used for areas with the greatest deprivation and it is part and parcel of the economic regeneration needed there. The Bill will have implications for those areas, and that is why I hope that Ministers will ensure that the matter is followed through in the context of the CSR. Other local authorities in the SIGOMA organisation take the same view.

There are between 1,500 and 1,600 empty properties in Stoke-on-Trent. It is estimated that the Treasury has lost just under £7 million from loss of rates, and it is clear that it is in all our interests to get those buildings back into use and re-let. That can only happen if a joined-up economic regeneration strategy is linked to the local authority agenda. For that, the money from the CSR must be used in conjunction with the further consultation process already under way as a result of the 2007 Budget, but we must make sure that Department of Trade and Industry policies such as that embodied by Advantage West Midlands contribute to the regeneration that we need.

The Bill must be set in that wider framework. Unless there is a mechanism to ensure that joined-up operations in areas such as Stoke-on-Trent are followed through in the strategies adopted by the Treasury, the DTI and the Department for Communities and Local Government, we will end up with a Bill that benefits the south-east and areas of high demand but does very little for areas of low demand.

Finally, I hope that my hon. Friend the Minister for Local Government, when he replies to the debate, will say something about the talks that he is having with English Heritage, as the flexibilities that have been mentioned will have great significance for listed buildings. Such buildings are often empty for all sorts of very good reasons, and they can need a great deal of help.

I look forward to the response that my hon. Friend the Minister for Local Government will make to the debate.

2.44 pm

Danny Alexander (Inverness, Nairn, Badenoch and Strathspey) (LD): It is a great pleasure to follow the hon. Member for Stoke-on-Trent, North (Joan Walley). I am not on my usual territory with this debate, but at least the Financial Secretary is a familiar sparring partner.

[Danny Alexander]

I listened with great interest to the hon. Member for Surrey Heath (Michael Gove), who spoke with his customary eloquence.

The Bill raises some important issues, which the Financial Secretary, who is no longer in his place, set out carefully in the initial presentation. The hon. Member for Surrey Heath talked about the need for cross-party consensus, and there might at least be some small consensus in that none of us wants to see large numbers of empty properties. They cause problems for development, can blight the landscape and for a whole range of reasons are a bad thing. No doubt we will hear more about small shops and town centres from the Minister for Local Government—he referred to them briefly during an intervention—when he replies to the debate than we heard from the Financial Secretary.

As a member of the all-party parliamentary group on small shops, I certainly share the many concerns about the fate of small shops, whether in towns, villages or even cities, such as Inverness, which I represent. Over recent years Inverness has seen a decline in the number of small shops and a gradual replacement of some previously existing retail premises in the older part of town perhaps with charity shops. They tend for a number of reasons, perhaps including the rating environment, to be the sort of tenants to whom landlords find it easier to let. To share those concerns does not necessarily mean to share the Minister's view that the Bill provides the right way forward to address the problems.

I have a number of concerns and questions to raise, which I should like the Minister to answer. I am concerned about the process that the Government have gone through to reach the Bill. I am concerned about the genuine purpose of the measure and, most important about its impact. In opening the Financial Secretary presented a macroeconomic argument for the Bill, but it is in its microeconomic impact at local level that it will be judged. In that I share some of the concerns of the hon. Member for Stoke-on-Trent, North (Joan Walley) about the variability of the Bill's impact across the UK. Those serious worries are genuinely held in areas in need of regeneration.

As a Member representing a Scottish constituency, I should point out that the Bill applies to England and Wales only. On one level, therefore, perhaps I should welcome it on the basis that it might promote more property development in Scotland, but I will not go down that route because these are serious matters that will affect the whole country one way or another, including Scotland.

My biggest concern with the process has to do with the lack of consultation. The hon. Member for Bromley and Chislehurst (Robert Neill) pointed out that this was one of the few items from the Lyons report that had been implemented with alacrity. In his opening remarks the Financial Secretary listed a whole range of consultations that were either going on or about to start. We appear to have consultations galore, except on this proposal. While this measure was proposed in one part of the Lyons review, paragraph 8.6 stated:

> "The Government should conduct a review of exemptions and reliefs to consider the scope for removing inappropriate subsidies and distortions".

That is clearly a recommendation for a review, a discussion and consultation to seek evidence from the wide range of parties who have a strong interest in the matter. The Financial Secretary referred to a blizzard of reviews. Perhaps the Minister will confirm whether that specific recommendation of the Lyons review has been taken up.

As other speakers have said—I do not wish to trade bodies with other hon. Members—there has been a lot of feedback and many different responses, which I am sure all hon. Members taking part in the debate have received. A range of contrary views has been expressed. We have heard about consultations on rate relief for brownfield developments. We have heard about consultation that is shortly to take place on the position of leaseholders—a matter to which I am sure other contributors to the debate will return. We have also heard about proposals for 100 per cent. relief for regeneration in assisted areas. That rather invites the question why, if we are having consultations on all those matters, the Government are rushing ahead with the Bill.

We were previously treated to an exhibition of joined-up government. I am afraid that one element of that "joined-upness" has left the Chamber now. If the Government seek to have a joined-up, coherent approach to reform of the business rating system, why rush ahead with this one element when all the other elements are being consulted on? It suggests that the motivation behind the Bill is perhaps not as straightforward as the Minister would have us believe.

The Government are trying to persuade the House to support the measure on the basis that they are thinking about all these other nice things. They hint that, when those consultations are completed, countervailing measures that will modify the impact of the Bill in areas such as Stoke-on-Trent will be introduced and we will see then an overall balanced package, which is not before us today. I am not sure that many outside the House will want to accept those assurances. They would like to see the whole package—the results of the consultation and the countervailing measures as well as the measure contained in the Bill—before deciding whether it is worth accepting. To do otherwise might be considered to be accepting a pig in a poke.

Anne Main (St. Albans): Does the hon. Gentleman share my concern that there might be a perverse consequence? Smaller businesses will be disproportionately affected, given that they cannot afford to pay extra taxes or rents, whereas larger businesses can afford to play a waiting game? Tesco in my constituency can afford to buy up smaller businesses and keep them waiting while it gets a land bank together. A smaller business would be forced to do something somewhat more quickly, with this extra burden.

Danny Alexander: The hon. Lady makes a serious point. In other circumstances, I have expressed a great deal of concern about the land-banking practices of supermarkets. They acquire property and do not use it until such time as they are ready, perhaps to keep competitors out of the market. The Minister might say that the Bill represents a tax on such land banks, but if

land bankers can afford to pay that tax easily, it is of no real concern to them. It may be of benefit to the Exchequer, but it is not of benefit to the local economy, which is the argument that the Minister seeks to advance in favour of the legislation. I do not see it necessarily in that way.

What is the true purpose of the Bill? Is it, as the hon. Member for Surrey Heath suggested, simply a revenue-raising measure dressed up as a measure designed to promote regeneration? If it was a measure designed to promote regeneration, I would have hoped that we would see the Government bring forward a revenue-neutral set of proposals that took more money from empty properties—there is no doubt in my mind that the system for taxation of empty property is in some need of reform; the question is whether this is the right reform—and used it for the regeneration of local economies in the manner suggested by the hon. Member for Stoke-on-Trent, North (Joan Walley) in the form of other reliefs. However, as the explanatory notes make clear, the Government expect net additional revenue to the Exchequer of £950 million in the first year and £900 million in the second year and, presumably, further net revenue thereafter.

Mr. Woolas: Has the hon. Gentleman considered why it has been calculated that revenue would actually go down? Does not that reflect the fact that rateable values in the non-domestic rating system are based on rental values, not capital values? If the policy is successful, as we expect it to be, there will be a decrease in net revenue to the Exchequer.

Danny Alexander: I understand the Government's argument that the Bill would lead to lower rents over time and to empty properties being filled more quickly, and thus more revenue from those occupied properties.

As I was saying, the Liberal Democrat approach to environmental taxation is to propose additional taxes for environmental pollution and to return that money in a way that encourages good behaviour. However, the Bill would act as a stick from the Government—because they want to discourage bad behaviour—with no carrot to encourage good behaviour. Without hearing more about which other business and property taxes the Government propose to reduce by using the £1 billion that will be raised by the Bill, it is hard to avoid the conclusion that it is intended as a revenue-raising measure rather than to promote regeneration.

Ministers have made the point that the Bill is a way of trying to change behaviour, which can of course be an important part of the tax system, as it is in the environmental sphere, for example. Has the Minister considered the representations made by the Local Government Association? Indeed, he may want to pray the LGA in aid, because its briefing notes that it supports the Bill. However, it states:

> "It is crucial...that the additional revenue raised is reinvested in the local economy. HM Treasury estimates that £950 million...will be raised...and councils are best placed to decide how and where the additional money can be spent to best effect locally".

The policy of the LGA is that if money is to be raised it should be used to good effect; otherwise the measure is simply a way of clawing back more money from businesses.

Mr. Woolas: The LGA makes the important point that it wants the extra revenues raised to go back to local government, but can the hon. Gentleman clarify whether he means that the money should go back to the local area where the business rate is raised or should it be distributed across the country? If the former, which is his party's policy, it would make better-off areas with empty property much richer.

Danny Alexander: I am grateful to the Minister for that intervention. I am trying to make a more general point: there should be some degree of balance in the proposals so that the measure is revenue-neutral rather than a means for Ministers to take an extra £1 billion a year from the business community.

The impact of the measure is the most important aspect of the debate. It was rightly asked—not least in the context of Stoke-on-Trent—whether the Bill would really promote regeneration. The hon. Member for Stoke-on-Trent, North characterised it as a one-size-fits-all measure that might not be appropriate to parts of the country that are most in need of regeneration.

There are arguments about empty property relief, especially in relation to pension funds and other property owners. As my noble Friend Lord Oakeshott pointed out in another place, for offices and retail premises full relief would apply only for three months. However, even the most assiduous landlord working as hard as possible would usually take longer than three months to let their premises. When the Minister for Local Government responds, perhaps he could say where that three-month time period came from. I hope that it will not be disputed that even the most responsible property owner could take more than three months to re-let their property. If the Minister has not considered that matter, perhaps he could reflect on it and table amendments at a future stage. It would not seem right if even landlords who sought to re-let their properly as quickly as possible were caught with an additional tax burden. If the previous tenant in a shopping centre went bust, it might take some weeks to recover the property, because of the legal process that have to be gone through. In that case, three months would be far too short. It might be six months or longer before even the most assiduous landlord was able to make sure that their property was re-let.

Anne Main: Has the hon. Gentleman noticed the discrepancy between the Bill and empty dwelling management orders, which are usually sought after six months? That is considered a reasonable period of time when letting an individual property, but when it comes to letting a complex commercial property, which can often take far longer, half that time is given.

Mr. Woolas: Well spotted.

Danny Alexander: I am grateful for that intervention—and, as the Minister said, well spotted. That is a good point. It suggests that six months is a minimum reasonable period in any such situation. It seems odd to have a period of three months. The Financial Secretary did not offer a justification for that when opening the debate; perhaps the Minister for Local Government will do so in his response. I hope that the other speeches are long enough to ensure that he has time to receive the information that he needs.

[Danny Alexander]

In areas where regeneration is needed, the development of commercial property—whether office or industrial—is often done on a speculative basis. Property developers will develop a series of industrial units on the basis that they can see a commercial opportunity. They may have acquired some land and heard a suggestion from the local authority that business parks in the area might help to promote the economy. I am worried. Will the new tax regime in the Bill discourage that sort of speculative property regeneration, on the basis that the developer will be in a less advantageous tax position while the properties lie empty? That question has to be answered.

That raises a further point. Is the proposed new rating regime a tax on change? It takes time to change the use of a property. It takes time to refurbish a property and it can often take an inordinate amount of time to get the relevant planning permissions in place, although that varies across the country. I represent Inverness, which is the fastest-growing city in the United Kingdom. In locations that are growing quickly, or areas that are changing in the opposite direction and where the economy is contracting, there should be an incentive to encourage people to change the use of their business premises—perhaps moving from factory to retail, office to retail, or retail to domestic use. Planning changes and refurbishment are required in those circumstances. All those things take time—potentially quite a lot more time than the three or six months allowed in the legislation. When he responds, will the Minister address the concern that the proposal will discourage the sort of business changes in local economies that need to be encouraged as cities, towns or local areas grow? Although I would not suggest this, at its most pejorative, the measure effectively means that businesses will be faced with a new tax while the planning system delays their projects.

The hon. Member for Salisbury (Robert Key) made an excellent speech on rural communities during the Ways and Means debate. There are serious aspects of the measure that will affect rural areas, rather than urban areas. I would be especially grateful to hear from the Minister the efforts that the Government made to rural-proof the Bill before bringing it forward. It is supposed to be common practice that all legislation is rural-proofed. If there is documentation on the rural-proofing of the measure, I hope that the Minister will place it in the Library so that all Members concerned can read that information.

Those of us who represent rural constituencies know that changing economic circumstances might necessitate, for example, the conversion of a hotel into flats, which happened in a village in my constituency relatively recently. Again, that process takes a great deal of time.

Robert Neill: I agree with the thrust of the hon. Gentleman's argument. Will he consider what would happen if, as sometimes occurs, a local authority or another agency wished to put together a significant regeneration scheme? As part of that scheme, the authority or agency might well acquire commercial property and the residential property surrounding it, as happened with the pathfinder schemes in Manchester. If the homes that feed local shops are acquired, it is inevitable that the agency or authority will have to acquire the nearby commercial premises as well because their business will have gone. While the agency or authority assembles the rest of its desirable scheme, will it be penalised by the empty business rate? Surely such a situation would be perverse.

Danny Alexander: I can do no more than express my wish that the Minister will address the hon. Gentleman's useful intervention during his winding-up speech.

The Minister needs to reflect more on rural communities. It can take a good deal of time for a small industrial unit in a rural area to be re-let, even with the owner's most assiduous efforts. It can often take a great deal of time for a new business venture to spot an opportunity in a rural location. Changing the tax regime will not alter that situation, but simply take more money out the system and perhaps threaten the viability of the business owner who wishes to make a change.

The measure could affect the situation facing post offices. I deeply regret the fact that the Government are going ahead with plans to close 2,500 post offices. As the House will know, sub-postmasters and postmistresses are small business people who own their premises. If they will be subject to compulsory closure, they will no doubt receive a compensatory payment, as would be only appropriate, but it might well be for them to find an alternative use for the property, whether by letting it or selling it on. Will former sub-postmasters and postmistresses be expected to pay the new taxation while their premises remain vacant, even though the Government will have enforced the closure of the business? I hope that the Minister will address the circumstances of post offices because that is a significant issue.

The Bill rightly contains an exemption for charities and community sports clubs. However, the ownership of community facilities by community companies is becoming more prevalent. Perhaps that trend is more common in Scotland than in England and Wales, but it is none the less increasing. I hope that the Minister will be able to reassure me that premises owned by community companies will be exempt from the change, given that, as I would hope that hon. Members on both sides of the House would agree, such community involvement in the ownership of facilities should be encouraged. Substantial risks for community companies could be inherent in the new regime, so the situation must be addressed.

Will the Minister clarify one other point that has been raised with me? It relates to unoccupied buy-to-let properties. There may be differences of opinion about the buy-to-let market among Members of different parties, but in my constituency it causes great problems with the sort of property that first-time buyers might seek to acquire. What is the position of unoccupied buy-to-let property under the Bill? I have heard stories about buy-to-let; indeed, in my constituency, there is a case of a buy-to-let property speculator buying a number of flats in one development and not letting them, but instead sitting on them in order to take advantage of the capital appreciation.

A point has been made about the impact on pension funds, and that is a significant issue that needs to be addressed. My noble Friend Lord Oakeshott has calculated that the measure would take some £150 million a year out of pension funds, and the impact on the overall capital value of pension funds would therefore be worth some £3 billion. I do not think that that is scaremongering. The Minister may regard it as a price worth paying, but I should certainly be interested to hear his justification on that point.

I understand and have some sympathy with the Government's overall objectives, but a great number of questions concerning the Bill remain to be answered. I hope that they will be dealt with satisfactorily as the Bill completes its further stages.

3.11 pm

Robert Neill (Bromley and Chislehurst) (Con): As a matter of principle the House should be wary of legislation that begins with an algebraic formula, although that may be a throwback to my wrestlings with algebra when I was at school. The Bill actually begins with two formulae; in fact, the whole of the first clause is effectively two algebraic formulae. The hon. Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander) rightly observed that legislation has to be rural-proofed, but I am beginning to think that it should be mathematics-proofed, or algebra-proofed, too. I am tempted to read out the whole of the first clause for the edification of those who have not read it, but I will spare everybody that. It makes one wonder what lies behind the algebraic formula, and that brings us to the motives and to the point that I raised in an earlier intervention, which has already been addressed. I know that the Minister for Local Government is straining to say that there were other things that he could have cherry-picked, but it is significant that the Bill has been brought forward as it has been.

Mr. Woolas: The hon. Gentleman criticises the Bill on the grounds that clause 1 starts with a formula, but the formula derives from the Local Government Finance Act 1988, which the Bill will change, and of course the 1988 Act was intended to nationalise business rates and take control away from local authorities. I trust that he will bear that in mind when we come to debate the Sustainable Communities Bill.

Robert Neill: As always, I am grateful to the Minister for his useful point. I assure him that my aversion to algebraic formulae knows no party boundary, and I suspect that the 1988 Act did not commence in the same stunning fashion as this Bill. What concerns me is that there is a feeling among many people, and certainly among my constituents, the Federation of Small Businesses notwithstanding, that the Bill is essentially a revenue-generating exercise. The Financial Secretary to the Treasury, with his usual reasonableness and skill, said, "No, this is essentially a regeneration exercise, and a supply-enhancing exercise", but some of us are rather sceptical about that given the way in which the measure has come about. There is a real worry among many of my constituents, particularly those with small businesses, about what lies behind that algebraic formula.

Hon. Members in all parties have drawn attention to the situation in London and the south-east. If the Bill is a regeneration exercise, it is a high-risk strategy that the Government have embarked on. Those risks have been mentioned by every speaker in the debate, except those on the Treasury Bench. I hope that, as the Bill makes progress, Ministers will flesh out what they intend to do to ameliorate and mitigate those risks.

It was suggested earlier that the Bill was designed to tackle the particular situation in London, and the Financial Secretary referred to the vacant property rates in London and one or two other places. As I endeavoured to point out when I intervened and as I shall elaborate, even to me as a London Member of Parliament the situation in London is not entirely straightforward. There is a huge difference between the highly charged economy of the west end and the City of London, which is financial-services dominated and where property and rental values have been driven up for a raft of reasons, and the economy of other boroughs in the city. That applies to suburban areas such as mine, and also to some of the inner-city boroughs, where there is a real regeneration issue. That is why the concerns expressed by my hon. Friend the Member for Surrey Heath (Michael Gove) and others about the effect of the Bill on regeneration activities are well founded.

The Financial Secretary spoke about the worryingly—from his point of view—and, I assume, the unacceptably high vacancy rates of 16 per cent. in the City of London. He might take comfort, for his argument, from the thought that according to the published statistics that has broadly doubled since 1998. That is by no means the whole picture in London. The London borough of Newham has vacancy rates of some 14 per cent. That figure has remained consistent throughout the nine or 10-year period, so it cannot be suggested that in Newham there has been a speculative holding on to vacant sites because of the potential from, say, the Olympic development. The situation existed long before that possibility arose.

In Hackney, for example, there has been a fluctuation from 30 per cent. at the start of the period down to 20 per cent. and back to 28 per cent. The vacancy rates have always been stubbornly above the 20 per cent. level, which indicates that there are a raft of reasons or high levels of vacancy. The reasons why it is difficult to get commercial premises let and occupied in Newham and Hackney are very different from those causing premises to be vacant in the City of London or Westminster. Unless significant exemptions and safeguards are built in, perhaps by the regulations, about which we have not heard much at this stage, the Government's approach may be a blunt instrument that does as much damage in some quarters as it seeks to do good in others.

In my London borough of Bromley, we have a vacancy rate of some 4 per cent. That has fallen from its high of 6 per cent. We are pleased that that is a comparatively low vacancy rate. I hasten to add that that is in no insignificant measure due to the enlightened policies of the Conservative-controlled London borough of Bromley council, working with our private sector partners. The master plan that we have just published for Bromley town centre will, I

[Robert Neill]

hope, build on that. I know from my time in local government, and I agree with the Government on this, that many local authorities seek to encourage commercial development. That is why, as the Minister knows, I favour a return of the business rate to incentivise local authorities in that regard.

However, that is not the whole picture. I know from taking a walk up my high street that, even in Bromley, although we have a thriving centre around the Glades and the southern part of the high street, that 4 per cent. vacancy rate masks the fact that there is almost complete occupation at one end but a much higher rate at the northern end of the town centre, for example, where smaller premises usually owned by individual landlords are struggling to compete because the trade is drawn further south.

Anne Main: The situation that my hon. Friend describes is very similar to that of St. Albans, where many smaller quirky premises within the conservation area are falling empty. It is partly because the high street is attractive, but it is also because those premises are quite small and it is hard to generate the high rents that commercial premises need. It is not as simple and straightforward as having high-rise tower blocks or big office spaces that could easily be let. These properties are quite difficult to let and I am sure that my hon. Friend realises that this is one of the important issues surrounding the Bill.

Robert Neill: My hon. Friend is absolutely right and extremely well informed. I suspect that what she said entirely mirrors the experience of most of us who have medium-sized shopping centres in the towns of our constituencies. As my hon. Friend rightly says, the problem is not due to speculative landlords trying to make a fast buck by leaving premises dormant and hoping for a capital appreciation. These people actually want to let their properties, but for all the reasons that have been specified, they are unable to do so. That is why the caveat to the observations of the Federation of Small Businesses is so important. It was right to read it out, because that caveat is perhaps the most important point.

At the moment, most of us remain convinced that the Government have recognised that

"small businesses who are unable to use or sell empty property for legitimate commercial reasons"

should not be "punished" by the new rules. It is worth restating what my hon. Friend the Member for Ludlow (Mr. Dunne) said about that. Many of us will want to reflect very carefully as the Bill progresses on what the Government say they are going to do to meet that legitimate issue, which is particularly important for people based in the fringe area of north Bromley in my constituency and in many other small shopping centres elsewhere.

It is a mistake to assume that there is one simple cause of the vacancy rates that distress and trouble all of us under those circumstances. That also helps to explain the concern about regeneration and why a number of property experts and people in the industry have expressed concern about the effect of what seems to be a tax-raising measure on regeneration. It will be interesting to hear what the Minister says in his reply to provide reassurance on that point. We know that, in numerical terms, the vast bulk of the consultation has been unsympathetic to the Government's proposed changes. It might be interesting if the Minister enlightened us on whether the majority of the urban regeneration organisations that he consulted were in favour or opposed to the scheme. It is important to tackle that issue.

As has been acknowledged, small businesses in such sectors are already under pressure. After all, this measure does not stand on its own. Pressure has already been exerted from the 2005 business rates revaluation, so adding this on top could be enough to push small businesses beyond the point at which they can remain viable. Particularly if the Government's intentions are genuine and this is not a tax-raiser, it would be a tragedy if the provisions had that perverse effect by over-egging the pudding. Nothing has yet been said by the Financial Secretary—perhaps the Minister for Local Government will be able to clarify the position—about whether the proposals are indeed revenue-neutral. I think that we know the answer: it is pretty obvious that there will be a significant take. The hon. Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander) made that point very strongly. Against that background, how is what is perceived by many as the imposition of an additional tax likely to increase demand for vacant property or incentivise people to bring property on-stream?

Reference was made earlier to the position in the 1970s. I accept, as the Minister has argued on other occasions, that the economy is different now. It is important that the risk of vandalism and other issues are spelled out and dealt with carefully in the regulations. If the Minister accepts—the Government appear to do so by putting it in the Bill—that there is a risk, who will monitor and assess it? Are we going to create needless bureaucratic burdens? Will it be another obligation that will fall on the local authority? If so—we do not know for sure whether that is envisaged at the moment—will the need for staff to carry out the monitoring be reflected in the financial settlement for local authorities? It seems to me that a number of seriously unanswered questions arise from the Bill.

Danny Alexander: The hon. Gentleman makes a significant point. How should we judge whether, for example, a property has been vandalised or has simply become dilapidated? If the roof comes off on a windy night, was it the wind, or was the wind taken advantage of? Those are difficult judgments, and we have not heard much from the Minister about how that is to be monitored.

Robert Neill: The hon. Gentleman is absolutely right. I am almost beginning to regret that I no longer practise law, because the greatest business growth might be for those lawyers who appear in rating tribunals, and who argue exactly that sort of neat and interesting point. I am sure that that is not the type of job creation that the Government were intending, but it might be the result. We need to hear a great deal more from the Government on such a serious point. We do not know whether rating appeals are likely to increase

significantly, or what burdens will fall on the system, in addition to the other burdens affecting local authorities.

Generally, those of us who look at our own shopping centres do not believe that properties are deliberately left vacant. It is tough enough for smaller landlords to survive without such burdens being placed on them. In areas such as mine I am concerned that, if smaller landlords find that the additional burden tips them over the edge of viability, they will be forced to sell up. The only people who will be able to take advantage and buy will be the large landlords—Tesco, Sainsbury's and the others, who will gobble up yet more sites. As has been pointed out, they can bear the cost, proportionately, of land banking. That cannot be what is intended; it is hardly consistent with the Sustainable Communities Bill, on which I am delighted to see the Minister is increasingly a convert. Those of us who want and value diversity of tenure in our town centres would be concerned if the Government's proposals had such an unintended consequence.

It is also worth remembering that the commercial property sector is important for the UK economy. The retail sector alone has an aggregate rateable value of some £38 billion, which is hugely important to our economic interest. Overall, current estimates suggest that about 7 per cent. of that is vacant. That might suggest an aggregate rateable value for those vacant properties of about £2.5 billion.

That brings me back to my concern about the motivation for the proposal. I agree that the Local Government Association was supportive of the proposals, but for the reason that caused me to support the return of the business rate—that any additional money raised had to stay in the local economy, where it could be used for the benefit of the local community. No such safeguard appears anywhere in the Bill. No algebraic formula ensures that that money will go back to the people of Bromley or any other local authority. The danger is that it will go straight into the hands of the Treasury. The way in which the Treasury has increasingly nationalised revenue raised from local sources is one of the real problems that we face in trying to make our local communities sustainable.

Taken in the context of other Government measures—powers to trim back business rates across the board, and the removal of the exemption on agricultural land and farmland, of which Bromley and Chislehurst has some but not much—there is real concern about the effect of the proposals. Small businesses in my part of the world have been concerned that previous measures enacted by the Chancellor of the Exchequer have damaged them. The fact that the small business rate relief was not automatic led to a considerable drop in take-up. That was a burden placed on small businesses, and they fear another burden of the same kind.

We look to the Minister to act. The only occasion on which I parted company from my hon. Friend the Member for Surrey Heath was when he described the Minister as frugal. As we know, the Minister is capable of acts of great generosity, and we look forward to its being redeemed in due course. My hon. Friend the Member for St. Albans (Anne Main) is not present at the moment, but if the Minister feels inclined towards the same generosity on this occasion, perhaps she should be awarded a prize for the "champagne moment" of the debate.

I hope that by now the Minister has an answer to the point that I have raised. He nods, so I can sit down.

3.30 pm

Mr. Philip Dunne (Ludlow) (Con): Let me begin by reminding the House of the origin of business rates. They were developed in, I believe, the late 1960s as a way of raising revenue to help fund local services. That is, of course, a worthy purpose, but now a Bill is being introduced whose purpose, far from being to help fund local services, is to help plug holes in national debt. It is highly regrettable that a form of local revenue raising should be used simply to raise revenue.

We have been led to believe by the way in which this Bill was described—or barely described—by the Chancellor in his Budget speech, and the way in which it was introduced by the Economic Secretary in the Ways and Means debate and again today by the Financial Secretary, that it is somehow of benefit to broader society. Indeed, I believe that it has been described as of environmental, social and economic benefit. It is, however, plainly and simply a money-raising measure, and a significant one at that. As was pointed out earlier, the Red Book states that in the first year alone the Bill will raise £950 million, which makes it the fourth largest revenue-raising measure in this year's Budget. An enormously significant measure is being introduced behind a smokescreen of social good, and I hope that my speech will help to explode the myth. There is another possible explanation. It may—not for the first time—be a case of the Government's basic lack of understanding of some of the commercial realities that underpin economic activity in large parts of our economy. I shall say more about that later.

The Government claim that the Bill will help to establish a more level playing field between different types of property use. That is true to an extent, but only to an extent, because the Bill maintains the distinction between commercial premises for retail, office and other use and those for industrial and storage use. If the Government were being straightforward, they would have acknowledged that.

My hon. Friend the Member for Surrey Heath (Michael Gove) used an expression that may be common Scottish, or perhaps Surrey, parlance. He said that the Government were "praying in aid" both Sir Michael Lyons and the Barker review to provide justification for the Bill. Indeed they are, although I would use rather more basic and less colourful language. I would say that the Government were hiding behind the claims in those reviews to provide some sort of ethical justification for a tax grab.

There are some difficulties with that approach, not least Sir Michael Lyons' comment that the Bill would constitute an appropriate reform in the context of other measures that he thought the Government might like to introduce. He was advocating that the Government should wait until the revaluation that he was proposing, which would start in 2010, so the negative effect on business of this increased taxation could be absorbed within the adjustments to rental

[Mr. Philip Dunne]

valuations and the impact that that would have on business rates and rateable values. He wrote in section 8.107 of his report:

"Depending on the size of complexity of the task involved, it might be possible to remove exemptions from the beginning of the 2010 list in April 2010."

Of course the Government have leapt upon that suggestion and, as we have heard—notably from my hon. Friend the Member for Bromley and Chislehurst (Robert Neill)—taken it up with alacrity because of the significance of the revenue-raising measure.

Sir Michael Lyons made some interesting observations about the extent of business rates and their impact on revenue raising for the Government and on businesses in general. Rates are a very significant tax revenue raiser—*[Interruption.]* I do not know if the Minister for Local Government is intending to intervene—

Mr. Woolas: I was simply pointing out from a sedentary position—perhaps rather rudely, for which I apologise—that this is not Government money; we redistribute the business rate to local authorities.

Mr. Dunne: As I will explain, I am seeking to highlight merely the degree of taxation raised in the measure. I am not suggesting that the Government are doing anything inappropriate; clearly, they have a job in raising tax. It is the manner and extent of the tax and the measure that I am concerned about.

Sir Michael Lyons pointed out in section 8.9 of his report:

"Business rates are a significant tax for businesses—in 2006-07, they are expected to raise about £18.4 billion in England (£20.3 billion across the UK), compared to £47.5 billion (net of tax credits) in UK corporation tax".

Business rates are now raising almost half the amount that businesses pay in corporation tax. The impact of that is distorting, depending on the sort of business. Many contemporary businesses—recently established businesses that are developing their business as a result of technological change—do not require many premises to operate from. Operating online, it is possible to exist with a very modest proportion of one's profit going in the form of business rates. I want to develop that point. The suggestion in the Lyons report was that, on average, about 3 per cent. of turnover is paid by business through business rates, but he acknowledged that that varies significantly between companies in different parts of the country and different sectors of the economy.

The impact noted by Kate Barker in her report was:

"The principle behind (empty rates relief) is to create a broadly symmetrical tax, given uncertainty: when a property earns a positive revenue, it is taxed; when it does not, relief is granted. This helps remove what would otherwise be a distortion and helps to share risk between property owners and the government."

I quote that because the Government are arguing that they are removing a distortion by reducing this relief and are claiming support for that argument in what Barker and Lyons have said. Barker pointed out that the distortion is itself balanced by the relief. Lyons made the point that the impact falls very disproportionately on different parts of the economy. Therefore, this measure will also fall disproportionately and will have unintended consequences on different parts of the economy. I shall discuss that later.

Let me illustrate the extent of the differential. As my hon. Friend the Member for St. Albans (Anne Main) rightly said, some major supermarket chains can afford to retain land banks and pay rates on vacant property. In responding to the Barker review, it was pointed out that in 2005 Tesco spent 13 per cent. of its profits on business rates, compared with 1 per cent. of profits for a mobile telephone operator, which is a high-street competitor. I therefore contend that the evidence from Lyons and Barker is somewhat contradictory and does not necessarily support the Government's argument that the measure is not distortive. The retail market is changing so rapidly as a result of the internet that the measure will compound the problems being experienced by many retailers with significant high street presences. Trade is moving online and out of premises, and this measure will exacerbate that. I will talk about the retail sector shortly.

Another impact addressed in the Lyons review and which has been misunderstood by the Government is to do with the timing of rental voids. The Lyons review assumed that properties remain empty for the duration of the relief, but that is not the case. As my hon. Friend the Member for St. Albans said, speculative developments tend to be large and complex and have many occupiers, and there is often a considerable period of time between the point when the property is completed and the point when it is entirely let. I contend that one reason why vacancy rates are higher in areas such as the City of London and Westminster is that they are desirable locations. That draws in speculative development during periods of strong market growth, and it is in the interests of the developer to hold out for the highest possible rent because that will enhance the capital value of the project.

The capital value of a project is what is of greatest significance to the developer undertaking a speculative development, rather than the running rent, which is of most interest to the occupier. It is therefore unsurprising that there are higher vacancy rates in areas of strong demand. This measure will have little impact on that, as it is relatively insignificant in relation to the overall rent that the developer anticipates he will have to forgo for the period until the property is fully let. That was not well understood in the Lyons report.

A British Retail Consortium submission to the Chancellor in advance of the Budget referred to the fact that surveyors conducting appraisals for development in regeneration areas typically anticipate letting voids, following completion of construction, of 18 to 24 months—the voids are, I assume, slightly longer for properties in regeneration areas than for those in areas where there is already a ready demand. That suggests that the duration of relief for retail and office premises is already relatively short when compared with the void periods for such properties, and this measure would exacerbate that problem.

I referred in an intervention to a point that the Federation of Small Businesses made to Sir Michael Lyons, and that was repeated by my hon. Friend the Member for Bromley and Chislehurst. I hope that

when he responds to our debate, the Minister will acknowledge that the FSB wants to understand the exemptions on which the Government intend to consult, because it hopes that its members can benefit from them. I would therefore welcome a little more explanation from the Minister.

May I touch briefly on the commercial consequences of the relief, particularly for retailers? I had a 20-year involvement in retail until last year, most of it in provincial high streets. However, we also had exposure to shopping malls, both in and out of town, so I have some experience of the impact of business rates on retail premises. It is in that particular area that the FSB seeks to develop exemptions, and I hope that the Government will show it some sympathy. The Government argue that by increasing the amount of business taxation on empty properties the Bill will consequently reduce rents in some way. That is probably a correct interpretation when applied to vacant industrial units in run-down areas that require regeneration and where ownership is likely to be not on a continuing lease, but in the hands of a developer or owner who can reduce rents. However, in many cases, and certainly those where properties are empty yet still subject to tenancy, that does not apply.

The Financial Secretary referred to the complexity and rigidity of the structure of lease documentation and tenancy contracts. That problem should be well understood by the Government because it is not easy, even in legislation, to rewrite commercial contracts that, in many cases, stretch over decades rather than years. Indeed, in the 20 years that I spent in the retail business, the average duration of leases into which we entered was initially 25 years. After 20 years, it came down to about 15 years, but it will take many years to change practice in the property market and the problem cannot easily be solved in legislation by any Government.

Consequently, as developers seek to build, for example, a shopping mall, they will wish to take into account the probability that they will have to pay more to the Government for voids as a result of the measure while they develop and let their properties. Far from reducing the rents that they charge tenants in the mall, they will increase them because they must recover the outgoing additional tax that they would not otherwise have to pay. That is the nature of evidence submitted to my hon. Friends and me by professionals in the property industry and those who represent retailers. I hope that the Minister recognises, as I said earlier, that while it may be true that rents will come down for certain types of property, for many others that simply will not happen. The initial developers will raise rents, and that will apply in the office sector, too. In cases that do not involve new build but existing premises, the rents are fixed, and there is nothing that the owner can do about it until the end of the lease.

May I dwell a little more on some other consequences of the measure for the retail trade? Where trade takes place in a strong location, in a strong retail market, if a property becomes empty a void can be readily filled, so the measure will probably make very little difference. However, that applies to only a relatively small proportion of retail space in periods of economic growth. The retail sector is not in that situation at that moment—a lot of retail trade, as I said, has moved online and many retailers are not looking at a growing market: they are defending their market share, which is subject to competition.

In many other instances where there is a strong location and a weak retail market, an empty property void might take many months to fill. Equally, in a weak location with a strong market it might take many months to fill premises. However, the real problem arises where there is a weak location and a weak market. That situation might cover some of the examples given by my hon. Friend the Member for Bromley and Chislehurst regarding one end of Bromley high street. Who has to solve that problem? It is not the owner of the property, which is what the Bill indicates, but the tenant—the occupier of the property. I hope that the Minister will be able to convince me that that fundamental misunderstanding has been, or will be, taken properly into account when looking at these exemptions. Nor is it necessarily the problem of the tenant who has just vacated the property—as a result of the lease contract, the problem often reverts to the previous occupant. Should the tenant who has had to close down the business also become bankrupt and cease trading, the lease reverts to the previous tenant.

I do not know the circumstances of the new Kwik Save company, which has just decided to close a lot of its stores, but it would not surprise me if the original vendor of the new Kwik Save stores—I think that it is Somerfield—is feeling a bit anxious about what might happen to those leases. Should the business not be able to fund the business rates and rents of those premises, having been unable to get rid of them, the cost may revert to Somerfield. Such situations arise throughout the country and are particularly applicable to small chains of a relatively small number of stores, which are often unable to trade satisfactorily in all those stores and therefore seek to close the worst-performing ones. All portfolios of retail stores have some strong performers and some poor ones. If the business is strong enough to cope with the closure of a small number of stores, all well and good; if it goes out of business, the problem is writ large.

The problem is particularly applicable to small provincial high streets. We are already experiencing a shift of trade out of the small market towns and into the larger retail catchments, where there is greater choice and more destination shopping, and which can compete better with the internet than many local high streets can. So as part of the consultation, the Government need to look carefully at high streets in provincial areas throughout the country. The Royal Institution of Chartered Surveyors said that the Bill will undoubtedly affect many businesses; it seemed to be thinking in particular of businesses in the smaller town high streets.

I want to pick up on a few of the points made by the Financial Secretary. He referred to local authorities' enthusiasm for the Bill, and in discussing their response to Lyons he touched on Hampshire county council, in order to bring the point home to my hon. Friend the Member for Fareham (Mr. Hoban). It does not surprise me that local authorities might see this provision as an easy way of raising revenue because it is a stealth tax. It is not paid by the people who—*[Interruption.]* The Minister for Local Government says from a sedentary position that it is not a stealth

[Mr. Dunne]

tax, but it is a classic stealth tax, in that nobody who puts their cross on a ballot paper—*[Interruption.]*

Mr. Deputy Speaker (Sir Michael Lord): Order. The Minister is very fond of interjecting from a sedentary position. It would be helpful to the debate if he would either resist or get to the Dispatch Box in the normal way.

Mr. Dunne: I am grateful, Mr. Deputy Speaker.

The proposal is a stealth tax because the people who vote through the ballot box are not directly paying it. It is being borne by businesses, and often by businesses in difficult circumstances; otherwise, they would not have an empty property. It is therefore not surprising to me that local authorities are likely to vote yes to a measure that will not have a direct impact on them.

Secondly, any local authority asked whether it would like more funds to be raised locally other than through council tax is likely to support that. In the context of the Lyons review, which considered the balance of funding, anything that encourages funding by any means other than the council tax will be attractive to local authorities, especially if there is some prospect of the Government passing it back to them in increased grant. Therefore, I do not take much comfort from the responses by local authorities. I hope that the Minister will tell us how many applications for local business tax he has had from local authorities who would voluntarily increase tax on business. If local authorities had to make the decisions themselves, I suspect that they would react differently.

Thirdly, the Financial Secretary touched on the vacancy rate analysis and highlighted the high rates in cities. He described it as applying equally in areas of high and low demand, citing Manchester and Birmingham as areas of relatively low demand compared with London. The answer is to offer a differential response, not the same response, to both kinds of problem. I touched on the importance of the rate to speculative developers—the relative lack of impact that it will have on those undertaking speculative development of properties that are sitting idle—because it is in the developer's interest to wait for the market to improve to match their rental expectation. Generally speaking, the developer can afford to do that. It is different for vacant industrial property in our industrial heartlands, where the owner is in a position to accept an occupier at any rental better than zero, because that is in their commercial interest.

I would argue that the impact will fall elsewhere and the law of unintended consequences will apply. Those in more marginal areas, especially tenants, will find higher vacancy rates as a result of the Bill. The consultation that the Government will undertake is welcome, but why will it take place after the Bill is enacted? Surely the exemptions to the proposal are just as important to many of the sectors that I have touched on as the Bill itself. I suspect that the answer is that the Chancellor is desperate for the money and needs to have this in place as soon as possible.

Rural diversification was mentioned by the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander) and my hon. Friend the Member for Bromley and Chislehurst. I was pleased to learn that there are agricultural endeavours in Bromley. The implicit assumption in the Bill is that vacant premises are deliberately left vacant. I assure the Minister that in rural areas it is not the case that properties are deliberately left vacant; it is generally the case that there is either a difficulty in finding new occupants or it takes time—as we heard in a strong contribution by the hon. Member for Inverness, Nairn, Badenoch and Strathspey—to secure a change of use for planning purposes, if that is what is required to turn a redundant building into something else. That is a particular problem in rural areas, where planning policies tend to be more restrictive. Fewer businesses tend to seek premises, with the result that premises can stay idle for longer. Therefore, I urge the Minister for Local Government to consult his colleagues in DEFRA when he considers the impact of the Bill on farmers seeking to diversify into activities that are not purely agricultural.

The problem posed by different types of property in different areas could be solved by the use of local solutions. I know from previous encounters that the Minister regards himself as a localiser who wants local solutions to problems. I believe that local authorities should be given discretion to implement the proposals as they choose. They are best placed to decide whether businesses in their areas should be allowed to take advantage of exemptions that apply in some places but not in others. In that connection, I cannot resist reminding the Minister about another matter under discussion at the moment. If Shropshire were to go down the unfortunate unitary authority route, people in the most rural parts of the county that I represent—that is, in south Shropshire and Bridgnorth—would be very upset to be told that they must adopt a proposal coming from the unitary authority based in Shrewsbury. That is because the effect of any such proposal in rural areas would be very different from the effect that it would have in Shrewsbury.

I turn now to the detail of the Bill, and in particular to two provisions in clause 2. I welcome the proposed exemption for charities, but want to echo one note of caution expressed by the hon. Member for Inverness, Nairn, Badenoch and Strathspey. That is that the presence of too many charity shops in a high street tends to deter a proper and balanced retail mix. Charity shops are an indicator of a decline in footfall and customer traffic; they are often established in premises that are otherwise vacant and other activity can be deterred when there are too many of them. I welcome what the Minister wants to do, but point out that it is not all good news, all of the time.

My absolutely final point has to do with the welcome exemption proposed for community amateur sports clubs. Many sports clubs in my constituency, and I am sure elsewhere, benefit from the Finance Act 2002 provisions giving them a zero value added tax rating, but I hope that the proposed exemption will be applied only rarely. I am pleased to say that the Olympian movement has its origins in Much Wenlock in my constituency, and that the approach of the 2012 games in London means that interest in sport is rising across the country. I hope that no amateur sports groups find

that they have empty premises, and so I hope that the proposed exemption is merely a goodwill gesture that is not likely to be used.

Has the Minister considered extending the proposed relief to other, similar organisations? The hon. Member for Inverness, Nairn, Badenoch and Strathspey referred to community-owned properties. In my constituency, there are many village halls and other community properties. If, for some appalling reason, they had to become vacant, they would find it very difficult to fund the business rates—not least because, often, they are owned not by the parish council but by a village hall committee. Such committees are a community enterprise of one form or another and have no funding. As a result, their inability to pay the rating bill would be likely to lead to the demolition of premises.

4.4 pm

Mr. Dai Davies (Blaenau Gwent) (Ind): My contribution will be brief. I guess that there will be some slight differences in how the proposals will be implemented in Wales from in England.

As a former mining community my area has not unique but different problems from those of bigger towns and cities. My constituency has four major town centres and a number of small retail areas that used to rely on a pit at the end of the street. The turnover and take-up of properties, such as shops, small offices and factories, is small. Some of the properties have been empty, not for weeks or months, but for years. It has reached the stage where we do not even know who owns some of the properties. To take up the point made by the hon. Member for Bromley and Chislehurst (Robert Neill), it will be an onerous exercise to trace the owners.

When I consider properties that have been empty for some time I hope that we can look at ways to reinvest money that is raised, whatever the outcome is, and turn them back into domestic dwellings. Instead of seeing dereliction in the streets, which will never change because of out-of-town shopping centres, I would rather see the areas redeveloped as domestic housing. If we can invest some of the taxes raised in that way, we would all benefit. To echo what other Members have said, none of us wants to see our towns and small retail areas boarded up, but that is what we are seeing now.

We have just heard the announcement about the closure of Remploy. It has a factory in my constituency which is likely to sit empty for some considerable time. I hope that if there are to be exemptions, that sort of property could be included.

My final point concerns exemptions for dwellings. In my constituency it is not a case of building houses, but of renovating terraced houses. Rate relief, albeit for a short space of time, helps first-time buyers who are looking to renovate.

I hope that the Government will continue to consult as widely as possible. We have all had contact from the Confederation of British Industry about its concerns. Many groups have yet to have an input into the Bill. I hope that the Government will take notice of their comments and that over the next couple of months we will all have the opportunity to put thoughts and ideas forward.

4.7 pm

Mr. Mark Hoban (Fareham) (Con): This has been a brief, informative and thoughtful debate. I hope that my remarks will match all those qualities, but I make no commitment on that.

The Financial Secretary to the Treasury, my hon. Friend the Member for Ludlow (Mr. Dunne) and I have gone to some lengths to avoid taking part in the final sitting of the Finance Bill this afternoon, such is the attraction of this measure.

Mr. Dunne: Will my hon. Friend give way?

Mr. Hoban: I am not sure that I have ever been intervened on quite so early in a speech before, but I will give way.

Mr. Dunne: Merely to correct the record, as a result of the statement, some members of the Finance Bill Committee have been able to attend and take part in both debates.

Mr. Hoban: That shows the assiduousness of my hon. Friend.

I shall turn first to the comments of the Financial Secretary, who is not yet in his place. He deployed the representation made by Hampshire county council on the Lyons review because it wrote in favour of the changes. That should be qualified on two counts. First, I suspect that it felt that it would benefit from the additional money that was raised through the measure. Secondly, it was in the context of the wider review of exemptions by Sir Michael Lyons.

The hon. Member for Stoke-on-Trent, North (Joan Walley) is also not in her place for the wind-up. She expressed a train of thought to which hon. Members on both sides of the House have returned from time to time when she said that she had grave reservations about the impact of the Bill. She was concerned about the impact that the Bill would have on regeneration projects in constituencies such as hers. That theme was picked up in the contributions made by many hon. Members. She said that the Bill would have a different effect on different parts of the country and different sectors of the economy and that the blanket nature of the proposal would lead to unintended consequences for her constituents and people up and down the country.

The hon. Lady argued that the Bill would benefit the south-east and areas of high demand for property. I am not sure that I agree with that analysis. I shall come on to some more thoughts on that later. I do not think that the measure will help the south- east or areas of high demand, just as the hon. Lady thinks that it will not help her area and regeneration projects there.

The hon. Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander) also commented on the regional impact of the measure. He spoke from a position of perhaps detached isolation in so far as the measure does not apply in Scotland, although he felt that it might have some beneficial effects on the property sector in Scotland. He made the important point that, if the sole aim of the measure was to change the behaviour of property owners, its revenue effect would be neutral and there would be some way of

[Mr. Hoban]

recycling the revenue back to local authorities or using it in other measures. Of course, we know that the Bill is here to plug a black hole in the Chancellor's forecast.

It was during the hon. Gentleman's remarks that my hon. Friend the Member for St. Albans (Anne Main) made a telling intervention. She contrasted the different approach to the management of commercial and residential empty property and considered when action was taken to penalise people who allowed property to remain empty for some time. The Minister, in one of his many sedentary interventions, indicated that he would come back to the matter later in the debate. He is looking slightly perplexed because he was not listening. I hope that he is listening now. I was referring to the intervention by my hon. Friend the Member for St. Albans about the different treatment of commercial and residential empty property.

My hon. Friend the Member for Bromley and Chislehurst (Robert Neill), despite his confessed aversion to algebra, made an important contribution about the impact of the Bill. Clearly, it did not stand in the way of his looking at the impact of the measure on his constituency. He talked about the two economies in London—the City and west end, and the suburbs, one of which he represents, and London boroughs. It is worth reflecting on the argument about the benefit to the south-east and high-demand areas. I am not sure that I understand the Government's logic. In my constituency and the neighbouring areas in south Hampshire we have a lot of economic activity; it is a vibrant area economically. We have a low rate of vacancy. The Library provided figures in the research paper about vacant properties. The vacancy rate in the City of London, which has been mentioned a couple of times as a sign of overheating, was only 8 per cent. in 1998-99. It only grew significantly—to 16 per cent.—in 2004-05, so there is no consistent pattern of high vacancies.

My role in the shadow Treasury team includes responsibility for regulation and taxation of the financial services sector so I spend much time talking to people in the City and I know it well. The growth of the financial sector in recent years has led developers to build speculatively in anticipation of demand for business property in the City. That is not a sign of overheating; it is a normal commercial reaction. People are developing property to accommodate growth in demand for high quality office space in the City, so I am wary when the Government want to use vacancy rates, which actually fluctuate significantly from year to year, as an argument for the effectiveness of their proposals.

The hon. Member for Blaenau Gwent (Mr. Davies) made an important point about how long property remains empty in his area. I am not sure that the Bill would help his constituency or promote occupancy of some of the premises in his area that have been empty for so long. There have been high vacancy rates, on a sustained basis, in some London boroughs for the past seven or eight years. Hackney was mentioned; the vacancy rate there was about 30 per cent. in 1998-99 and is now 28 per cent. There was a dip for part of the period, so the figure did not remain constant. In Newham, vacancy rates remained static and at a high level, so I am slightly sceptical about the benefits the Government think the measure will bring in terms of the occupancy of empty property. Praying in aid property hot spots such as the City does not strengthen their argument.

My hon. Friend the Member for Bromley and Chislehurst highlighted the fact that the tax increase will raise about £0.9 billion, which will not be recycled to local authorities. The money will stick with the Treasury and be used in different ways, but it will not be returned to the local authorities whose local property market will change as a consequence of the measure.

My hon. Friend the Member for Ludlow spoke not only from his constituency experience but also from his business experience in retail. He made some important comments about the state of the property market and how letting voids can occur in small provincial high streets. As he said, it is a complex sector yet the Government propose a one-size-fits-all policy for every high street and every industrial park in every constituency and the effects will differ depending on what is happening in the market in each of those constituencies. That makes it hard to argue with the certainty expressed by the Government that the measure will suddenly produce lower property rents and enhance economic activity in our constituencies. That will not necessarily be the case.

My hon. Friend mentioned the caveat to the Federation of Small Businesses argument. The Government have prayed in aid the FSB in this debate and elsewhere, but it recognises not only the possible benefits but also the possible costs of the measure to small businesses, demonstrating yet again that the measure and its impact are not straightforward. That is part of the problem with the proposal. As hon. Members on both sides of the House have indicated in speeches or interventions, there is going to be a differential impact that will not to be easy to predict. Prior to introducing the measure, the Government should have consulted much more with those involved in the property market to work through the impact fully, rather than looking at things in a somewhat piecemeal way.

At the heart of the measure is the fact that it raises £900 million in tax. The fact that the debate was opened by a Treasury Minister, for the second time, indicates that the fundamental driver of the measure was to raise additional money to sort out some of the Chancellor's financial problems at the time of the Budget. The Barker and Lyons reports were a convenient fig leaf to justify the increase. The Financial Secretary prayed in aid the Lyons report, but, as my hon. Friend the Member for Ludlow and others have highlighted, the Lyons report suggested that the proposals could be introduced in 2010, not the next financial year.

This year, the property sector has seen not just a change in the relief for empty property, but the start of the abolition of the industrial buildings allowance and the agricultural buildings allowance, which we have debated in the Finance Bill Committee over the last few weeks. Those are significant tax changes that will impact on the way in which the sector operates. *[Interruption.]* The Financial Secretary said from a sedentary position that he referred to the example of

real estate investment trusts. We seem to have one set of measures that move in one direction and another set that go in another direction. There is a lack of consistency when it comes to the direction that the Government are taking on the matter.

The Government have argued that changing the empty property relief will bring forward new commercial property for rent, which will reduce rental levels. However, the detail in the regulatory impact assessment indicates that the fall in rental would be about 0.25 to 0.5 of 1 per cent. That would be insufficient to tackle the international differences, the inter and intra-regional differences, and the intra-city disparities that have been cited by Ministers over the course of the debate.

When the Economic Secretary opened the debate on the Ways and Means resolution, he cited the difference in property rentals in different locations in Newcastle—a city with which I am familiar and that I visit regularly. He said that there was a big difference in the rent between Eldon square and Lower Grainger street. If the Economic Secretary, or any other Minister, visited those two centres, they would see exactly why there is a big difference in rent. It is nothing to do with the level of empty property; it is because one area is a major shopping centre—a destination for people across the north-east to visit—and one is not. To a large extent, simple market forces dictate why those rents differ. I cannot see how the changes that the Government have brought forward will reduce significantly the disparities in the rents in those locations.

So, what are the arguments against the measure? It is worth reflecting that the weight of opinion seems to be critical. The British Property Federation and the Royal Institution of Chartered Surveyors highlighted the impact that the measure would have on the viability of regeneration schemes—a point that was also made eloquently by the hon. Member for Stoke-on-Trent, North. There is a possibility that buildings will remain empty and that the costs that people will incur as a result of the measure will dissuade them from putting together development packages and will make it less attractive for them to regenerate areas.

The Financial Secretary mentioned in his opening remarks the business premises renovation allowance—he also cited other measures, such as ones to tackle Japanese knotweed. It is interesting that the British Property Federation said that the allowance

> "will not, in our view be sufficient to redress this concern as it will only apply to specific areas."

Even if we rely on the Minister's stand-by of the package of measures, given that the package will not apply throughout the country, there will be differential effects. Insufficient might be done to make schemes in the constituency of the hon. Member for Stoke-on-Trent, North financially viable.

My hon. Friend the Member for Ludlow touched on the fact that we are going through a process of economic change. The way in which people manage their property portfolios is affected by changes to the economy. As the economy expands and contracts, the nature of activity changes. My hon. Friend cited the fact that in retail there is a move away from bricks and mortar towards the internet, which will have an impact on people's decisions about what to do with their premises. If people with expanding businesses think that moving to larger premises will cause them to incur a higher cost because the old premises will remain empty for a long time, it might inhibit them from adjusting their operations and taking advantage of opportunities.

The measure might discourage landlords from accepting lease surrenders because they would prefer the occupier to pay the cost of an empty property. Again, that would have an impact on businesses of different sizes throughout the country. There is a general move towards more flexible leases and attempts are being made to promote better relationships between landlords and tenants. However, if the period for which a property may be empty is reduced, landlords will not be keen to grant short leases or regular break periods because they will want to protect themselves against additional costs. Both the British Property Federation and RICS have expressed that concern in their briefings on the Bill.

The comments made in the Chamber and elsewhere have given me the loud and clear message that the measure has been introduced without proper consultation on its impact on the complex relationships between landlords and tenants, and business sectors and communities. The Government are yet again acting in haste and making decisions on complex matters that will need revisiting. In the time since our debate on the Ways and Means resolution, there have been changes to the treatment of property that could be vandalised, which the Government have reflected in the Bill.

The Government should have paused and thought more carefully before introducing the measure. Let me cite again the British Property Federation:

> "A proper consultation with industry would allow a reform of business rates on empty property based on how the property markets actually work, rather than measures based on very limited evidence, including certain well publicised behaviour that has in the past occurred at the margins. It is for this reason that the principal recommendation of the combined industry group is that the proposals are deferred until 2009 in order to allow this consultation to be undertaken".

The Treasury has not always a demonstrated a clear understanding of the way in which property markets work. The Government have already made several U-turns on property measures. Residential property was going to be in the SIPPs scheme—self-investment personal pensions—but was then taken out. Stamp duty was reintroduced for commercial property in disadvantaged areas because the Government misjudged the take-up of the relief. As the speeches made by hon. Members on both sides of the House have demonstrated, the Government need to think through the impact of the Bill very carefully. When we consider the Bill's remaining stages next Thursday, we will have yet another opportunity to air these issues. The Government will be able to demonstrate whether they have listened to the wise words spoken not only in the House, but outside it.

4.29 pm

The Minister for Local Government (Mr. Phil Woolas): Hon. Members on both sides of the House have made well-informed speeches. They clearly did their research before putting forward their arguments, as was the case in the debate on the Ways and Means

[Mr. Phil Woolas]

resolution. Many of the matters that were raised were points of detail, although some were points of policy and principle. I hope that you will forgive me, Mr. Deputy Speaker, if I am not able to respond to every comment because although a relatively limited number of Members have spoken, many detailed points were made.

I start by referring to the opening remarks of my hon. Friend the Financial Secretary to the Treasury, because in much of the debate two policy points have been missed, although this is a Second Reading debate. The first refers to the 1983 White Paper to which my hon. Friend referred. It said that the purpose of the original measure on empty property rates was to reflect the fact that there was a period of recession. Before that, of course, different measures were in place. The arguments that have been put forward today—some based on evidence, others ingenious in their contortions—miss the big picture, which is that the measures were introduced at a time when, as a result of the infamous 1981 Budget, there was deliberate industrial vandalism as a part of macro-economic policy.

Secondly, I congratulate the hon. Member for Surrey Heath (Michael Gove), who is proving an eloquent performer—perhaps "performer" is unkind—at the Dispatch Box, but he has adopted the technique of the right hon. Member for West Dorset (Mr. Letwin), who perfected the art of assigning to us a premise to which we do not sign up, and then proceeding to demolish it. The arguments put forward by the hon. Member for Surrey Heath are fascinating, coherent and completely irrelevant to what we are putting forward. No doubt that is entertaining for sketch-writers and colleagues at *The Times*, but it is of no relevance whatever to the British property market or the measure before us. The fact of the matter is that non-domestic rates in this country are based on rental, not capital, value. If a property has been empty and is in an area of weak demand, the rent for that property will be very low. That is why we base non-domestic rates on rental value, not on capital value.

In addition, it was argued that we were introducing the measure because we believe that property developers deliberately build premises and keep them empty. We have not said that—we put forward the measure as an incentive for owners to bring those properties on to the market. We have not hidden from the fact that the measure will raise revenue. I remind the House that if the measure had not concerned local taxation, it would be in the Finance Bill. It was a Budget announcement. Of course, we have followed the correct procedure, but we have not hidden the fact that it is a revenue-raising measure. That takes me back to my previous point, which was made previously in our debate on the Ways and Means resolution.

Michael Gove: Will the Minister give way?

Mr. Woolas: I shall make my point first, if I may, then the hon. Gentleman can argue against my actual premise, rather than the premise that he is ascribing to me. That is an art that he has perfected.

If the Government's policy is successful, as we obviously hope and expect that it will be, rent will come down. The multiplier for non-domestic rates is capped at the retail prices index. The yield from non-domestic rates broadly rises with RPI broadly; that has been the experience. The hon. Member for Ludlow (Mr. Dunne) has done his research very well and he has significant experience, particularly of the retail sector, as his entries in "Dod's" and the Register of Members' Interests show, but his argument that the proportion of tax from business rates has gone up misses the obvious arithmetic—or is it algebraic?—point, which is that that is because corporation tax has gone down.

Of course, the proportion coming from business rates relative to corporation tax will have gone up if corporation tax has come down, as it has again in the recent Budget. That point has not been made by hon. Gentlemen on the Opposition Benches and hon. Ladies from a sedentary position, yet I can still argue with justification that non-domestic rates have been capped at inflation as well. That is one of the reasons why the Government's economic policy has been so strong for business. I invite the hon. Member for Surrey Heath to criticise the argument that we have actually used, not the argument that he says we have used.

Michael Gove: I am grateful to the Minister for acknowledging that, in his Budget speech, the Chancellor of the Exchequer accepted the submission made by my hon. Friend the Member for Tatton (Mr. Osborne) and lowered corporation tax, though not quite to the level that he suggested.

The Minister claims that he has never argued that property developers deliberately leave their properties empty, but in the debate on the Ways and Means resolution he said that

"there are many examples of companies who build offices, turn the lights on brightly to advertise them, stick a For Rent notice outside, hire a security guard and disappear to the Mediterranean.—[*Official Report*, 10 May 2007; Vol. 460, c. 363.]

That is an example of precisely the sort of behaviour that he says he did not describe, and which we said did not occur.

Mr. Woolas: The hon. Member for Ludlow argued that in his experience, which is more substantial than mine, property developers made speculative decisions. I presume the word "speculative" means that they take a risk. At present they know that they will not be required to pay business rates on empty properties, so they factor that in.

My right hon. Friend the Member for Rutherglen and Hamilton, West (Mr. McAvoy) is ever present and I need to answer the debate. He is not in the Chamber; he is just ever present—*[Interruption.]* And all-powerful.

The point about deliberate vandalisation, which was mentioned by a number of speakers in the debate, relates to the schedule. We see it is good planning to ensure that there should not be such a tax avoidance measure. I can give reassurances on that point, and on the allegation that there may be increased bureaucracy. Empty properties are already part of the tax base and there is no expansion of that. The Valuation Office, whose job it is to consider such matters and appeals, already has empty properties in its remit. Although it is

the billing authority that collects the tax, it is the Valuation Office that checks that. I hope that that provides some reassurance.

I thank the hon. Member for Blaenau Gwent (Mr. Davies) for staying through the debate to make his points on behalf of his constituents. He raised three points, the first of which was about his fear about empty properties. It is a similar point to that raised by my hon. Friend the Member for Stoke-on-Trent, North (Joan Walley). If properties are empty for a substantial period as a result of low demand, the valuation, which is based on rent, will be very low. By definition, a valuation officer is required to assess the valuation on that basis.

In our argument we use the City of London, Westminster, Manchester and Birmingham as particularly strong examples of areas where there are high rents and relatively high vacancy rates. This is not a south-east matter. As I have said before, my own area in Greater Manchester, Manchester city, has higher rents than the island of Manhattan. That is a testament to this Government's hugely successful stewardship of the economy, which is a matter of fact. Twenty years ago, I doubt whether I would have been able to say that cities such as Birmingham and Manchester were in these high-growth areas, but they are now. This is not a north-south issue. I caution Conservative Members not to make the mistake of thinking that we are all poor up north. We are not: we have some very rich areas raising high business rates, which we redistribute to poorer areas, some in the south of England, goodness me, and not far away from the constituency of the hon. Member for Fareham (Mr. Hoban)! I am pleased to report back to the House about that.

More seriously, let us look again at the figures on vacancy rates and the amount of empty property relief claimed, to which my hon. Friend the Financial Secretary referred earlier. The latest figures for 2006-07 show the 10 highest authorities and top of the list, of course, is Westminster, with some £72 million. Then we have the City of London at £65 million; Birmingham, £42 million; Manchester, £37 million; and so forth. The latest figures published last year show at the bottom of the list areas such as Teessdale at £91,000; Chester-le-Street, £192,000; and Castle Morpeth, £307,000—but they are not all in the north. I was hoping to tempt an intervention from a southern Member, but so far I have not. I am holding back on some in the list—*[Interruption.]* It looks as though I have tempted someone to intervene.

Mr. Dunne: I was going to ask the Minister not to comment on the geographic divide—he is doing so eloquently, going into impressive detail on different areas' vacancy rates and so forth—but on something else. I asked him earlier whether any assessment had been done of vacancy rates by type of occupier—owner-occupier or tenant, for example—and I hope that he will come on to that in due course.

Mr. Woolas: I will come back to that. The hon. Gentleman mentioned another important point earlier about rateable values and rent in different sectors. He and the hon. Member for Fareham referred to the impact of the internet on the retail sector. To take the argument to its logical conclusion, if every shop in this country found that its business was being done through the internet so that all the shops were empty, the rental value of those shops would be naught, zero or nothing! Nobody would want to rent them, so the empty property rent charge would be naught as well. The argument does not hold up.

Mr. Dunne: As I tried to point out to the Minister, that may be the case, but only after some 15 to 25 years of paying business rates on empty properties until the tenancy has passed out or everybody has gone bust.

Mr. Woolas: Except, of course, that we have a regular revaluation of non-domestic rates every five years. Because of our successful policy of regular revaluation and capping the ratio at inflation, those revaluations take place without a murmur from Conservative Members, despite the fact that they bang the drum about the alleged evils of domestic rate revaluation as though it were the end of the world. The hon. Gentleman is not rising to the bait, so I shall move on, but there is no evidence that it would take 15 to 25 years. In any event, to be fair to him—I recognise the "real world" point that he is trying to make—I said that that would be the logical conclusion of the argument, but because of our hugely successful economy, all this country's shops are not going to shut down. As the hon. Gentleman knows, the retail sector is one of the flagships of our economy, as my town centre manager is reporting, but I need to move on.

I was replying to the hon. Member for Blaenau Gwent, who had raised the issue of domestic properties. As he knows, the provisions do not cover that, but there are circumstances in which council tax is relieved on the renovation of empty homes. Indeed, as I explained earlier, it is the capital value, not the rental value, that applies. I recognise the significant experience of the hon. Member for Ludlow in retail centres in towns and cities, although not the big cities, throughout the country. It is fair to say that the Government need to consider the differential impact. My hon. Friend the Financial Secretary referred to the consultation.

The hon. Member for Ludlow and the hon. Member for Fareham both made the allegation that the Government were hiding behind the fig leaf of Barker and Lyons. When we agree with a consultation, we are accused of hiding behind a fig leaf, and when we disagree with a consultation, we are accused of arrogantly riding roughshod over it. Both points cannot be true. The hon. Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander)—it is easier just to say, "the hon. Member for the Liberal Democrats", which is a little tip that my hon. Friend the Member for Bolsover (Mr. Skinner) gave me—accused us of not consulting. Of course we have consulted. The Barker and Lyons reports were substantial pieces of work, which we studied and took seriously. I note that his party said that we had kicked the document into the long grass without even reading it. Again, he cannot have his cake and eat it.

I have answered the point made by the hon. Member for Ludlow about commercial activities and the ratios between non-domestic rates and corporation tax. He also asked about consultation. We did, of course, consult on Lyons and Barker, and another consultation

[Mr. Woolas]

will take place later this year. A Committee of the whole House will take place, as this is a finance measure but not part of the Finance Bill. We have given the issue a generous amount of time.

The hon. Member for Ludlow brought his experience to bear on the issue of leases and made an important point. My hon. Friend the Financial Secretary made a specific point about leases, the need to consider the impact on them, and the consultation that will take place, particularly with regard to onerous leases. The hon. Gentleman also asked about business improvement districts. There have been 40, and there are more in the pipeline. I am not making great claim for them, although I think that they are very useful in the areas where they exist. We have one in the centre of Oldham, for which I voted, I am obliged to pay into it, and jolly good it is too.

The hon. Gentleman asked about Manchester and Birmingham. I will not tease him, but I think that he was just making the point that the richer commercial areas have to be treated differently from the rural areas. The hon. Member for the Liberal Democrats asked about rural-proofing, which we believe the regulatory impact assessment does. I should also point out that rural rate relief schemes are in place.

The hon. Member for South Norfolk (Mr. Bacon), who is no longer in his place, made an important point about empty farm buildings in relation to an empty pig farm. Agricultural buildings do not pay business rates; they are treated differently. The impact in such areas is therefore taken into account by that. The hon. Member for Salisbury (Robert Key) made some similar and important points about the interaction between planning policies and procedures and rates for empty properties. We are addressing those points in relation to planning policy. Two of the three examples that he raised, which I have researched, are matters for planning policy. When we debate planning policy, however, I hope that the Opposition will resist the temptation to accuse us of riding roughshod over local opinion, building over the countryside, demolishing our heritage buildings and so on, and that their arguments will be consistent—as they no doubt will be in the debate on the Sustainable Communities Bill—with what they have called for in this debate.

It is advantageous for Opposition parties to be consistent in their arguments. I was going to say "to have consistent policies". It would be nice if they had any policies, but let me be non-partisan and say that the points about planning are important.

The hon. Member for Ludlow also asked about the localisation of relief, as part of the recent pendulum swing towards localism in the Conservative party. I wonder where it will end: in kibbutzes in Shropshire, perhaps.

I remind the House that it was the Conservative party that nationalised the rate of tax on empty properties in 1981, removed discretion for empty rates on industrial policy from local councils in 1984, and nationalised the whole lot in the Local Government Finance Act 1988. However, if they are moving in the other direction now, I welcome that.

The hon. Member for Bromley and Chislehurst (Robert Neill) spoke on the basis of experience rather than a Conservative research department briefing. I congratulate him on that, and on the fact that he distanced himself from his Front Bench on two occasions. He raised some important issues. He said that ours was a risky strategy. The purpose of the strategy is to bring more properties on to the market by reducing rents, and to that extent—I hope I shall not be quoted out of context—there is a risk involved. But although there is some fairness in that criticism of the policy, it rather militates against the criticism that the Bill is motivated solely by a desire to raise revenue. Again, both cannot be true.

The hon. Gentleman said that London was not uniform, for a whole raft of reasons. How true that is. There are different property markets in different parts of London, just as there are in different parts of the country. That returns us to the point about the rates of rent. I think the hon. Gentleman was talking about Bromley high street—I shall not make the mistake of getting the geography of his constituency wrong again—but whether on a micro-level or on a sub-regional level, in the round rents reflect supply and demand in the market place. I should have thought that the hon. Gentleman supported that. Indeed, I know he does support it, for I have heard him quote Adam Smith on many occasions.

I think it was the hon. Gentleman who was worried about roofs blowing off in the night, and asked us to take account of the fact that an empty property might not be fit for use as a result of either a deliberate act of self-vandalism or a windy night. Paragraph 4 of schedule 1 is very specific, having learnt the lessons of the past. It states that the regulations may

"provide that an act is to be treated as done on behalf of a prescribed person if it is done by any person connected with that person".

Paragraph 4(1) states that

"the hereditament shall be deemed not to have changed—

(a) since before any event of a prescribed description, or

(b) by reason of any act done by or on behalf of a prescribed person."

That covers the hon. Gentleman's "windy night" fear.

Robert Neill: The credit for the "windy night" argument should be shared between me and the hon. Member for Inverness and all points to the north-east. It was a discussion between us. But does the Minister accept that until we have a little more clarity about what "prescribed" means in this context, the lawyers are still likely to have a pretty windy field day?

Mr. Woolas: I completely apologise for getting wrong the author of the windy night argument; I cannot think why I did that. We are trying to be fair and to stop tax avoidance. We also want to recognise that there may well be good reasons why a property could not be occupied. I repeat that the Valuation Office will have this matter within its remit, not least of course through its very successful computer database, which is the source of much excitement on the Conservative Benches.

Newham and Hackney were mentioned. I would not claim to be an expert on the property market in those two parts of London, but Newham is one of the authorities involved in our new targeted 100 per cent.

allowance for renovation of long term empty properties. That is a good example of how we are trying to ensure that policies are more locally sensitive. Sometimes we may not get it wholly right, but we do listen to these arguments.

The admin burdens were referred to and I have tried to cover that point. I have looked at this because although Revenue and Customs is the lead department for the Valuation Office, policy and operational matters are an issue for my Department. We have consulted on that point and we are working closely with the Local Government Association and the Institute of Revenues Rating and Valuation to ensure that we get this right. We are confident on that point.

My hon. Friend the Member for Stoke-on-Trent, North talked about regeneration and I am familiar with that issue in regard to her constituency. I hope to be able to announce the details of the commission on democracy in Stoke-on-Trent—both its membership and remit—very shortly. I thank my hon. Friend for her assistance in this regard.

Regeneration is central to our goals in that area. Stoke-on-Trent is an assisted area, with 100 per cent capital allowances. I am grateful for my hon. Friend's comments on the neighbourhood renewal fund and its future. My hon. Friend the Financial Secretary is attending urgent business; I should have put on the record earlier that he had to leave to attend the Finance Bill Committee. I know that he heard what my hon. Friend said; I know that because I kicked him when she said it to ensure that he did. The neighbourhood renewal fund in her area has proved to be very important.

I come back to my point about low demand and low value; rents are low in areas where properties are empty simply because there is no demand. My hon. Friend raised an important point about listed buildings and we will be looking at that. It is important; we all know of examples of listed buildings that are empty and, perhaps because of their listed status, cannot be rented out. The hon. Member for St. Albans (Anne Main) is not here, but she has informed us of the Rex cinema in St. Albans. I looked into that because I have a love for cinemas. I am looking at why Brixton was able to regenerate its cinema, but St. Albans has not been able to do so thus far. I can see you frowning, Madam Deputy Speaker, so I will move on.

The hon. Member for Inverness, Nairn, Badenoch and Strathspey talked about the process of the Bill. I hope I have convinced him that we did take seriously the consultation on the Barker and Lyons reviews and the pre-consultation in the period since. We have had the usual consultation that my hon. Friend the Financial Secretary has talked about, but this is a finance measure coming out of a Budget. There are good reasons for that, but I hope that I can reassure him about the purpose of the Bill and its impact on revenue. The policy will bring about a reduction in rental values, so the revenue we raise from it will diminish over time if we are successful.

The hon. Gentleman asked whether the policy has been rural-proofed and what information will be placed in the Library. I have answered that by mentioning the regulatory impact assessment. Rural business rate reliefs provide substantial support for rural businesses in respect of empty properties. Every area and sector could, of course, argue for special treatment, but that one is a special case.

The hon. Gentleman and many other Members asked about the three-month period question. The period is laid down in existing regulations for offices and retail premises, and the Conservative party made those regulations. We wish to give all property the same tax treatment.

The hon. Gentleman asked about reviews of other business rate reliefs and exemptions. We will take forward Sir Michael Lyons's recommendations on that. The hon. Gentleman also asked about social enterprises and companies. To tease him, his party is always asking for certain categories of business to be exempt, but it never points out the consequences of that for other categories of business. To be more serious, however, we will look into that matter, as he made an important point about the growth of the third sector—of social enterprise organisations.

The hon. Gentleman asked about local councils. I repeat what I said about the support of Hampshire county, Hull, West Sussex, Birmingham, Essex and Kent, because that is a strong point.

The hon. Member for Surrey Heath accused us of rushing to plunder and argued that the measure would breach the retail prices index cap. That argument misunderstands how the multiplier works. I can give him a lesson on the algebraic formula in clause 1 if he wishes. I should also point out that there are two multipliers, as there is a different one for small businesses—it is not always understood that we provide help to such businesses. The hon. Gentleman then contradicted his argument by saying that we would damage pension funds because rents would decrease. As I have said, both arguments cannot be true. However, the hon. Gentleman was gracious enough to praise the Financial Secretary's thoroughness and eloquence, although he did not say that about my contribution, for which I cannot blame him. *[Interruption.]* The hon. Gentleman says from a sedentary position that that goes without saying. He made an eloquent argument that was well researched and based on a false premise—which I suppose is what the journalistic trade teaches its practitioners.

Some areas of our country have the highest rents in the developed world and also high empty property rates. That is a silly situation, and this policy is intended to change it. We have the RPI cap on the multiplier to protect businesses, and that has proved to be sustainable.

We have provided ample time for this debate, and we have another debate next week to look forward to, in which we can address matters of detail, rather than of policy and principle, which is the proper subject of a Second Reading debate.

I believe that I have answered all the questions asked in our debate, and that the Comptroller of Her Majesty's Household, my right hon. Friend the Member for Rutherglen and Hamilton, West (Mr. McAvoy) is happy. My hon. Friend the Minister for Housing and Planning is in the Chamber, so I shall conclude.

Question put and agreed to.

Bill accordingly read a Second time.

RATING (EMPTY PROPERTIES) BILL (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(7) (Programme motions),

That the following provisions shall apply to the Rating (Empty Properties) Bill:

Committal

1. The Bill shall be committed to a Committee of the whole House.

Proceedings in Committee, on consideration and on Third Reading

2. Notwithstanding the practice of the House as to the intervals between stages of Bills brought in on Ways and Means Resolutions, proceedings in Committee, any proceedings on consideration and proceedings on Third Reading shall be completed at one day's sitting.

3. Proceedings in Committee and any proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

4. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion one hour after the commencement of those proceedings or at the moment of interruption on that day, whichever is the earlier.

5. Standing Order No. 83B (Programming committees) shall not apply to proceedings in Committee and on consideration and Third Reading.—*[Jonathan Shaw.]*

Question agreed to.

RATING (EMPTY PROPERTIES) BILL *[MONEY]*

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52(1)(a) (Money resolutions and ways and means resolutions in connection with bills),

That, for the purposes of any Act resulting from the Rating (Empty Properties) Bill, it is expedient to authorise the payment out of money provided by Parliament of any increase in the amounts so payable under Part 3 of the Local Government Finance Act 1988.—*[Jonathan Shaw.]*

Question agreed to.

Danny Alexander (Inverness, Nairn, Badenoch and Strathspey) (LD): On a point of order, Madam Deputy Speaker. Have you received a request from the Foreign Secretary or the Prime Minister to make a statement about plans to transfer the individual convicted of the Lockerbie bombing, who is currently serving his sentence in Scotland, to Libya? Surely such a sensitive matter concerning our relations with a foreign Government and matters relating to terrorism requires a statement. What advice would you give, Madam Deputy Speaker, about ensuring that it is forthcoming as quickly as possible?

Madam Deputy Speaker (Sylvia Heal): I have not been advised that any Minister has asked to make a statement, but the hon. Gentleman's remarks are now on the record, so I hope that he will able to pursue the matter and find the answers to the questions that he has raised.

German Road, Bramley

Motion made, and Question proposed, That this House do now adjourn.—*[Jonathan Shaw.]*

5.6 pm

Mrs. Maria Miller (Basingstoke) (Con): I am grateful for the opportunity to come to the House and raise an important issue for my constituents in Basingstoke. May I thank the Minister for Housing and Planning for taking the time to come to the House and respond on the Secretary of State's behalf?

Bramley is a village in the north of my constituency, neighbouring the constituency of my right hon. Friend the Member for North-East Hampshire (Mr. Arbuthnot). It includes German road where, for the past three years, there have been discussions about house building. The proposals have been rejected, as German road has been deemed unsuitable and unsustainable for development. There has been a great deal of house building in he village over the past decade and little or, indeed, no expansion of local services or improvements to the roads and supporting infrastructure. The village has a very good convenience store and an excellent bakery, but the road that runs through the village feeds into the C32 road and, to the north, there is a surface rail crossing, which is regularly closed to allow freight and passenger traffic to travel between Reading and Basingstoke. Indeed, 99 per cent. of residents in the village leave it in order to shop, and there is no secondary school in the vicinity.

There are therefore a great many reasons why the village has been deemed unsuitable for further development and, indeed, why the proposals that have been submitted have been deemed unsustainable. We are here today, however, because the Secretary of State is "minded"—in ordinary parlance that means "would like"—to allow house building go ahead. I understand from the office of the Minister for Housing and Planning that she will not discuss the merits of the individual case this evening, and I understand her reasons, as the case is ongoing.

In questioning the Secretary of State's intervention, it is important to set out the context of the application. Over a three-year period, a local government inspector and an inspector appointed by the Secretary of State herself, as well as the locally elected and accountable Basingstoke and Deane borough council, which is the planning authority, all found after long and detailed investigation and consultation with local residents that the proposed scale of development—more than 270 houses were proposed—was wholly unsustainable. Yet the Secretary of State, with no additional new evidence, seeks to overturn those three separate, well thought-out decisions. Even more surprising, the Secretary of State wants to approve a plan that is one third bigger in number of houses to be built than the original plan, which was rejected almost three years go.

The Secretary of State's main argument is that new residents can come into the village because a train station is located there, and one is indeed—Bramley train station is quite small and has a surface level crossing. She argues that the additional 270 houses would, as a result of the station's presence, put no real additional strain on the local road network. Her own inspector looked closely at this issue in a report issued in February. In it, the inspector said:

> "Bramley is a small village in which shopping, education and employment needs are met to only a limited extent. The appeal site does not occur in a location which would be sufficiently likely to encourage a shift in travel behaviour, away from the private car, for these purposes. Its sustainability is sub-optimal."

The facts are that fewer than one in five current residents living in close proximity to the station regularly use the train. Given the inspector's findings, if the development were to go ahead, more than 300 additional cars could be on the local roads, which have not been improved to be able to take them. Those roads already suffer from considerable congestion.

I have heard the Minister talk many times, often at the Dispatch Box, about the need to increase the rate of house building in the south-east of England, and she will perhaps do so this evening. However, I am sure that she is sufficiently well briefed to know that the borough of Basingstoke and Deane has not shied away from Government house building targets. Well in excess of actual local need, the build rate in the borough is more than 900 units a year. Indeed, figures given to me by the council show that last year, well over 1,000 new housing units were built in Basingstoke, so I am sure that the Minister is not about to give the residents of Basingstoke and Deane a lecture about the need to build houses.

Residents in Old Kempshott lane, in Rooksdown, which is in the constituency of my right hon. Friend the Member for North-East Hampshire, and in Popley, Chineham, Eastrop, Brookvale, King's Furlong and Lychpit are only too aware of the massive rate of house building that is being undertaken in our borough. Indeed, half the wards in the town of Basingstoke are subject to significant house building programmes, yet the borough has only just been given the resources to assess the shortfall in infrastructure.

Therefore, despite the fact that local elected representatives have produced a well thought-through and commended local plan, in accordance with procedures set out by the Government, that has allocated sites for house building in areas where there is access to schools, shops and other local services, the Secretary of State still feels minded to intervene and potentially to release yet more land for development. Does she simply not trust the local community in Basingstoke to get it right? The plan did not include house building in Bramley, because residents and their elected representatives, as well as two inspectors, could see that the community could not sustain further growth. As the chairman of the parish council, John Ferguson, said to me, the village has reached "saturation point"—a feeling that I am sure residents in many other areas of my constituency can empathise with.

Indeed, throughout the borough there is a deep and growing concern that insufficient investment is being made in improving local services. Investment simply has not gone hand in hand with Government house building targets over the past 10 years. We now see regularly the consequences of that, which are becoming a cause of deep concern for residents throughout my constituency. There is regular flooding of the sewerage systems in the northern part of the town, and the level of phosphates in the River Loddon is causing concern.

[Mrs. Maria Miller]

The M3, which runs through the centre of my constituency, is consistently running well over capacity. The Minister may be aware that a tragic spate of deaths has resulted from that congestion in the past two years.

Other issues include a growing problem of rat-running through villages and residential communities. New areas, such as Rooksdown which I mentioned earlier, have few local community facilities to support the families who live there, who often have very young children. We already have an infrastructure gap of more than £200 million on our roads in the area, and I fear that the Government are creating further problems that will be far more costly for us to deal with in the future.

At every stage of the process, local residents and their very able elected representatives have worked with the inspectors and the planning authority. More than 200 residents directly contributed to the most recent inspection in public. A local ward councillor, Marylyn Tucker, summed up the situation:

"The site has gone through the democratic process, and at all levels the professionals (including two Inspectors) have ruled against the development, but it appears the Secretary of State believes she knows best.

What a complete waste of time and money on behalf of the Local Authority, the Local Plan process and the local residents.

It is no wonder that the electorate have little confidence in government when this is what is seen as democracy."

Councillor Tucker's words reflect many of our local residents' feelings on this matter.

I have several specific questions for the Minister who is responding to the debate on behalf of the Secretary of State. First, what new evidence is there that the plan to build more than 270 houses in German road is now sustainable when previously it was deemed not to be? Did the inspector make some serious errors in her report earlier this year, or does the Secretary of State have some special plans to offer money to develop Bramley even further? Perhaps she will offer the new residents a free train pass so that they will use the train rather than their cars. I would be interested to know what plans she has to make the development more sustainable.

Both the Secretary of State and the planning inspector agree that the proposal is not in compliance with the local development plan, because it is outside the settlement policy boundary of Bramley, it would increase dependency on the car, and the scale of the proposals has increased significantly since the original proposal was submitted. Did the elected representatives and the local planning authority get it wrong? What mistake did they make to lead the Secretary of State to want to intervene?

There was extensive consultation with the people of Bramley and the people of Basingstoke on the local plan, but the Secretary of State can override that from afar. What message does the Minister think that that sends to my constituents about the usefulness of being involved in future so-called consultations, especially on planning issues or of the involvement of local government in the planning process?

As the Minister will be aware, the problem in Basingstoke, and indeed in many other areas of the south-east, is not a shortage of land on which to build but the rate at which builders are prepared to bring houses on to the market. A number of major developments have significantly slowed their build rate as too many new developments are coming on to the market in Basingstoke. Although the Government would like to control all aspects of house building more closely, the Minister—who, like me, is an alumnus of the London School of Economics—will understand that she still has to rely on market forces and the need of developers to make a profit on the houses that they sell. What evidence does she have that overriding the local plan in this way will not just lead to other developments slowing their build rate?

"There is a duty in the modern constitution to ensure the best possible consultation throughout out society. Public consultation is a mark of a mature democracy, not only when Government seeks to make major legislative changes—for example over taxation—but also at a smaller scale when new developments are planned. We must also ensure the fullest democratic participation in decisions".

Those are fine words indeed, and they were used by our Prime Minister-in-waiting when he was still just the Chancellor. There has been an exhaustive consultation about the decision, but is the Minister for Housing and Planning happy that the Secretary of State is putting into practice the words of the man who will soon be her party leader? Or does she agree with local residents in Bramley and Basingstoke that consultation and democratic participation take on very different meanings when used in connection with the Secretary of State's current approach to planning?

5.21 pm

The Minister for Housing and Planning (Yvette Cooper): I congratulate the hon. Member for Basingstoke (Mrs. Miller) on securing this debate. She has set out her concerns about the role of the Secretary of State in the planning application in respect of German road, Bramley.

The hon. Lady was right to say at the beginning of her remarks that I am very constrained in what I can say in the House about these matters. The case is still under consideration by my right hon. Friend the Secretary of State, so it would not be appropriate for me to comment on the matters that she has raised. I am unable to take action that could prejudge the determination of the planning decision.

However, I can tell the House that my right hon. Friend the Secretary of State wrote to the parties involved on 3 April 2007 indicating that she is minded to disagree with the inspector and to grant planning permission, subject to conditions and in particular subject to receipt of a satisfactory reformulated planning obligation in respect of securing the appropriate provision of affordable housing. The parties involved have been asked to submit such an obligation and any other representation by 3 July this year. Subject to the substance of those submissions, I understand that it is anticipated that a decision would be issued on or before 2 August.

The hon. Member for Basingstoke will know that clear procedures exist for the determination of planning cases. Such cases involve private as well as community interests, so it is appropriate that the procedures are properly followed to ensure that

decisions are fair to all sides and appropriately transparent. She will appreciate too that my right hon. Friend the Secretary of State's role in such cases is quasi-judicial, and that it is therefore inappropriate for Ministers to debate cases in Parliament while they are passing through the process.

In addition, I am afraid that we are also unable to have a slightly wider debate that uses an individual case as an example, as to do so could give the appearance that we were prejudging the case, which would be inappropriate. The hon. Member for Basingstoke will want to ensure that the views of her constituents and of everyone involved in the case are fairly taken into account and are not prejudiced by the debate.

However, I can draw the attention of the hon. Member for Basingstoke to the letter of 3 April, which sets out the Secretary of State's consideration of the development plan, the sustainability of the site, transportation matters and planning policy guidance note 13. It also sets out my right hon. Friend's consideration of housing matters and planning policy statement 3, and of the relevant conditions under section 106 of the Town and Country Planning Act 1990. Finally, it sets out my right hon. Friend's conclusions in the light of those considerations. I am afraid that it would be inappropriate for me to comment further, and I am also unable to comment on the relationship between the application and the wider plans for the district.

The hon. Lady raised wider issues around the need for infrastructure and for housing. I preface my comments on those two wider issues by saying that I am not commenting on them with regard to their implications for this individual case. As I have made it clear, it would not be appropriate for me to do so. We believe that there is a need for more investment in infrastructure to support housing growth across the country. That is why we have been looking at issues around planning gain supplement and why we have been working with areas, such as Milton Keynes, on ideas around tariff. She has to recognise that infrastructure requires investment and that that investment needs to be found. I hope that she will urge her Front Bench to support additional investment in infrastructure across the country.

The hon. Lady may be aware that the national housing and planning advice unit has today published a report that looks at the impact of affordability on current and planned levels of house building and concludes that if more homes are not built, there will be a big increase in pressures on first-time buyers over the next 20 years and that this is a serious matter.

Mrs. Miller: The Tory party's position is clear: house building must go hand in hand with infrastructure development, but in Basingstoke and throughout the south-east of England those two are in no way linked. Will the Minister clarify her position on that?

Yvette Cooper: I do not think that that is the Tory position. Rather it is that while perhaps the two should be linked, Tories will not provide any investment, and thus have a good excuse not to build any houses. Tory Front Benchers, as the hon. Lady will know, have been hostile to increases in investment and have proposed cuts. Nevertheless I hope that her party will think about the benefits, for example, of raising additional resources from planning gain and about other ways of putting appropriate additional investment into infrastructure and in support of housing.

The majority of the hon. Lady's speech concerned the individual planning application and I cannot comment further on it. I know that there will be proper consideration of all the appropriate issues before the Secretary of State makes her final determination on the individual application.

My officials helpfully suggested that, as I was unable to respond in any great detail to the issues around the individual planning application, I could take the opportunity to remind the House of the major messages of the planning White Paper that was published on 21 May. I am sure that the hon. Lady and, indeed, the whole House will be pleased to learn that I intend to refrain from that as I do not think that they were pertinently raised in her speech.

Mrs. Miller: Part of the Secretary of State's comments when she presented the White Paper concerned the importance of consultation and the fact that it should be at the heart of the planning process. To return to my earlier comments, what message can I take back to my constituents? When next the Government ask them to participate in a consultation, they will merely say, "It didn't get us very far last time, did it?"

Yvette Cooper: All that I can say again is that there are processes to be followed in planning cases. Processes throughout the planning system involve consultation, including extensive consultation with local communities, especially at the plan-making stage. There are different opportunities to put views forward, but it is not appropriate for the House and Ministers to engage in detailed debates about a planning application. It is important that the procedures are properly and fairly followed. I know that hon. Members generally respect that process and recognise that it is an appropriate way for decisions to be taken. I hope that the hon. Lady will recognise that I am trying as best I can to respond to the points that she has made, but I am not prepared to go outside the clearly set planning guidelines. It would not be fair on her constituents or on anyone else for me to do so.

With that, I congratulate the hon. Lady again on securing the debate. The Secretary of State will certainly take all relevant issues into account when making her final decision.

Question put and agreed to.

Adjourned accordingly at half-past Five o'clock.

House of Commons

Monday 11 June 2007

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

HOME DEPARTMENT

The Secretary of State was asked—

Simon Mudada

1. **Mr. Edward Leigh** (Gainsborough) (Con): If he will determine the current immigration status of Mr. Simon Mudada, further to correspondence between the Minister for Immigration and Asylum and the hon. Member for Gainsborough; and if he will make a statement. [141123]

The Minister for Immigration and Asylum (Mr. Liam Byrne): I have written again to the hon. Gentleman on 8 June to provide an update on this case.

Mr. Leigh: Will the Minister reconsider his position on this case? Mr. Mudada is a minister of religion and an opposition activist working for the Movement for Democratic Change. He has applied twice, and he has been in this country for five years.

I want to appeal to the Minister on urgent compassionate grounds. Mrs. Mudada, who has been to my surgery twice, has not seen her four children, the youngest of whom is nine years old, for almost five years. They were being looked after by their grandmother in Harare, but she is now dead. This is surely an urgent, compassionate case. The Minister said to me in his letter that the children can apply for entry clearance, but until Mr. Mudada's status is cleared up, they cannot. Whatever the Minister's views about whether Mr. Mudada is a genuine asylum seeker, he should clear the matter up so that that mother can see her children.

Mr. Byrne: I have made it my policy not to discuss individual cases on the Floor of the House, but I would be happy to meet the hon. Gentleman to discuss the case if he would find it convenient. Generally, it is the policy of the Border and Immigration Agency to enforce decisions when an independent judicial process has concluded that somebody does not have the right to be in this country, and that it is safe for them to go home. Obviously, I look with particular care at cases from Zimbabwe, given the despicable nature of the regime there.

Foreign Prisoners (Deportation)

2. **Mr. David Heathcoat-Amory** (Wells) (Con): What recent discussions he has had with the Ministry of Justice on measures to deport foreign prisoners following their release from prison. [141124]

The Minister for Immigration and Asylum (Mr. Liam Byrne): Discussions are going on all the time.

Mr. Heathcoat-Amory: Last year the Prime Minister told the House that

"it is now time that anybody who is convicted of an imprisonable offence and who is a foreign national is deported."—[*Official Report*, 3 May 2006; Vol. 445, c. 960.]

However, the Immigration (European Economic Area) Regulations 2006 explicitly rule out deporting people with criminal convictions to the European economic area. Will the Government stop talking tough about deporting criminals while exporting the powers to do so? Or will the Government retrieve those powers to deport criminals and enable the Prime Minister to fulfil the pledge that he made to the House?

Mr. Byrne: I know that the right hon. Gentleman will have looked very closely at those immigration regulations, referred to as statutory instrument No. 1003; however, if he looks at them again he will notice that they say no such thing. The Government are still able to consider all deportation cases, whether the individual is from the European Union or not.

May I take the right hon. Gentleman's mind back to the free movement of people directive, which was laid before the House? I do not think that any party prayed against it, and therefore I assume that it has all-party support, if not the support of all Members. That directive sets out our policy for deporting people from the EU. We will consider people from the EU for deportation if their offences are serious, and I anticipate that we will deport a good 300-plus this year alone.

Mr. David Kidney (Stafford) (Lab): I thank my hon. Friend the Minister for keeping the promise that he made to the House on Report of the UK Borders Bill to review the Home Office policy on informing the victims of crime of the deportation of foreign nationals from prison. When does he anticipate the new policy being in place?

Mr. Byrne: I am very grateful to my hon. Friend for the time that he has taken to brief me on the troubling circumstances of the individual case about which he addressed the House at some length earlier this year. If we are to rebalance the criminal justice system and the immigration system in favour of the victim, it is important that we disclose information when we are able to do so. I hope to put in place a new policy to do so on request from right hon. and hon. Members within the next month.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): The Prison Officers Association is on record as saying that it is very concerned that when foreign nationals have completed their sentences, that is the point at which people consider what to do with them. Frequently,

they remain in custody for two or three months, which is absolutely wrong on human rights grounds and everything else. Will the Minister assure the House that the planning of what to do with them is started well before their sentences expire?

Mr. Byrne: My right hon. Friend the Home Secretary told the House last year that we would bring forward considerably the point at which we consider a foreign national prisoner's case for deportation. We now routinely consider cases six months before the sentence comes to an end. It is because we now consider cases much earlier in the process that we have almost doubled the rate at which we send foreign national prisoners back to where they came from.

Keith Vaz (Leicester, East) (Lab): I have raised the case of James Bishop with the Minister before. The person who killed my constituent was removed from this country before the trial took place. Will my hon. Friend confirm that he is having discussions with the Foreign Office as well as with the Ministry of Justice so that those who are removed will not be able to reapply for entry clearance, and that if they reapply it will be clear to entry clearance managers and entry clearance officers why they were removed from the UK, so they will not be allowed to return?

Mr. Byrne: My right hon. Friend has previously raised the case with me; I have such discussions with my colleagues in the Foreign Office every fortnight. Crucial to making the progress he wants is the introduction of biometric visas in every visa post around the world. We have now introduced them in 67 countries and we already find that thousands of people are reapplying whom we know about through our records. That is why it would be such an error to shut down the biometric identification system in which the Government are investing.

Mr. Humfrey Malins (Woking) (Con): I sit in the London courts and an increasing number of serious crimes are being committed by people who come to the UK from the new EU states. Does the court have the power to order their deportation? Should it not have the power to do so?

Mr. Byrne: In the case of EU nationals, the free movement directive sets the framework for the policy we have to adopt, but for foreign nationals more generally the provisions in the UK Borders Bill are exactly right and mean that people who commit a serious offence in this country will face the prospect of automatic deportation, and if they want to appeal against it they can do so from the country they came from.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): Can my hon. Friend assure the House that if foreign prisoners are held in any devolved part of the UK the devolved body will be consulted when they are being deported?

Mr. Byrne: There are close arrangements for dealing with matters between devolved Administrations. Obviously the detention estate available in Scotland is run by the Border and Immigration Agency, but colleagues in the BIA in Scotland are in close day-to-day contact with officials from the Scottish Executive and the Scotland Office.

Damian Green (Ashford) (Con): The Minister's attempts to reassure the House about the deportation of foreign prisoners are pointless unless he can give us accurate figures about how many former foreign prisoners are still at large in the UK and how many are still under lock and key. He may be aware that when I asked how many former foreign prisoners were in young offender institutions, the former prisons Minister, now the Under-Secretary of State for Justice, replied that the data are

"not available without disproportionate cost".—[*Official Report*, 8 February 2007; Vol. 456, c. 1093W.]

If Ministers cannot say how many former prisoners are still locked up, the Minister needs to clarify whether the Government really do not know, which would be alarming, or know but will not tell us—which would be disgraceful. Which is it?

Mr. Byrne: My right hon. Friend the Home Secretary was clear about the seven or eight key failings in the criminal justice system that resulted in the crisis of foreign national prisoners not being considered for deportation appropriately last year. One issue was the difficulty of identifying whether people in the criminal justice system are foreign nationals. To remedy that, we have set in train work with the police; pilots are under way and the lessons from them will be applied across the criminal justice system. Our determination to deport those who have no right to be in this country is clear, which is why we have invested extra resources and doubled the rate at which we are sending foreign national prisoners home.

Detention without Charge

3. **Mr. Alistair Carmichael** (Orkney and Shetland) (LD): What his policy is on the period of detention without charge for terrorist suspects; and if he will make a statement. [141125]

The Secretary of State for the Home Department (John Reid): First, with your permission Mr. Speaker, I am deeply saddened to report to the House the death today of PC Jon Henry while on duty in Luton with Bedfordshire police. Tragic events such as his death highlight the dangers that police officers face day to day in their task of protecting the public. I have spoken with the chief constable of Bedfordshire police, Gillian Parker, and passed on my sympathies and those of the whole House to the friends, family and loved ones and colleagues in the police service of PC Jon Henry.

I believe that events in the past 12 months have strengthened the case for extending pre-charge detention. However, I believe that we ought to seek broad agreement, if possible, on the way forward and have therefore opened consultations on the matter to see if a consensus can be reached.

Mr. Carmichael: I associate myself with the Home Secretary's very proper expressions of condolence with regard to Constable Henry and his family.

When the Home Secretary consults on detention without charge, will he bear in mind the need to consult police and prosecutors in all parts of the United Kingdom? He may recall that his predecessor did not feel it necessary to speak to the Lord Advocate about that, and given the widespread concern in Scotland about the Prime Minister's dealings with Libya last week, will the Home Secretary promise me that this will not be another free gift to the Scottish National party?

John Reid: Yes, I will try to ensure that all those proprieties are observed, in the spirit as well as in the letter. I do not accept that there is anything improper about the proceedings over the past week or two, which was the premise of the hon. Gentleman's question. I agree with those elements of the Scottish press that say that this was more spin than substance, however effective the spin side might have been from the point of view of the First Minister. Nevertheless, it is right to remember that with such important issues we should carry out the fullest and widest possible consultation.

Jeremy Corbyn (Islington, North) (Lab): In the Home Secretary's consultations over the period of detention without trial for terror suspects, will he bear in mind the fact that many of us feel that 28 days is already rather too long for detention without trial, and that the idea of extending the period to as long as 90 days could be counter-productive in gaining the co-operation and support of many in the country who wish to be part of the community rather than alienated from it? Detention for 90 days will not bring about the peace and justice that the Home Secretary wants, but will probably drive some people into the arms of those whose arms he would rather they were not driven into.

John Reid: It is always a difficult balance. I do not disguise my recognition that it is difficult for Members to balance the requirements to counter terrorism effectively, to fight it and to ensure national security with the need to ensure that when we strengthen powers we strengthen scrutiny appropriately, too. My hon. Friend says that people may have had misgivings last time we debated the matter, and that is true, but there was a majority view that given the new circumstances, a period of 28 days was justified. The events of the past 12 months have shown that to be correct. The consideration of one or two cases last August took 27 or 28 days—right up to the limit. There are about six examples of cases that took that long over the past 12 months. The case for the extension is strengthened. I remain persuaded of the case, but I recognise that others are not. That is why I am trying to consult as widely as possible to see whether we can reach a compromise and consensus.

Mr. Ben Wallace (Lancaster and Wyre) (Con): The hon. Member for Islington, North (Jeremy Corbyn) referred to the counter-productiveness of extending detention without trial, especially in certain areas of the community, which could concern the ability to recruit sources. Has the Home Secretary received any representations from agencies involved in counter-terrorism that might be worried that it is already hard to recruit informers in the communities that pose a threat to us? If he has, does he recognise that that might be a result of the proposed legislation or the legislation that has already been implemented?

John Reid: It is always difficult to recruit people in the midst of a sharp struggle. That was the case in fighting republican terrorism and I have no doubt that it is difficult at present. On the other hand, we receive a lot of support from across the community. That is essential, because I have continually expressed the view from the Dispatch Box and outside the House that ultimately we will not defeat terrorism through the security apparatus. It is a necessary but insufficient means. The way to defeat terrorism is by bringing the community of this country together. It is at the grass roots, in the communities, in the streets, in the mosques and outside them, and in our universities that we will fight out the battle for values and ideas. The security apparatus is one dimension—but only one.

Anne Snelgrove (South Swindon) (Lab): Acts of terrorism and the threat of terrorist attacks affect everyone in this country, not only those who sadly suffer the immediate effects of terrorism. Some of my constituents have said that they are concerned about travelling to London and other cities because they are afraid of terrorist attacks. Such attacks are an attack on our freedom. What plans does the Secretary of State have to consult members of the public, organisations, and the victims of terror? Does he believe that the balance should lie with the safety of the public or the individual freedoms of the terrorists?

John Reid: The ultimate right is the right to the preservation of one's life, because if we cannot protect individuals' lives, we cannot, by definition, extend to them the opportunity to exercise any other rights, given that they all depend on an individual's existence. I would have thought that that was self-evident. That is why, when balancing the rights of the 60 million individuals who make up the community, we must have a degree of proportionality. However, that is not reflected in at least one of the judgments of the European Court, the so-called Chahal judgment, which is why we will continue to contest and appeal against it.

The key thing is to involve the whole community. Two groups of people on both extremes wish to divide the community. There are apologists for al-Qaeda who argue that this is essentially a war by everyone else on Islam, which is untrue. There are those on the extreme right of politics who argue that this is a war by Muslims on everyone else, which is equally untrue. Both those groups ought to be pushed to the fringes as we unite everyone in this country across communities and ethnic and religious backgrounds.

David Davis (Haltemprice and Howden) (Con): On behalf of the official Opposition, I join the Home Secretary in paying condolences to the family and friends of PC Jon Henry. I am afraid that today's tragic events are a salutary reminder of the risks that policemen and women take on our behalf.

May I crave your indulgence for a second, Mr. Speaker? I think that this will be the last Home Office questions that the Home Secretary will face. May I take this opportunity to wish him well? We have had our differences a number of times over the years, but at every turn I have always accepted that he has done what was in the national interest, in his judgment.

The idea of allowing the police to interview terrorist suspects after they have been charged is put forward to allow a suspect to be charged earlier and to maximise the chance of conviction. That is less controversial than increasing the time of detention without charge and will represent a major increase in police effectiveness. Will the Home Secretary tell us why it has taken two years to implement the idea?

John Reid: Ideas such as post-charge questioning, the pre-charge extension of detention facilities and the question of intercept have a political, social and legal dimension and often require a great deal of thought and consultation. As it happens, in this case, the right hon. Gentleman has supported the measure for a considerable time. I took the decision that it could be introduced a while back, but I wanted that to take place alongside the introduction of a package of measures. I thought that some of those measures might be more controversial, which is why there has been a delay in bringing this forward.

The right hon. Gentleman would be the first to urge me not to have knee-jerk reactions to events. When I came into my post, I did not want to bring in yet another series of new laws, because that would have been another ground for criticism. I hope that we will be given credit for delaying and thinking things through, after some scrutiny.

David Davis: I agree with the Home Secretary about wanting to avoid knee-jerk reactions. Reference has already been made to the attitude of some senior policemen to the effectiveness of gathering intelligence. Let me quote one:

"the trust that exists between police and public is critical to all we do, and is absolutely vital in counter terrorism. It fundamentally affects the level of support, and of course intelligence that we receive from communities."

As has already been said, the greatest risk of extending detention without charge is that it will act as a recruiting sergeant for terrorism and cause the flow of intelligence from the community to dry up. What has the Home Secretary done to assess the effect of the proposed increase in detention on the attitude of the minority communities?

John Reid: I agree entirely with the sentiments expressed by whoever made them.

David Davis: Peter Clarke.

John Reid: I guessed that it was Peter Clarke. If I remember correctly, those words were part of his comments in the Colin Cramphorn memorial lecture. I agree that when we consider every single measure, we must balance its short and longer-term effects on countering terrorism and its effects on keeping the community on side. That is a difficult job. For instance, I have said continually that I believe that members of the Muslim community in this country are the victims of terrorism twice over, first because they suffer like the rest of us when bombs go off, and when there are explosions and terrorist attacks, and secondly because they are at the front line of counter-terrorist measures. Of course we must always consider that. What I have relied on is a degree of scrutiny and judgment—that has taken some time—and the view of the police, as expressed officially. That view is not that the extension is inevitable or an absolute requirement; it is that the police can envisage circumstances in which it may become necessary to go beyond 28 days, and they therefore believe that I should raise the matter for consideration, inside and outside Government. I am therefore weighing in the balance the immediate effects and the possible consequences, and I lay great stress on the view of the police.

Arrest Statistics

4. **Mr. David Amess** (Southend, West) (Con): What recent assessment he has made of arrest rates by police officers. [141126]

The Parliamentary Under-Secretary of State for the Home Department (Mr. Vernon Coaker): The information is not held centrally in the form requested, as arrests statistics are collected on a recorded crime basis only. Our focus is on police activity that tackles crime and brings offenders to justice. Since 2003, crime has fallen by 10 per cent. Since 2002, the rate of offences brought to justice has increased by 39.6 per cent., and sanction detection rates have increased from 19 per cent. in 2003-04 to 24 per cent. in 2005-06.

Mr. Amess: In common with the majority of the British people, my experience has been very different from the position that the Minister sets out. After great effort on my part, I received a letter from the Metropolitan police telling me that the person who burgled my mother's home—she is in her 96th year—asked for 1,396 offences to be taken into account when he was brought to justice at the age of 19, under Operation Wipeout. Does the Minister think that the 19-year-old who burgled my mother's house is the cleverest thief who ever existed, or would he agree that it is an absolute disgrace that those offences went undetected for so long?

Mr. Coaker: We are all appalled by cases such as that involving the hon. Gentleman's mother, and we all want people who burgle—particularly those who burgle an elderly, frail, vulnerable woman in her own home—to be brought to justice. That is why we have undertaken a whole range of measures to ensure that more people are brought to justice, and to make sure that when people burgle homes, they are brought before the courts and sentenced appropriately. As regards people who commit less serious offences, we have introduced fixed penalty notices and sanction detection rates to try to encourage police officers to bring more people to justice, and to ensure that more offenders are brought before the courts, both for the kind of serious crime that the hon. Gentleman mentioned, and for less serious offences.

Mrs. Madeleine Moon (Bridgend) (Lab): Crime in my constituency of Bridgend is at a four-year low. Auto crime, violent crime and criminal damage are down, but as the hon. Member for Southend, West (Mr. Amess) says, there is a problem with burglary. My local police force has found that the hot weather increases the problem, as people leave windows open and doors unlocked. Does my hon. Friend agree that there is a responsibility on the public to protect themselves from crime, especially during the current heat wave, by ensuring that windows and doors are locked?

Mr. Coaker: I thank my hon. Friend for that question. Of course people have a responsibility to protect their own property, and of course they should lock doors and windows and take all the other sensible measures that we should all take; but alongside that, we need to send out a clear message that burglary is a serious crime, and that we expect burglars who are caught to be charged, put before the courts, and dealt with appropriately. Although it is of course sensible for people to protect their homes and do what they can, we need to send out the clear message that burglary will not be tolerated.

Mr. Owen Paterson (North Shropshire) (Con): Last Monday, a reply by the Under-Secretary to a question I had tabled showed that the number of traffic officers declined from 7,525 in 1998 to 6,511 in 2005, which is a drop of more than 1,000 in seven years. Does he consider, as many criminals use vehicles, that that will help or hinder the arrest rate?

Mr. Coaker: The hon. Gentleman will know that the figures he quoted are last year's figures. The latest figures show an increase in the number of road police. He will know, too, that we take road policing very seriously, which is why, for the first time, we included it in the national community safety plan, which is an important step forward. Automatic number plate recognition systems are being used successfully by a large number of forces, so the message on roads policing is: policing the roads is important, because it helps to disrupt criminals who have to travel. I agree with him on that, and we have taken steps to deal with the problem.

Mr. Brian Jenkins (Tamworth) (Lab): My hon. Friend will know that many hon. Members, myself included, would like the arrest rate in our constituencies to go down. We would like the crime rate, too, to fall rather faster. What is the correlation between the arrest rate and the crime rate? Has he done any work on that, and which police force has the highest correlation?

Mr. Coaker: On the question of the individual police force, I will have to write to my hon. Friend, but he has raised an important issue. The fact of the matter is that where the number of arrests goes up, there is a correlation with the crime rate. Obviously, we want to drive the crime rate down, and crime reduction correlates with increased police activity on the streets. Alongside the number of arrests in an area, it is important to have a visible police presence on the street, which is why the roll-out of neighbourhood policing is significant. The additional measures that we have introduced such as fixed penalty notices and penalty notices for disorder give the police another option apart from arrest when dealing with crime on the streets. As I said, there is a range of options available to the police, which they can use as appropriate on the street when dealing with criminals and crime.

Mr. Nick Clegg (Sheffield, Hallam) (LD): May I endorse the expressions of condolence to the family, friends and colleagues of PC Jon Henry, following his terrible death today?

Just as important as arrest rates is what happens after arrest. Is the Minister aware that figures revealed by the BBC today show that 8,000 sexual offenders have been released on caution. That is only the tip of the iceberg, however, as there was a 160 per cent. increase in the number of cautions issued for violent offences in the same period. Does the Minister agree that that is a grave affront to the basic principle that justice needs not only to be done but to be seen to be done, and that it is a direct consequence of the Government's reckless expansion of so-called summary justice and the bombardment of the police with endless illogical targets?

Mr. Coaker: May I begin by joining the hon. Gentleman in his expression of condolence? With respect to cautions, whether they concern sex offenders or anyone else who has offended, that is a matter for the police to determine according to the individual circumstances of the case. The police have available to them a menu or range of options to deal with offenders. They make a professional judgment in liaison and consultation with colleagues about the best way forward, and cautions are part of that. If the hon. Gentleman looked at the individual circumstances of each case in which a caution was used, I bet that he would find that he agreed with a significant number. If he looked at those individual circumstances, rather making a grand political point and adding them all together, he would find that the truth is much more complicated than he has portrayed it.

James Brokenshire (Hornchurch) (Con): One of the factors affecting arrest rates is the increased pressure on police officers to issue penalty notices to satisfy Government targets. Given that half those notices are paid and do not carry a criminal conviction, what confidence can the public have that issuing what are little more than glorified parking tickets is really bringing crime to justice?

Mr. Coaker: The hon. Gentleman knows that crime has fallen. Before the introduction of fixed penalty notices and penalty notices for disorder, a large number of those offences went unpunished. We need to ensure that the system of fixed penalty notices and penalty notices for disorder works effectively and efficiently. In many respects it does and it has enabled the police to deal with an offence on the street in a community, which they would not have been able to do before.

Mr. Bob Blizzard (Waveney) (Lab): With reference to burglary, the Crimestoppers page in last week's *Lowestoft Journal* showed that there were no burglaries at all in Lowestoft the previous week, in line with the trend. We still have a problem with criminal damage, but recently one of our safer neighbourhood teams, with the local council, blitzed an area of town, clearing away piles of fly-tipped rubbish, returning 16 children to school and seizing or reporting 20 cars. Will my hon. Friend congratulate all the people involved in that and encourage other safer neighbourhood teams throughout the country to get stuck in and deal with criminal damage?

Mr. Coaker: I congratulate my hon. Friend on drawing to the attention of the House the excellent work of the *Lowestoft Journal* and its Crimestoppers page, which seems to be having a dramatic impact on Lowestoft,

especially the report of no burglaries that he highlighted. The important point made my hon. Friend—we should draw attention to it because of its relevance to the rest of the country—is the fact that successful neighbourhood policing, as he mentioned, involves not only the police but the council, schools and health services. Effective neighbourhood management, alongside effective neighbourhood policing, means that we get not only the sort of results in Lowestoft that my hon. Friend described, but similar results across the country.

Police Patrols

5. **Mr. Philip Hollobone** (Kettering) (Con): What his most recent estimate is of the average proportion of a police constable's time which is spent on patrol. [141127]

The Minister for Security, Counter Terrorism and Police (Mr. Tony McNulty): Fourteen per cent. of officer time was spent on patrol. The figure is not broken down by rank. Some 63.1 per cent. of officer time was spent on broader front-line activities. All the figures are for 2005-06. Other front-line activities not captured by the definition of "patrol" include arrests, dealing with incidents, gathering intelligence, responding to 999 calls, carrying out searches, dealing with informants, and interviewing suspects, victims and witnesses.

Mr. Hollobone: Is not the fact that 14 per cent. of police constables' time is spent on patrol a national disgrace? The fact that at any one time only one in 58 police officers is out on patrol is also shameful. Is it not the case that under the present Government pre-emptive patrolling by police constables on foot in most of our towns and cities effectively has come to an end?

Mr. McNulty: No, I do not perceive it in those terms, precisely because of what I said. Patrol means visible, yes, and available. To define patrol alongside policing generally is wrong. That is why we prefer the front-line figure, which encompasses all those active elements to which I referred, including arrests, dealing with incidents and gathering intelligence—all elements that go to meeting what our communities would expect from policing. That, together with the figure for officers on patrol or ready for patrol, comes to some 75 per cent. I accept the implied point that of the remaining 25 per cent., some 20 per cent. is incident-related and other paperwork. We need to drive down the amount of police time spent on paperwork, but I do not regard what I have said about front-line policing and patrol as shameful in any way. It is a matter of great celebration for our communities that our police are doing such a good job.

Kelvin Hopkins (Luton, North) (Lab): Police constables on patrol put themselves at serious risk every day of their lives on behalf of us and every citizen. That was tragically illustrated in Luton town centre this morning. As a Luton Member, may I add my condolences to those of other Members on behalf my constituents, who depend upon people such as Jonathan Henry and others? I pay tribute to him and convey my sympathy to his family. Will my hon. Friend, and indeed my right hon. Friend the Home Secretary, look again at how we can deal with knife crime, which is still too prevalent and at how we can protect police officers in the future?

Mr. McNulty: First, I join my hon. Friend in passing on condolences to the family of Jonathan Henry and, indeed, to anyone associated with policing in Bedfordshire, not least in my hon. Friend's home town of Luton. As he says, it was an appalling incident and we all pass on our sympathies.

On my hon. Friend's broader point, we are doing much on knife crime, but it would be wrong, as my right hon. Friend the Prime Minister said at the last summit held in Downing street, to assume that it can be dealt with only by legislation by the Government. Yes, it is about legislation, but it is also about culture, awareness and education and some of the responsibility must go to parenting and families. Only by tackling all three of those elements, which we are trying to do, will we get rid of the scourge of knife crime. However, I broadly agree with all the sentiments that my hon. Friend expressed.

Mr. David Ruffley (Bury St. Edmunds) (Con): The Minister's figures from 6 March 2007 show that a staggering 16.5 per cent. of patrol officers' time is spent on paperwork. Has he any workable proposals to cut red tape for our police?

Mr. McNulty: The issue is not simply red tape. About half the time that the hon. Gentleman refers to is spent on incident-related paperwork. There must be proper due process in relation to audit trails and paperwork, not least in preparation for the matter being dealt with in the criminal justice system. I am with the hon. Gentleman on the other half of the equation: some 7.98 per cent. of the figure relates to non-incident-related paperwork. Through work force modernisation, considering who is doing what job in the police force and greater use of technology such as handheld personal digital assistants, we are working closely with the Association of Chief Police Officers and assorted forces to drive that figure down. I am with the hon. Gentleman on that figure, but the notion that somehow we will get rid of all paperwork is not correct because of, quite rightly, due process in relation to the criminal justice system.

Ms Celia Barlow (Hove) (Lab): In the light of that answer, does my hon. Friend agree that a truer estimate of time spent on the streets would involve the increase in neighbourhood policing? That is the cornerstone of Sussex police's approach; they have introduced 53 new specialist neighbourhood teams, ensuring that every neighbourhood has its own dedicated group. Will my hon. Friend confirm that he will support the extra funding that has gone into those areas and, indeed, increase it, so that such measures can reflect what is necessary for local people and what they feel is important?

Mr. McNulty: I broadly agree with my hon. Friend and will certainly agree to support the existing funding levels and the overall policy of neighbourhood policing, which is making a profound difference to communities up and down the country, as I see when I go out and about on my travels. She also can be assured that the sustainability of the neighbourhood policing fund and policy will be an important cornerstone of our bid in the comprehensive spending review, but it is not for me to pre-empt or prejudge the outcome of that review.

Nick Herbert (Arundel and South Downs) (Con): The definition of front-line policing that the Minister

said that he preferred includes time filling in forms. Officers involved in that are not on the front line; they are in a back office. Four years after a previous Home Secretary promised a "bonfire of the paperwork" to free up more police time, the Police Federation says that bureaucracy has got worse, and the Government's own figures show that police officers spend more time on paperwork than on patrol. Instead of waiting 10 years to set up another review, when will the Government act to cut red tape and get police officers back on the beat, where the public want to see them?

Mr. McNulty: As I said to the hon. Member for Kettering (Mr. Hollobone), it is fundamentally mendacious to assume that the 14 per cent. figure relates only to the time when the police are available and carrying out policing. That is simply not the case. Yes, of course we need to drive down paperwork, and we will be saying to the Flanagan review that we need to do more on targets and wider bureaucracy, but it is not right for the hon. Member for Arundel and South Downs (Nick Herbert) to dismiss as blithely as he does the figure of 63.1 per cent. that I quoted, which I repeat relates to arrests, dealing with incidents, gathering intelligence, responding to 999 calls, carrying out searches, dealing with informants and interviewing suspects, victims and witnesses. I do not doubt that paperwork may be involved, but one does not have to be a genius to work out that any such paperwork probably contributes to affording our citizens due process under the criminal justice system. I would be happy to find out which part of the criminal justice system the hon. Gentleman wants to get rid of.

Police Funding

9. **Ben Chapman** (Wirral, South) (Lab): What arrangements are in place for the funding of policing for major events; and if he will make a statement. [141128]

The Parliamentary Under-Secretary of State for the Home Department (Joan Ryan): Policing of major events is the responsibility of the relevant local police forces from their normal budget. In exceptional cases, in which particular strain would be placed on a police authority's budget, additional Government support may be provided.

Ben Chapman: Is not it absurd that Merseyside police should be refused extra resources for policing the many events during the European capital of culture year of 2008, especially given that Liverpool represents the whole United Kingdom that year and in light of precedent for other events elsewhere? Does my hon. Friend agree with the statement in another place that the people of Merseyside should be so pleased that Liverpool has been honoured in such a way that they should be prepared to forgo adequate policing for the duration?

Joan Ryan: May I take the opportunity to congratulate Liverpool on being awarded the status of European capital of culture? It is a fantastic opportunity for Liverpool to show not only Europe but the world what a great city it is.

I am sure that my hon. Friend knows that all police forces in England and Wales have received sustained increases in funding under the Government. For Merseyside, the increase in total grants is £98 million—a 45.5 per cent. increase—since 1997. Merseyside also has 123 more police officers than in March 1997 and the number of police community support officers has doubled in the past six months to 466. The increases have put Merseyside police in a strong position to cope with the additional demands arising from Liverpool's year as European capital of culture. I hope that local authorities and businesses will consider contributing to policing costs, as they stand to reap significant benefits from such investment.

Lembit Öpik (Montgomeryshire) (LD): Will the Under-Secretary meet me and bereaved parents to hear the case for funding a major police murder inquiry into the deaths at Deepcut Army barracks, as recommended by Devon and Cornwall police?

Mr. Speaker: Order. The question is out of order and the hon. Gentleman is out of order in raising the matter here.

Jane Kennedy (Liverpool, Wavertree) (Lab): Although I understand the points that my hon. Friend the Member for Wirral, South (Ben Chapman) made about his constituents' concerns about suffering a lower level of policing through management of the events in 2008, will my hon. Friend the Under-Secretary bear it in mind that the Liberal Democrat administration of Liverpool has had five years to plan for those events but has signally failed to provide the funding, thus taking Liverpool into £20 million of debt? By notifying the chief constable too late to allow him to plan properly, the administration is left asking taxpayers throughout Britain to fund Liverpool's year of culture. Are not all of us who wish Liverpool well in that year in danger of being let down by its administration?

Joan Ryan: My right hon. Friend makes an important point. The policing costs are not a sudden or unexpected pressure. Liverpool opted to bid to be the European capital of culture; it was a voluntary decision. One would presume that those responsible chose to bid on the basis that the benefits would exceed the costs. They should factor in the cost of security when they decide to bid. As my right hon. Friend said, the administration has known since 2003 that Liverpool would be the European capital of culture. The local police have had plenty of time to prepare and plan, and that is certainly true of the local authority.

My right hon. Friend knows that the chief constable and the assistant chief constable have already briefed my hon. Friend the Minister for Security, Counter Terrorism and Police on the policing aspects of the year. He also visited Merseyside—

Mr. Speaker: Order. I think that the Under-Secretary has made the point.

Acceptable Behaviour Orders

7. **Miss Anne McIntosh** (Vale of York) (Con): What representations he has received on plans to issue acceptable behaviour orders to first time offenders convicted of burglary. [141129]

The Parliamentary Under-Secretary of State for the Home Department (Mr. Vernon Coaker): None. There is no such proposal.

Miss McIntosh: Will the Minister therefore account for the fact that there have been very credible newspaper reports that the Government are planning to introduce antisocial behaviour orders or acceptable behaviour contracts for first-time offenders of burglary? Will the Government now take this opportunity to restore the balance in favour of the victims of burglary, such as the mother of my hon. Friend the Member for Southend, West (Mr. Amess), because the law has moved too far in favour of the offender rather than the victim?

Mr. Coaker: The hon. Lady makes a reasonable point, but it is precisely the Government's position that we expect people caught and charged with burglary to be put before the courts. That is what we expect. We do not expect behavioural interventions to happen for burglary, though it may be that, on conviction, a criminal sentence is given by the court, with an antisocial behaviour order applied as well as the criminal sentence. Intervention before, however, is not appropriate. As far as the Home Office is concerned, we believe that any burglar should be arrested, charged and put before the courts.

Mr. Jim Cunningham (Coventry, South) (Lab): In relation to antisocial behaviour, will my hon. Friend consider having discussions with police forces up and down the country with a view to introducing a knives amnesty? Some years ago, the *Coventry Evening Telegraph*, together with the police, introduced a voluntary amnesty, which was very successful.

Mr. Coaker: A knives amnesty is obviously a matter for local police forces, but we are prepared to consider any representations that we receive with respect to that or any other matter, including antisocial behaviour orders.

Mr. Richard Benyon (Newbury) (Con): Acceptable behaviour orders may or may not be effective against some burglars, but what is beyond doubt is that many burglaries and other crimes are drug related. The Home Office has rightly taken up concerns about rising crime rates in my area, but at the same time has cut funding to the drug intervention programme by 11.5 per cent. in this financial year—with very little warning to the drug action team or other local drug and alcohol advisory teams. Is that not a bad example of joined-up government?

Mr. Coaker: Before 2003, there was no such thing as a drug intervention programme. Furthermore, the £149 million that I believe we are spending on drug intervention programmes means that, for the first time, people arrested for drug-related offences now have an intervention programme that not only treats their drug-related addiction, but punishes them for the criminal activity that they have undertaken.

East Midlands Special Operations Unit

8. **Mr. Bob Laxton** (Derby, North) (Lab): What his plans are for future funding of the east midlands special operations unit. [141131]

The Minister for Security, Counter Terrorism and Police (Mr. Tony McNulty): First, I believe that I may have inadvertently accused the hon. Member for Arundel and South Downs (Nick Herbert) of being mendacious, which I am sure is unparliamentary. I meant, of course, that he was totally misguided, but I was not referring in any way to his veracity or honesty. I apologise for that.

As to the east midlands special operations unit, Home Office funding totalling some £6 million for last year and this year has been provided. Continuing funding from 2008-09 will, of course, be a matter for the comprehensive spending review.

Mr. Laxton: I am sure that the Minister agrees with me that the east midlands special operations unit is doing some exceptionally valuable work in dealing with high levels of organised crime. May I remind my hon. Friend that he made a statement on the police grant earlier this year, in which he accepted that Derbyshire was, shall I say, not the most generously funded police authority? Clearly, if there is no guarantee of ongoing funding for this special operations unit, there may be some doubt about its future—hence my question.

Mr. McNulty: I hear what my hon. Friend says. Not just for the benefit of Derbyshire, but for the other four forces involved in the east midlands, may I explain that since the discussions on merged forces, east midlands as a region above all others has made considerable progress in terms of closing the gap on protective services? I realise that that is, at least in part, because of the work done by the east midlands special operations unit. That will be a factor when we come to consider the east midlands generally under the comprehensive spending review and policing therein.

Mr. Peter Bone (Wellingborough) (Con) *rose*—

Mr. Speaker: The hon. Gentleman will know better than I do whether Northamptonshire is in the east midlands. If it is, I can call him to speak.

Mr. Bone: It is.

Mr. Speaker: In that case, I call the hon. Gentleman.

Mr. Bone: Thank you, Mr. Speaker.

I should like to ask a question on behalf of Northamptonshire police, which is one of the forces in the east midlands. The Minister has just said that everything they were doing was correct and exactly what the Government wanted, including closer co-operation on serious crime such as human trafficking. However, the Government will not give a guarantee of funding for the future. Surely that is a mistake. Should not the Minister give such a guarantee?

Mr. McNulty: I simply cannot give that guarantee, because of the due process across Government in relation to the next three years of the comprehensive spending review.

David Taylor (North-West Leicestershire) (Lab/Co-op): One of the few positive outcomes of the abject and abortive attempt to amalgamate the five forces of the east midlands, including Leicestershire, was a renewed focus on the performance of those forces in the areas in which they have amalgamated and co-operated in an effective way. The east midlands special operations unit is a classic example of this. It is a beacon grouping which could give lessons to those in other parts of the country who wish to avoid having a regional force. I endorse the call from my hon. Friend the Member for Derby, North (Mr. Laxton) for an extended funding commitment in the public spending review, and I hope that the Minister will back that call when the matter is under review later this year.

Mr. McNulty: As I have said, this is a matter for the comprehensive spending review, but I agree with my hon. Friend and all colleagues from the east midlands, including Northamptonshire, that there has been considerable progress on the protective and level 2 services agenda. That can be—and, I hope, will be—recognised in the next CSR, but I cannot pre-empt the review.

Counter-terrorism

9. **Stephen Hammond** (Wimbledon) (Con): When he will announce details of the Government's revised counter-terrorism strategy. [141132]

The Secretary of State for the Home Department (John Reid): We are constantly reviewing and updating our counter-terrorism strategy. As part of this, I am pleased to announce that, tomorrow, we are launching the security and counter-terrorism science and innovation strategy. This strategy has been developed across government, led by the new Office for Security and Counter-Terrorism in the Home Office, and is a practical example of how we are developing a more strategic and integrated response to the threat. Science and innovation will be critical in driving forward these changes and delivering new counter-terrorism capabilities.

Stephen Hammond: I thank the Home Secretary for his answer. In July last year, the Government published a document on countering terrorism, which was a review of the 12-point plan set out by the Prime Minister after 7/7. Will the Home Secretary give us an update on which of the points have not yet been fulfilled, and tell us what actions he plans to take to fulfil them?

John Reid: From memory, I think that all but one of them have been either started or completed. On the overall picture, I can tell the hon. Gentleman that we have increased the annual spending on counter-terrorism and resilience to £2.25 billion across government over the past 12 months. In the past month, we have announced the refocusing of the Home Office towards counter-terrorism, crime and immigration, to supplement the effort of the increased resources. Most recently, I announced last week my intention to bring forward a new counter-terrorism Bill containing a range of measures, on which we hope to consult and to achieve, at best, solidarity and, at a minimum, consensus across the House. Two weeks later, I shall be leaving and handing over to a new Home Secretary, so the fight for counter-terrorism, my interest, will go on. I would like to take this opportunity to thank all Members of the House for the constructive and emollient approach that they have adopted towards the Home Office in the past 12 months; it would have been very difficult to go on without the laudable appreciation that has so often been exchanged across the Chamber.

Mr. David Winnick (Walsall, North) (Lab): We shall certainly miss my right hon. Friend. In dealing with counter-terrorism, is it not also important to remember the victims of terror? Will my right hon. Friend tell me whether anything can be done urgently to look into the approximately 120 outstanding claims of the victims of terror on 7 July? Some have lost limbs or sustained other serious injuries, and they have been waiting a very long time for a final settlement of their claims. Should not this matter receive much greater priority than it has done?

John Reid: I would love to say—indeed, I will—that, in the case of my hon. Friend missing me, the feeling will be mutual. Attention to the victims of the terrorist atrocities in London is given the highest priority. I cannot think of another occasion on which all the victims of a major tragedy have been seen, or at least had an offer to be seen, by at least two Cabinet Ministers. Both I and my right hon. Friend the Secretary of State for Culture, Media and Sport have tried to do that. When I last inquired about reports of delays in such payments, I was satisfied that most were either the result of complicated medical evidence being awaited or claims having been submitted in the past few months. People sometimes do not claim during the initial period, as the symptoms only become obvious at a later stage. At my hon. Friend's request, I shall reassure myself that those cases are not being neglected or receiving a lack of priority.

G8 Summit

3.31 pm

The Prime Minister (Mr. Tony Blair): With your permission, Mr. Speaker, I should like to make a statement on the G8 summit, which took place between 6 and 8 June in Heiligendamm in Germany.

I pay tribute to Chancellor Merkel's outstanding chairmanship. The purpose of the summit was to take forward the agenda first established at the Gleneagles G8 summit of 2005, on climate change and Africa.

On climate change, the scale of the challenge, environmentally and politically, has been becoming clearer month by month. There is now a scientific consensus that the planet is warming dangerously. If we do not halt and then reverse the rise in greenhouse gas emissions, we face a potential catastrophe. Sir Nicholas Stern's report has shown that early action will save money; late action will cost it. Therefore, for the environment, this is urgent.

Politically, the problem has been clear but daunting. The United States was not part of the Kyoto treaty. The major emitters in the years to come will include China and India and developing nations. They want to grow their economies. They fear that action on climate change will limit their growth and hence keep their people—hundreds of millions of them—poor. Added to all that, Kyoto barely stabilises emissions—it is now obvious that we need substantially to cut them—and it expires in 2012.

At Gleneagles, we set up the G8 plus 5 dialogue—the first time that the US and China have sat round the same table debating how to put a new deal together. There is still a long way to go, but for the first time an outline agreement can now be seen that meets the environmental test of cutting substantially the harmful emissions and the political test of bringing developed and developing nations, notably America and China, together.

We agreed at the G8, for the first time, that a new global climate change agreement should succeed the current Kyoto treaty. We agreed, for the first time, that at the heart of that agreement should be a substantial cut in global emissions. The summit sent an important signal that the global target should be of the order of a cut of at least 50 per cent. in greenhouse gas emissions by 2050—the target set by the European Union, Japan and Canada.

We agreed at the G8, for the first time, that the process for such a new agreement should be set out. We agreed that the UN is the only body able to finalise a global deal on climate change and that a comprehensive agreement should be reached in 2009. We called on all countries to see the UN climate change meeting in December as the first step towards achieving a comprehensive climate change agreement.

The most important change was in relation to the position of the United States of America. Again, for the first time, President Bush signalled that he wanted the US to be part of the new global agreement, and would lead the attempt to get consensus among all the main countries, including China and India, so that that consensus could shape the final global deal. That is crucial. There will be no effective climate change accord without the US, and the US will not agree without China being part of it. Now we have an agreement in principle, a goal and a process to achieve it. Much remains to be done, but on any basis that is a substantial step forward.

We agreed that tackling climate change and addressing energy security were complementary goals. We highlighted the importance of tackling energy efficiency, dealing with emissions caused by deforestation and helping developing countries, which are likely to be worst hit by climate change, to adapt to its impacts. We agreed on a renewed effort to develop and deploy new low-carbon technologies, and we have sent a strong message that emissions trading schemes, both within and between countries, will play a key role in giving incentives to business to invest in those technologies.

Heiligendamm was never going to be about finalising a deal. It was about sending a clear signal on the shape of the post-2012 climate change framework, and that is exactly what it did. The United Kingdom, for its part, will work hard in the G8, in the United Nations and elsewhere to deliver the objective that is of such fundamental importance to the future of the world.

Two years ago the Gleneagles G8 agreed to a global increase in aid and debt relief of $50 billion by 2010, with $25 billion of that extra for Africa. It also agreed to universal access to HIV/AIDS treatment by 2010, the tackling of other killer diseases, a commitment to funding primary education, support for an African peacekeeping force, and a big debt write-off. Britain is already meeting its commitment to increase aid for Africa: I am proud to say that we have trebled it. Before the summit Germany announced an extra £3 billion over four years, and America announced an extra $15 billion for treating HIV/AIDS over five years. Overall aid has risen. We should not ignore what has already been done, or the almost $40 billion of additional debt relief for Africa since 2005, but we will need to do substantially more to ensure that the Gleneagles provisions are observed.

The G8 did, however, reiterate its commitment to delivering universal access to HIV/AIDS treatment by 2010. Since Gleneagles, around 1 million people in Africa have been receiving the antiretroviral drugs that they need. Now the G8 has agreed to fund a total of 5 million. That is more than the G8 share of the commitment as predictions stand, but we can do more in years to come to meet the 2010 goal if the need arises, and we are committed to providing $60 billion over the next few years in Africa to help to achieve that. We are also committed to meeting the estimated $6 billion to $8 billion shortfall in funding for the global fund to fight HIV/AIDS, and—reflecting United Kingdom policy—to providing the long-term predictable funding that is necessary to achieve the fund's overall goals.

The G8 committed itself to taking specific steps to tackle the alarming feminisation of the AIDS epidemic. In sub-Sarahan Africa some 60 per cent. of adults living with HIV/AIDS are women, and three out of four young people living with HIV are women and girls. The G8 committed itself to scaling up its efforts to deliver universal access of services to prevent transmission of HIV/AIDS from mothers to their children, to paediatric services and to maternal and child health services, at a total cost of nearly $5 billion.

The G8 also committed itself to working to fill the immediate $500 million financing gap for the education fast-track initiative. Again in line with broader United Kingdom policy, the G8 committed itself to helping to provide long-term predictable funding to ensure that every child gets to school, and reiterated its commitment to ensuring that no country that was seriously committed to education for all would be thwarted in the achievement of its goal by a lack of resources. That will help the meeting of the millennium development goal of universal primary education by 2015.

In addition, the G8 committed itself to identifying, agreeing and supporting lasting solutions to the financing of peacekeeping missions in Africa. That is essential if key missions such as the African Union mission in Darfur are not to limp on hand to mouth for month after month. We agreed a strong statement on the crisis in Darfur. The truth is that President Bashir of Sudan has consistently refused to admit a hybrid United Nations-African Union force, and has consistently moved only under the threat of pressure from outside. Unless he now agrees to the G8 and UN demands, we are committed to a new and tougher package of sanctions, through the Security Council, to force him to do so.

Our last session was dominated by discussion of the world trade talks. The gap has now narrowed. There is the real possibility of agreeing an outline deal by the end of June. The outstanding elements amount to only a few percentage points either way. We are therefore closer to the headline numbers than ever before, but we have to move from wanting to do the deal to doing it. The meeting that will take place at G4 between 19 and 23 June will be absolutely crucial. Britain will continue to do all we can—and we have done much over the past months—to bridge the remaining gap.

The benefits of a world trade agreement for the wealthy nations as well as the developing nations are enormous. It would be good for business and jobs, good for the multilateral system, and good for the world's poorest. I urge the United States, the European Union and the G20 developing countries to get that deal done. It will be great to succeed. It will be a profound shame to fail.

As usual at G8 summits, I also had bilateral meetings with a number of leaders, in particular a long and frank meeting with President Putin, covering the range of issues currently under discussion—the Litvinenko case, Kosovo, ballistic missile defence and energy policy. I set out our view that people were becoming worried and fearful about the implications of present Russian policy. The President set out with equal frankness his views. It was right to have such an exchange. The issues were aired with complete openness on both sides. I said to him that we wanted a good relationship with Russia. He affirmed his desire to see Russia-UK relations strong, but the truth is that the issues between our two countries remain unresolved.

Therefore, this summit made a real breakthrough on climate change, more progress on Africa and showed again the value to Britain of its transatlantic and European alliances. I commend the outcome to the House.

Mr. David Cameron (Witney) (Con): I would like to start by thanking the Prime Minister for his statement. I wish to raise four main areas. The first is climate change. The agreement reached at the G8 is welcome and we should congratulate the Prime Minister on his part in achieving it. Clearly, the US Administration are now taking a different approach to climate change, but can he tell us the extent to which he believes that the change in language will be backed by changes in action? After the Prime Minister's first summit in 1997, he told the House that the United States could be on the verge of agreeing to legally binding targets. We still need that to happen.

Will the Prime Minister clear up the potential confusion about baselines for the targets? Does he agree that the cuts must be measured from a 1990 baseline? As he said, the involvement of India and China is vital. He said that the goal must now be a full successor to the Kyoto treaty, with binding targets, involving the US, India and China. What prospect does he see for real progress to be made at December's UN climate change conference in Indonesia?

The destruction of the world's forests is responsible for one fifth of carbon emissions, which is even more than those generated by transport. Does the Prime Minister agree that the language in the communiqué about deforestation is very disappointing? When it comes to climate change, clearly, international action is essential, but domestic leadership remains vital. Does he share my concern that carbon emissions in the United Kingdom have risen in the past decade?

The second major issue is tackling poverty in Africa. On debt relief, progress has been made since Gleneagles and we welcome that, but on aid there is some confusion and I would be grateful if the Prime Minister could try to clear up some of the figures. There is concern that the announced additional aid is not all new money. Will he confirm that the $60 billion headline figure amounts to $12 billion to be spent annually on AIDS, tuberculosis, malaria and reinforcing health systems, and that up to $9 billion of that has been pledged annually already, or is part of existing packages? Therefore, according to those Oxfam estimates, the total annual increase in spending amounts to just $3 billion a year. What can he say to those who, after the enthusiasm of Live Aid, now feel quite disappointed?

A further concern is that countries do not stick to their promises. On HIV/AIDS in particular, at Gleneagles, the G8 pledged to make access to prevention and antiretroviral treatment available to all by 2010. We argued here for interim targets to make that possible. I listened carefully to what the Prime Minister said, but is it not the case that the G8 has effectively watered down its own commitment, that it is now promising to provide treatment for 5 million people, but that that falls well short of what is required?

A key part of ensuring that countries keep their promises is to examine the quality of aid, as well as the quantity. Is it not now time for an independent international body to measure and compare the impact and effectiveness of aid, and to drive up standards so that G8 member states achieve value for money in the aid they spend?

The Prime Minister and I agree that the best way to encourage development in the longer term is to promote free and fair trade. That is what the Doha round was meant to be about. President Bush's special authority to agree a deal on trade ends on 30 June, so

[Mr. David Cameron]

we are close to the 59th minute of the eleventh hour. What steps will the Prime Minister take in the coming three critical weeks, and especially in the run-up to the Potsdam trade meeting in a week's time, to help get Doha back on track?

The third issue is Darfur, the world's most pressing humanitarian crisis. As the Prime Minister said, the G8 statement on Darfur covers important issues, such as an international force and the need for aid to get through to the refugee camps. The words are good, but will things actually change on the ground? Is it not abundantly clear to anyone who has visited that region that the real problem is the Khartoum Government, and their utter unwillingness to co-operate with the international community in putting an end to the killing? Does the Prime Minister agree that only strong and united action will overcome that resistance by the Sudanese Government?

The fourth issue is security. We welcome the measures on nuclear security and counter-terrorism, and the strong language about Iran. On Russia, when someone is murdered on British soil, the police and other relevant authorities should be able to pursue the perpetrators without fear or favour wherever their investigations lead. Will the Prime Minister tell us a little more about the progress that he made in his talks on that issue with President Putin?

The Prime Minister has indicated that after he leaves office he plans to remain engaged in the issues discussed at the G8, and especially climate change and development. We wait to see in what capacity; I even read in the papers that he might swap the Dispatch Box for a pulpit and the House of Commons for a church. Whatever he does, the Prime Minister can take credit for pushing the issues of climate change and poverty up the agenda of the group of most powerful nations in the world. The Opposition will always ask the appropriate questions about the delivery of the promises that have been made, but raising the profile of those issues is a genuine achievement for which many have cause to be grateful.

The Prime Minister: First of all, let me—*[Interruption.]* First of all, let me—

David Davis (Haltemprice and Howden) (Con): He is embarrassed.

The Prime Minister: No, you lose any sense of embarrassment after a time in this job. First, let me thank the right hon. Member for Witney (Mr. Cameron) for his generous words at the end of his speech—if not for his career suggestions.

There are important issues in relation to climate change. In 1997, the United States appeared to be ready to sign up to the Kyoto treaty, but before we put all the blame for that not happening on the change of Administration, it is worth pointing out that the US Senate voted by—I think—98 votes to none against the treaty, so there has long been an issue to do with how far the US is prepared to go in signing up to a global deal. It is particularly important to remember that there is no point in having a new agreement on climate change unless the US is involved, and unless China and India share the common goal—albeit perhaps with differentiated obligations.

That is why I do not consider the fact that the US will lead some of the meetings at G8 plus 5 or G8 plus 7 to be adverse. On the contrary, that is a good thing because the more the Americans are prepared to take a clear lead on this issue, the better. They will, of course, be anxious to ensure that China and India are part of the deal and that everyone has obligations, and the reality is that the Europeans would also arrive at that position.

The fact that we have the prospect of a new deal with a substantial cut in emissions at its heart is a huge step forward. Of course, the December meeting will be vital but, as I have said time and again, there is no point in getting a hundred countries around the table making an agreement if their emissions amount to only 20 per cent. of the total. The G8 plus 5 represents more than 70 per cent. of the emissions. China will overtake the US as the major emitter within the next few years, and India's emissions are already rising substantially. Those countries will be worried and concerned to make sure that we do not impose on them obligations that limit their growth, but that is why the other part of this—I did not deal with this in detail in my statement—is technology transfer. As we develop the new technologies, we will have to share them with the developing world.

What the right hon. Gentleman says on deforestation is right, but there will be the possibility of making more concrete the actions proposed at the December meeting in Indonesia. On CO_2 emissions, yes, it is true that we, like other countries, have got to do far more, but that is the purpose of the Climate Change Bill and other matters.

On Africa, there is a confusion here that it is important to pin down. At Gleneagles, there was a commitment to an extra $50 billion a year, $25 billion of which should go to Africa, and that was for aid and debt relief. What is then important is not that there is new money on top of the $25 billion, but that we say how the $25 billion is going to be met. Therefore, although it is true when people say, "Well, only several billion dollars of the HIV/AIDS money is new", the important thing is that it is a major fulfilment of what was set out in general at the Gleneagles summit. So on HIV/AIDS, the more specific that we are on education and on treating other killer diseases, the more that this $25 billion stops being a general figure and becomes one that people can add up and thereby see what has happened.

The situation becomes very complicated for another two reasons. First, it is unclear the degree to which debt relief counts as aid; that is a separate argument in itself. Secondly, on HIV/AIDS treatment, World Health Organisation predictions are in the course of being revised. The G8 summit at Heiligendamm committed to providing help for 5 million people, which is a very substantial uplift on anywhere that we have been before. It is true that we may have to go further between now and 2010, when the commitment is set, but I think it somewhat unreasonable to say that there has not been substantial progress. I know that the right hon. Gentleman is not saying that, but it is important for those campaigning outside to realise that for the first time, we are putting real numbers on HIV/AIDS

treatment. Five million people getting antiretroviral drugs is a massive change from where we are at the moment. If we need to do more, we should be prepared to do more, and that is why this is described as an important step and not the total fulfilment of our commitments.

On the international body, this is a debate that will go on. My right hon. Friend the Secretary of State for International Development has outlined his approach to this issue, which is through a committee, but I agree that one way or another, it is important that we hold to account the international community for the commitments that it has given. But one important thing was agreed right at the end of summit. The Japanese, who will hold the summit next year, agreed that Africa should again be a central part of the agenda. That is an important thing, and I believe that the world will meet the commitments that it set out, but along the way there will be much debate.

It has to be said that, over the next few years, America will effectively have multiplied by a factor of five the amount of aid that it has given to Africa since President Bush came to power—something that is not always pointed out. But we still need some of the other European countries to do more, and part of our discussion inside the European Union and elsewhere will be to make sure that countries that have been falling back on their aid commitments in recent years step up to them.

On the world trade talks, the right hon. Gentleman is absolute right—the meeting next week will be crucial, but the gap has narrowed. The assessment given by Pascal Lamy, the head of the World Trade Organisation, was noticeably more upbeat, but there is still very hard negotiating to do before we are there. I agree with what the right hon. Gentleman says on Darfur and the necessity for action there. On the talks with Russia, no, I cannot say that we have made great progress on the Litvinenko case. We shall continue, obviously, to do all that we can to press the Russians on this issue.

Andrew Mackinlay (Thurrock) (Lab): In his bilateral discussions with President Putin, was the Prime Minister not impressed by the case advanced regarding the Russians' objections to the Ahtisaari plan—that they have adhered diligently to the Helsinki Final Act of 30 years ago, which said that the boundaries of European states would not be varied, and that they see a concession on Kosovo's independence as being a green light to Transnistria and to other frozen conflicts in Georgia and Armenia being dealt with similarly? Have they not got a case that should not be scornfully set aside, and should we not listen to them, because there is prudent counsel even in the Kremlin?

The Prime Minister: What my hon. Friend says is the Russian case, but we have said throughout, and I believe this to be true, that Kosovo is sui generis for the reasons that have been given many times over the past few years. The difficulty comes if we do not take this issue to its conclusion, which is why we asked Mr. Ahtisaari to look at it, and if we do not then act on his conclusions, we will be in stalemate. I do not think that that would be good either for the people in Kosovo or for the region. I certainly do not dismiss and never have dismissed the Russian case scornfully, but none the less, we have moved on from where we were a few years ago. For most of us, it is difficult to see the way in which we achieve a solution, other than on the terms set out by Mr. Ahtisaari.

Sir Menzies Campbell (North-East Fife) (LD): I, too, welcome the Prime Minister's statement, and I am sure that he speaks for the whole House in what he says about Darfur and the world trade talks.

In spite of the Prime Minister's optimism, though, is not he disappointed as he leaves office that, although there is a commitment to talks, there is as yet no binding commitment to action on carbon emissions? Is not what is urgently needed an agreed framework for reduction, based on the principle of contraction and convergence? What is the Prime Minister's honest assessment of the chances of achieving that? In view of Oxfam's statement that Africa will feel the effects of global warming first and worst, does not it underline the need for agreed targets for reduction if the G8's agenda for Africa is to have any chance of being fully implemented? The truth is that the G8 statement on aid is in effect a promise to keep the promises that were made at Gleneagles. How can we be satisfied that that promise will be kept rather than the others?

Finally, although there is no mention of this in the Prime Minister's statement, the G8 statement says that all participants reaffirm their commitment to combat corruption by implementing their obligations to the Organisation for Economic Co-operation and Development. Is the Prime Minister satisfied that Her Majesty's Government are fulfilling those obligations?

The Prime Minister: Yes, I am.

One always has to be careful about taking the attitude that everything has not been achieved, therefore nothing has been achieved. In relation to the first two points, the fact is that we have come a long way on a climate change deal. There never was a prospect of concluding a treaty or an agreement at this G8, but for the first time we have the agreement from the United States that it wants to be part of a deal; an agreement to a substantial cut in emissions; an agreement for China and India to participate in the talks leading to that; an agreement that it should be through the UN; and an agreement that it should happen in 2009. It is some progress, I think.

In respect of Africa, what is important is that our promises at Gleneagles were for fulfilment in 2010. I agree that unless we ramp up the pressure, there is a danger that we will not meet all those commitments. On the other hand, and again for the first time, there have been substantial increases in the promises made. One of the things that has happened with the summit, which is one of the values of having such issues decided at the G8 and very different from the G8s of years gone by, is that the occasion of the summit is the occasion for countries to come forward and start to make commitments. In other words, I think that but for the G8, we would have been very unlikely to get major and substantial increases in commitments on HIV/AIDS, or the German aid package and so on. Although it is right to say that there is a long way still to go on climate change and Africa, we have made considerable progress.

Jeremy Corbyn (Islington, North) (Lab): In the meetings that the Prime Minister had with President Putin, was the issue of national missile defence tracking stations being built in eastern Europe and in this country raised? Does he not think that there is a danger that the signal we are sending to Russia on that issue is one of encouragement of a new arms race? Would it not be better to have a moratorium on such constructions in order to encourage mutual disarmament?

The Prime Minister: Well, I did obviously have a discussion with President Putin about that. His view is that it is a provocation while ours is that it is something in which we have been engaged for a number of years and that it is not aimed at Russia—indeed, the very siting, in Poland and the Czech Republic, is an indication of that. As I understand it, the talks between President Putin and President Bush were reasonably constructive and it will be important that we continue to work with Russia on the issue. It is not a new issue that has suddenly arisen; we have been debating it for several years, which is why I do not really think that it came as a surprise to Russia, so it is important that we see it in the context of other issues.

Sir Peter Tapsell (Louth and Horncastle) (Con): Did the Prime Minister explain to the leaders at the G8 summit why the policies he has supported in the middle east have plunged Iraq into chaos, established Iran as the dominant influence in the region, engaged British troops in an unachievable mission in southern Afghanistan and are now destabilising both Turkey and Pakistan?

The Prime Minister: No, I did not. I have to say to the hon. Gentleman that I am afraid I do not recognise that either as a description of our foreign policy or, more important, of the challenge we face. As I have said many times, we shall not beat the terrorist threat by conceding to it.

Ann McKechin (Glasgow, North) (Lab): I welcome the emphasis on the world trade talks at last week's meeting, but does my right hon. Friend understand concerns that the meeting at Potsdam this month with the G4, which does not specifically include members from the least developed countries, may lead people to feel that the interests of the poorest in the world will not be adequately addressed? Can he advise me how the United Kingdom Government will ensure that their voices are properly heard and that the development package agreed at Hong Kong will be secured?

The Prime Minister: My hon. Friend makes a good point. Part of what we did at the G8 was to recommit to the aid for trade package, which is a very important part of helping the developing world. However, within the context of the G4 and representation there from Brazil and India, we shall have the opportunity to debate the case on behalf of the developing world as well. Without going into details about the headline numbers, we are actually quite close—a lot closer than we have been—and the important thing to understand is that even if we were to agree what is on the table at the moment the benefits for the poorest countries in the world will be considerable; but I agree entirely with my hon. Friend that we have to remember that this is a development round and what was agreed at Hong Kong should be implemented.

Mr. Quentin Davies (Grantham and Stamford) (Con): May I add my congratulations to the Prime Minister on his achievement on the environmental front, particularly, and on taking such a strong line with President Putin? Does he agree that it may be desirable, and even necessary in the future, to link the world trade talks and the climate change agenda if we are to exert leverage on such countries as Brazil over deforestation, for example? Brazil is the major potential beneficiary of a new world trade agreement and if we lose the possibility of that linkage we may reduce chances of reaching the agreement that we so much want on both fronts.

The Prime Minister: I understand entirely the point the hon. Gentleman is making. I was quite heartened by the contribution of the President of Brazil at the G8, which made it clear not merely, obviously, that he wanted a good outcome to the world trade round, but that he took seriously Brazil's responsibilities in relation to deforestation. Through the December meeting, there is a chance of agreeing something far-reaching on that—the atmospherics on that at least, I thought, were good.

Mr. David S. Borrow (South Ribble) (Lab): I welcome my right hon. Friend's remarks about increased expenditure on HIV treatment programmes, but may I raise with him the problems in improving programmes to reduce HIV transmission rates in a number of African countries? In some countries, such programmes have not been as successful as they could be because some donors insist that they are focused on the abstinence and being faithful parts of the ABC approach—abstain, be faithful, use a condom—and do not ensure that funds are made available for condoms? Did my right hon. Friend raise those issues at the conference, in particular with President Bush, as the United States is one of the donors that are the biggest culprits in the matter?

The Prime Minister: It was not a specific part of the discussion, but the effectiveness of transmission programmes was. My hon. Friend is right: the difficulty is that maternal transmission, as I saw for myself in Africa a short time ago, is a huge problem. More and more young people are growing up with HIV/AIDS through absolutely no action of their own.

I think we still have quite a long way to go. We agreed to earmark money up to $5 billion, but I agree that we still have to reach into the basic reasons why programmes are successful. Without question, those reasons involve absolute honesty about how we can best change behaviour and being realistic and reasonable about what we require of people. On the other hand, as a result of what we have agreed on the transmission programmes there will be a greater focus on the matter, and there will therefore be a greater opportunity to get those arguments across.

Angus Robertson (Moray) (SNP): There is a lot to do on debt relief, HIV/AIDS and the environment, and on behalf of the Scottish National party and Plaid Cymru I welcome the progress made at the G8 summit in Heiligendamm. Does the Prime Minister accept that it is standard practice in the G8 that necessary prior consultation on agreements should take place before they are signed with Libya or anybody else?

The Prime Minister: Of course it is. That is precisely why on the face of the agreement there is a requirement for consultation with the devolved Assemblies. Before any agreement can be concluded, there has to be consultation with devolved Government, including in respect of Libya and Scotland. All that would have been required was an inquiry from the First Minister's office and the matter would have been cleared up immediately. Instead, we were subjected to a claim that we were trying to drive this through without consultation with the devolved Government in Scotland, which is simply not correct.

Mr. Elliot Morley (Scunthorpe) (Lab): I thank the Prime Minister for taking the trouble, with all the pressures in his diary, personally to address the global G8 plus 5 legislators' dialogue in the German Bundestag just before the summit. The fact that his leadership is so recognised explains why he was presented with an award for global leadership and environment by a senior member of the Japanese Government, Mrs. Koike, and Senator McCain from the US. There has been a shift on the part of the Americans, and my right hon. Friend is to be congratulated on the role that he has played.

The US proposes a meeting in the autumn of the G8 plus 5. Does the Prime Minister think that that will add value to the process, or does it merely duplicate the process that he started at Gleneagles?

The Prime Minister: I think that it does assist the process. If the United States holds such a meeting—of the G8 plus 5 or perhaps with two other countries—most of the countries sitting round the table will have agreed binding targets or will be in the process of agreeing them. Most will agree with the 50 per cent. cut in emissions, so it is somewhat unlikely that the US will hold such a meeting without some definitive progress arising out of it. For years, the world has said to America, "Get on board with this issue and start to lead on it", and when it does the world says, "Are you trying to take it over?" President Bush made it clear at the summit that America saw the meeting as contributing to and not conflicting with the UN process. That is important. Unless we have agreement between the major emitters, the rest will never happen. I thank my right hon. Friend for his kind words, and for his considerable work on the issue.

Sir Malcolm Rifkind (Kensington and Chelsea) (Con): Does the Prime Minister agree that the recent spat between Russia and the west has little to do with the merits of missile defence and everything to do with the sensitivity that the Russians feel about how they believe they have been treated by the west over the past 15 years? Will the Prime Minister use such influence as remains to him so that on those matters, and only those matters, on which there is a legitimate joint interest—missile defence is one—the United States does not merely inform Russia of its intentions but tries to treat it as a partner in future policy?

The Prime Minister: Yes, I think it is important that America does that. After all, America and Russia share some clear strategic goals, not least in ensuring a unified UN position vis-à-vis Iran. America and Russia want to co-operate in plenty of areas, and the recent statements by President Bush and the offer made at the bilateral meeting by President Putin show that they both understand that they have to find a modus vivendi in which each country pursues its interests, but in a co-operative way. However, it is important that Russia understands that when we support democracy in certain countries, for example, we are doing so not because we are pursuing a strategic interest that is aimed at Russia, but because we genuinely believe that that is the right principle. We need to be able to have a dialogue with Russia in which we take account of its genuine concerns and fears, yet do not allow them to obscure things that it is important we stand for in the long term.

Colin Challen (Morley and Rothwell) (Lab): I, too, welcome the Prime Minister's statement and congratulate him on the progress that he has made towards civilising George Bush. However, given George Bush's record on climate change, what confidence can we really have that he will deal proactively with the problem in the remaining 18 months of his term of office? What assessments has my right hon. Friend made of the Chinese response to George Bush's new-found commitments? Is China happy that he has done the right thing?

The Prime Minister: As I said earlier, if people want America to move, and it moves, let us at least say that it has moved and try to make the best of that. This is important, and things are lot a more credible because America is saying that it will hold its own meeting with very much the people around the table at the G8. Something else needs to be said because in this debate, to be frank, countries sometimes hide behind America's position. The truth is that no one will agree a substantial cut in emissions as part of a global deal unless China is also part of that. The Chinese have adopted a constructive attitude. They have a principle—a common, differentiated set of obligations—that we need to flesh out. However, we will need to do that while recognising the two absolute realities of the question of climate change: America will not agree unless China is part of the deal, and China will not agree unless it is able to develop its economy. We have to find a solution somewhere in that.

I think that the solution is a set of interlinking systems that, around a carbon price, incentivises business and industry to develop the technologies of the future. That is why the European emissions trading system, as it develops, has the possibility of considerably incentivising business to make changes to the way in which it works. However, let us be clear: the European trading system would be more radical if there were also a system in America and an obligation on the developing world. There is every possibility of achieving that, but it is in the negotiation, which will involve America and China, that the solution will be found.

Dr. Evan Harris (Oxford, West and Abingdon) (LD): I was pleased to hear the Prime Minister agree that the use of condoms is critical in fighting AIDS. When he meets the Pope, either as Prime Minister or perhaps afterwards, I hope that he will take the opportunity to make that point.

Will the Prime Minister reflect on his policy with respect to meeting the target of global universal treatment for HIV? His Government have a policy of

[Dr. Evan Harris]

trying to remove women and children who are being treated in this country for HIV and AIDS to countries where there is not such treatment because they do not have the required immigration status. Especially at a time when we are using those countries' doctors, is that humane and logical?

The Prime Minister: It is important that we ensure that we treat people who are here fairly. We will put £1.5 billion into HIV/AIDS treatment in Africa over the next few years. However, the trouble is that if we say that everyone who is HIV-positive and comes to this country can get treatment here, we will create a real pull factor for people to come here. We must be careful about how we do this.

Tom Levitt (High Peak) (Lab): I welcome the G8's acknowledgement that the world's poorest countries are also the most vulnerable to the impacts of climate change, whether that is desertification, drought or rising sea levels in places such as Bangladesh. I also welcome the commitment to working through the United Nations to ensure that climate change policy is implemented. Is my right hon. Friend confident that the United Nations has the clout to enforce such international agreements? Is this perhaps an opportunity to give a new urgency to questions of UN reform so that we can ensure that it will have the oomph to deliver in the future?

The Prime Minister: The point that my hon. Friend makes is important, and I think that he is right: once an agreement is made, it is important that it is properly enforced. Personally, I think that reform of the UN Security Council is now long overdue. However, he is also right in saying that for poorer countries adaptation will be very difficult indeed, and that is why a specific part of the communiqué is geared precisely to making sure that as part of a global deal we help the poorest to adapt to the change in climate.

Mr. Edward Leigh (Gainsborough) (Con): Some unkind souls have suggested that in bilaterals with Sarkozy and Merkel, the Prime Minister took the opportunity to cobble together a deal on the European constitution, which would give us the constitution, but by another name. Perhaps the Prime Minister can assure us that that did not happen. If such negotiations or conversations did take place, would he like to share them with the House of Commons? We do have some right to be consulted, do we not? At the moment, the matter is not so much an enigma wrapped in a riddle as a secret locked away in a spin doctor's briefcase. We would like to know.

The Prime Minister: I am used to unkind souls occasionally casting aspersions on what we are trying to do, but on that point I can assure the hon. Gentleman that although it is, of course, important to discuss the issue with our European colleagues, before we get to the summit which is coming up in the next couple of weeks, there will be ample opportunity to discuss those issues.

Jane Kennedy (Liverpool, Wavertree) (Lab): May I invite my right hon. Friend to say a little more about what he anticipates the benefits will be of expanding education in Africa in the way that he announced today? In my constituency, refugees who have rightly been granted asylum from such countries as the Congo, Cameroon and increasingly, sadly, Somalia, tell me when I meet them how grateful they are to Britain and to my right hon. Friend's leadership for changing attitudes to Africa within the G8. He can rightly be proud of that change.

The Prime Minister: I thank my right hon. Friend for that. In relation to education, it is important that we ensure that we meet the millennium development goal. The interesting thing is that as a result of the debt relief that has been given in the past few years, there are millions more children at school in Africa. If anyone ever asks, "Where does the money go to when we give debt relief and so on?", I would say that countries such as Tanzania have seen massive increases in the number of children in primary education as a result. The other point that she makes relates, of course, to the self-interested reason for action on Africa. If we allow those countries to descend into conflict or even deeper poverty, they become prey for various extremist forces, and of course they also create large numbers of refugees who then seek to come to our country, so there is a good reason of self-interest to act on Africa.

Mr. John Maples (Stratford-on-Avon) (Con): It seems to me that President Bush injected a welcome note of realism and was very constructive in pointing out to the G8 that there was no point in their talking to each other about climate change if the United States and the fast-developing economies of China and India were not involved in the process. The Prime Minister seems to recognise that, and he seems to see that it is in our interests to help those countries to reduce emissions. Has he seen the analysis that I have seen, which suggests that the marginal cost of helping China and India to reduce their carbon emissions is actually less than the cost of doing it for ourselves? In other words, it is in our interests, both economically and in terms of carbon emissions, to help them financially on that issue.

The Prime Minister: Yes, that is right, and of course the whole purpose of building up something such as the clean development mechanism—for all the problems associated with it, it none the less does generate real income—is to be able to create a resource through which we can help those countries to use technology. For example, as we develop carbon sequestration or hydrogen fuel cell technology, we can share that technology with them. That is a crucial part of the issue. The problem with the whole debate, as I reflected when I heard what the leaders were saying, is that it is a matter of fairness what obligations each country has. It is a matter of fairness that the developed world, having developed, should not penalise the developing world, which wants the benefits of development. Unfortunately, the climate does not change according to where the emissions come from; that is simply a matter of science and fact. Therefore it is important that we make sure that the technology transfer and the sharing of the science is an integral part of any deal. Otherwise we will find it very hard, for understandable reasons, to persuade China and India to be part of it.

Keith Vaz (Leicester, East) (Lab): May I join the Leader of the Opposition and others in congratulating the Prime Minister on his great success at the summit, which is a tribute not just to his personal skills but to the role that he has carved out for Britain, our special relationship with the United States and our pivotal role in Europe? Although the Outreach Five will be consulted throughout the process, does he not think that it is time that we should expand the G8 to include those five nations which, after all, represent 2.7 billion people, compared with the 800 million people in the G8? As a master of summitry, does he not think that it is time to expand the G8?

The Prime Minister: It is going to be an increasing feature—let me put it diplomatically—of those summits that they involve, as a matter of course, the other five countries. It becomes very difficult—a bit like reforming the UN Security Council—to see where we draw the line, but as the Chinese economy, for example, grows over the next few years, it will become increasingly bizarre to discuss the leading world economies without China being present. However, that is for another time.

Alistair Burt (North-East Bedfordshire) (Con): On Kosovo, the Prime Minister and the House will recall the contribution made to the first Balkan crisis by the premature recognition of independence for Slovenia and Croatia by Germany. Can he give us an assurance that the UK Government are firmly against any premature recognition of Kosovan independence, particularly until the practical consequences have been worked out, not least the protection of minority communities in Kosovo?

The Prime Minister: The protection of minority communities is an important issue. That is where Russia, for example—*[Interruption.]*

Mr. Speaker: Order. I expect hon. Members to stand at the beginning, so that I can make a calculation as to who I am going to call. The hon. Member for Pendle (Mr. Prentice) should not come in at the last moment.

Mr. Gordon Prentice (Pendle) (Lab): I have been here throughout.

Mr. Speaker: The hon. Gentleman therefore had an opportunity to stand at the beginning.

The Prime Minister: Russia has a point in that it is important that we give proper protection to minorities. We are not going to move out of step with the international community—we will move in step with it—but the difficulty, as became apparent when we discussed Kosovo in detail, is that if we do not go down the path laid out by Mr. Ahtisaari, what happens? It is important that we do not do anything premature, but it is important that we reach a conclusion.

Chris Bryant (Rhondda) (Lab): Unlike the right hon. and learned Member for Kensington and Chelsea (Sir Malcolm Rifkind) and the implications of his question, I wholly congratulate the Prime Minister on adopting a robust attitude with the Russian President. Does the President understand that it is not just the UK but the whole European Union that wants to do business with Russia, but finds it increasingly difficult to do so as there is systematic use of torture by the police in Russia, the right to peaceful assembly is ignored, the murder of journalists such as Anna Politkovskaya remain unresolved, and companies such as BP and Shell are concerned that if they make significant investments in Russia in future they may be expropriated by the Russian Government?

Mr. Dennis Skinner (Bolsover) (Lab): That is not a bad policy.

The Prime Minister: But not one that we shall pursue.

The truth about the relationship with Russia is that we need good relations with it. My meeting with President Putin at a personal level was friendly and cordial, but it will become harder to have the type of relationship that we want unless it is on the basis of certain agreed values. That is how the international community works today and, as I said, there are a lot of issues to resolve.

Mr. William Cash (Stone) (Con): As the Prime Minister knows, a child dies every 15 seconds from foul water and lack of sanitation in Africa. He will know, too, that 220 MPs signed my all-party motion the subject; we went to Downing street and delivered a petition. The G8 water plan at Gleneagles promised to ensure access to safe water for 75 per cent. of people at risk in developing countries. There is nothing in the communiqué, and nothing in the Prime Minister's statement, that deals with water, sanitation and the problems that I have described even though, by any standards, they are a top priority. What practical steps did the Prime Minister take to deliver the promises made at Gleneagles at the G8 summit?

The Prime Minister: We are committed, as we were at Gleneagles, to deliver the water and sanitation pledges that we made. I think I am right in saying that that is in the G8 communiqué. However, the hon. Gentleman is right to say that we will have to put specifics on that for the time to come, with respect to water and sanitation and also infrastructure, because part of the problem that many African countries have is the amount of time it takes for them to get any goods to any port that is able to ship them for export. It is not just a question of trade barriers; it is a question of basic problems in relation to infrastructure. Water and sanitation is another issue. This year we decided to focus particularly on HIV/AIDS and education, but the point that the hon. Gentleman raises about water and sanitation would make a very sensible focus for next year's G8.

Dr. Vincent Cable (Twickenham) (LD): Following the Prime Minister's cryptic response to the question from my right hon. and learned Friend the Member for North-East Fife (Sir Menzies Campbell) about the G8's commitment to fighting corruption, why should any major British company not assume that if it secures substantial business and employment by offering bribes to an overseas official in an allied country, the British Government will turn a blind eye to any breaches of the law and of our international obligations?

The Prime Minister: Because that is neither what we are saying nor what we are doing. Allegations have been made that are fiercely denied. That is not the issue. The issue is whether it is sensible for us to pursue an investigation that may go on for two or three years, which in my judgment would do enormous damage to a relationship that is of vital importance to this country. The hon. Gentleman should be wary of making allegations that are not undisputed—in fact, they are hotly disputed—and of saying that because the investigation is not going forward, the allegations are somehow accepted. They are not. The question is whether it is sensible and in this country's interest to hold such an investigation, with all the damage that it would do. In the end, as I have said to the media, they have their job to do, but I have my job to do, and if I think something is contrary to the interests of this country, it is my duty to say to.

Mr. David Curry (Skipton and Ripon) (Con): The Prime Minister will acknowledge that there have been reassurances after every summit meeting about new impetus behind the world trade talks, ever since the failure at Cancun. With more protectionist sentiment in the US Congress, and with a French President with an overwhelming majority but a constituency to defend, what confidence can we have that these assurances will be more concrete than previous ones, and what is the pathway after Potsdam to a final agreement?

The Prime Minister: Part of the trouble is that underneath the surface, an immense amount has been going on. The matter has formed part of every conversation that I have had over the past few months with President Bush, Chancellor Merkel, the presidency of the European Union and so on. I have spoken regularly to the Prime Minister of India and to the President of Brazil about it. There are three elements: Europe must cut its tariffs, America must cut its farm subsidies, and on non-agricultural access Brazil, India and others must agree to a lower coefficient for progress to be made. Those three positions are coming closer together, which is why leaders have gone ahead with the meeting on 19 June. They would not have gone ahead with it at all unless there was a chance of reaching agreement. If they can reach agreement on headline numbers there or thereabouts, there is the possibility of concluding the agreement by the end of the year on the detail of it. There has been quite a lot of progress—far more than appears—just in the past few weeks, but the outcome hangs in the balance. It is not correct, as some people think because the subject has not been covered, that the thing has gone down. It has not. The discussion that we had around the table at the end of the G8 summit was more upbeat than one might have expected. They are very close now, but a little extra movement is required by all three parts.

John Bercow (Buckingham) (Con): I welcome the Prime Minister's candid exchange with President Putin. Does he agree that the abuse of human rights in Chechnya, the sale last year of more than $34 million worth of arms to the murderous tyranny in Sudan and the use of the veto to stop concrete action against the brutal military dictatorship in Burma are an additional three good reasons why President Putin is not yet greeted with the uncritical acclaim of the international community that he apparently expects?

The Prime Minister: Well, all these issues need to be examined. I think the most important thing is that Russia does understand that in the end there will be limits to the relationship that it is able to have with the rest of the world unless it is on the basis of shared values and shared principles. The problem is that of course people will want to deal with Russia and have to deal with Russia; we are engaged in talks with Russia on a number of different things that are of fundamental importance. I think the real question for Russia is this: does it want to maximise its relationship with the western world, in which case shared values and shared principles are the only basis on which to do it, or is it content to have it minimised? In the end, there is no point, as I have said before at the Dispatch Box, in our making empty threats—we are not in a position to deliver on those. What I tried to say to the President is that there is a real concern, as has been shown in the House today, and a sensible policy would take account of that. Of course, it is true that there are valid and legitimate points that Russia has to make about western policy towards Russia, but in the end those strategic interests can be gained only by recognising that certain values are fundamental to countries like ours and other western nations, and it is just not possible for them to be compromised.

Point of Order

4.31 pm

Mr. Mark Harper (Forest of Dean) (Con): On a point of order, Mr. Speaker. I have a named day question tabled for answer today about the rate at which the operational allowance paid to our brave servicemen and women in Iraq and Afghanistan is due to be raised to take account of inflation. Imagine my surprise this morning, then, when I saw that the Press Association was reporting that reporters travelling with the Chancellor of the Exchequer to Baghdad have been given that information ahead of my question being answered. What can be done, Mr. Speaker, to ensure that Ministers, particularly the next Prime Minister, put their responsibilities to the House before the needs of the press?

Mr. Speaker: I can say to the hon. Gentleman that if his question has been answered properly today, I have no locus in this matter.

Opposition Day

[14th Allotted Day]

Iraq Inquiry

Mr. Speaker: We now come to the main business. I inform the House that I have selected the amendment in the name of the Prime Minister.

4.32 pm

Mr. William Hague (Richmond, Yorks) (Con): I beg to move,

That this House supports the principle that there should be an inquiry by an independent committee of Privy Counsellors to review the way in which the responsibilities of Government were discharged in relation to Iraq and all matters relevant thereto in the period leading up to military action in that country in March 2003 and in its aftermath and to make recommendations on the lessons for the future.

The subject of a major inquiry into the Iraq war was last debated in the House last October. Given the extent of public anxiety on the issue, the mounting problems being experienced on the ground and the widespread feeling across politics in principle for holding such an inquiry, I make no apology for returning to it now. The motion calls for agreement to the principle that an inquiry of the kind led by Lord Franks into the Falklands war should be established. It does not of itself specify the timing or any further details and it therefore provides the opportunity for the Government to make clearer their own thinking or to come up with their own proposals.

A month ago, in a debate with some parallels to this one, we similarly proposed agreement in principle to the formalising of parliamentary approval for decisions to go to war. On that occasion, the Government responded constructively by accepting the principle and promising to produce detailed proposals and to consult the Opposition parties in the meantime. It was to be hoped that the Government would respond in similar fashion to this debate, which is in effect an invitation to them to set out in more detail inside the House their thinking on an inquiry that several Ministers have been happy to say they favour when outside the House.

The last time we debated these matters, the Foreign Secretary managed to get through the debate without conceding that a major inquiry would be held, only for the Defence Secretary to say, within minutes of the end of the debate,

"When the time is right of course there will be such an inquiry".

If the Government believe that there will be such an inquiry, there is no reason for them not to accept the principle of it today. That is all that the motion calls for. In addition, the Leader of the House said on 23 February:

"I think we have all made clear there will be an inquiry in due course",

perhaps forgetting that the Foreign Secretary had not made that clear when the matter was debated—and, indeed, had refused to do so.

As the candidates for the Labour deputy leadership have travelled the country, they have come under a great deal of pressure from Labour party activists,

[Mr. William Hague]

leading them all to say, in various ways, either that there will be an inquiry or that there should be one. The hon. Member for Dagenham (Jon Cruddas) said:

"I do see the case for an inquiry as part of an overall reconciliation with the British people and actually we have an opportunity over the next three months with the new leadership to turn the page on this."

I therefore hope that, even though the Government have tabled more or less the same amendment to our motion as they did in October, the Foreign Secretary will recognise in her speech the gathering consensus in British politics and that she will decide to become part of it. Last time, she did not commit the Government to a major inquiry. If she does not do so this time, she will be at variance with many of her Cabinet colleagues.

Colin Challen (Morley and Rothwell) (Lab): Will the right hon. Gentleman accept it from me, as someone who voted against the invasion of Iraq in 2003, that I would welcome an inquiry? However, I do not support a seedy, narrowly focused inquiry with partisan intent, designed to embarrass the Government, but an inquiry that examines the history of our involvement in Iraq over many decades, and will reveal the duplicity of the west in funding and arming Saddam Hussein and preparing over many years his weapons of mass destruction, which were safely disposed of before we went to war.

Mr. Hague: I can partly agree with the hon. Gentleman. I do not propose any narrow or party-based inquiry, but a wide-ranging, Privy Council inquiry, which would not be conducted on party lines. It might stretch an inquiry too far to go back several decades. That might consume so much attention that much of its work would be obstructed. However, that is all to be debated.

Mr. Quentin Davies (Grantham and Stamford) (Con): I hope that my right hon. Friend agrees that timing is crucial and that we should face up to that. Does he also agree that it would be irresponsible to pull key people out of a continuing campaign to give evidence to an inquiry in London, impossible to publish a meaningful report without going into such matters as logistics, intelligence, infiltration and the strengths and weaknesses of our position, and clearly impossible to publish such information while the campaign proceeds? Does he therefore further agree that the only sensible course, if an inquiry is to be conducted, is to hold it after the last troops have been pulled out of Iraq?

Mr. Hague: No, I do not agree, for reasons that I shall give later. Indeed, there are many historical precedents for taking an entirely different view from my hon. Friend, and I do.

Philip Davies (Shipley) (Con): Two of my constituents, Sergeant Roberts and Flight Lieutenant Stead, died in Iraq. Sergeant Roberts did not have the proper body armour and Flight Lieutenant Stead's Hercules did not have the explosive-suppressant foam device that it should have had. Does my right hon. Friend anticipate that the equipment supplied to our armed forces in Iraq will be a prime focus of such an inquiry?

Mr. Hague: Yes. My hon. Friend makes a fair point. There is no reason for such an inquiry not to consider such matters. Indeed, they should be taken into account.

Other members of the Government have added to the case for an inquiry—perhaps inadvertently. The Minister for Europe, who was Defence Secretary a few years ago, said in *The Guardian* on 2 May:

"We didn't plan for the right sort of aftermath".

On such matters as the disbandment of the Iraqi army, he revealed that the Government had "argued against" the United States, giving advice that Donald Rumsfeld or others ignored. In expounding his views on such matters, the Minister for Europe recognised that Parliament and people in general will want to know the answers to such questions if ministerial accountability is to mean anything at all.

However, such accountability cannot be supplied by random interviews in *The Guardian*—it needs some kind of formal and powerful process. It has to be remembered that we are dealing with one of the most controversial and difficult issues of our times, and that those of us who fully supported the invasion have had to recognise that success in Iraq has proved progressively more elusive and the consequences of failure steadily more serious.

What is more, we have all had to recognise that some of the mistakes made in the aftermath of the invasion, particularly in relation to the Iraqi army and the de-Ba'athification process, have had such far-reaching implications that any idea that the decision-making process that led to them can be free of exhaustive examination should now be set aside. This motion therefore seeks to establish the principle that such an inquiry should happen and in a way that allows its membership to draw on very senior diplomatic, military or political experience, to hold some of its sessions in confidence if it needs to and to summon all the papers and persons it deems necessary.

Chris Bryant (Rhondda) (Lab): I believe that there should be an inquiry. It seems to me inevitable that, in the fulness of time, there will be an inquiry, but one of the key points is who should sit on it. The right hon. Gentleman suggests that it should be Privy Councillors. Although I have great respect for Privy Councillors, I have even more respect for Parliament. I believe that we should hold a parliamentary inquiry. The main reason for allowing it to be done by Privy Councillors is so that evidence can be taken at this difficult time on Privy Council terms. Surely, however, we need an inquiry that is fully in the open, which can happen only once our troops have returned.

Mr. Hague: The hon. Gentleman makes a fair point, but I disagree with it, as I would prefer a Privy Council inquiry. He should remember that membership of Parliament and the Privy Council overlaps but that having a Privy Council inquiry avoids having one conducted along party lines. If their expertise is required, people can be drawn into a Privy Council inquiry simply by being made Privy Councillors.

Mr. Angus MacNeil (Na h-Eileanan an Iar) (SNP): Is the right hon. Gentleman disappointed that, a minute prior to this debate, the Prime Minister walked out of the Chamber, especially in view of an answer that he gave on 25 October last year to my hon. Friend the Member for Banff and Buchan (Mr. Salmond) when he said that he would be

"happy to debate Iraq at any time."—[*Official Report*, 25 October 2006; Vol. 450, c. 1515.]?

The Prime Minister then failed to turn up to a debate on Iraq exactly six days later. Today, he has missed it by one minute.

Mr. Hague: Actually, he has missed a number of debates on Iraq by one minute, because it is his habit to leave the House as soon as any such debates begin. That is an unfortunate aspect of the Prime Minister's treatment of these matters.

Mr. John Redwood (Wokingham) (Con): Is one of my right hon. Friend's arguments for having a Privy Council inquiry the fact that much of the material is very sensitive and intelligence based, investigating why we went to war and how we handled the intelligence? What would be my right hon. Friend's advice to such an inquiry on the publication of its findings, given the sensitivity of the intelligence work?

Mr. Hague: That is one of the arguments for having a Privy Council inquiry. It would have to make its own judgment, as would any inquiry at any stage, about how much of the information could be published. All the conclusions would certainly have to be published.

Tom Levitt (High Peak) (Lab): Last October, the right hon. Gentleman said that the inquiry should take place by the end of this parliamentary Session—by October this year. This morning, he said that it should take place before the end of this calendar year; but this afternoon he is not putting a date on it at all. Why is he running away from it so quickly?

Mr. Hague: I am putting a date on it. I have not been able to do so yet because I have taken so many interventions. If the hon. Gentleman will allow me to proceed, he will not be disappointed, as I am coming to that very issue.

I was explaining to the hon. Member for Rhondda (Chris Bryant) the advantages of this approach. A formal public inquiry would be likely to be a much lengthier process. A Committee of this House, which I believe was proposed by the nationalist parties, would find it harder to benefit from external expertise. A Privy Council inquiry on the model of the Franks commission therefore rapidly recommends itself for this particular subject and it must be highly likely to be what will happen in the end. The Government should be able to accept that today. If the Leader of the House and the Defence Secretary were not referring to this kind of committee of Privy Councillors when they referred to there being an inquiry in the future, the Foreign Secretary needs to tell the House today what sort of inquiry they were they talking about.

Given, however, that the Government's response does not look as if it is going to be as constructive or even as consistent as that, the amendment that the Government have tabled to our motion today merits examination. It argues

"that there have already been four separate independent committees of inquiry into military action in Iraq",

and it declines

"to make a proposal for a further inquiry which would divert attention"

from

"improving the condition of Iraq"

at the moment.

The weaknesses of those arguments are readily apparent. First, the argument that the existence of inquiries presents a diversion from vital tasks and that four of them have taken place already cannot both be true at the same time—unless the Government believe that the hearings of the Foreign Affairs Select Committee or the processes of the Butler report seriously hampered the work going on in Iraq. Secondly, these arguments do not prevent the Government from accepting the case for a suitably powerful inquiry in principle. Thirdly, the idea that the ground has been covered even remotely adequately by what they call the

"four separate independent committees of inquiry"

is nothing short of ludicrous.

One of those inquiries was the Hutton inquiry into the circumstances surrounding the death of Dr. David Kelly; another was the Butler report, which focused only on intelligence on weapons of mass destruction; one of the others was the Foreign Affairs Committee report, published four years ago, on the decision to go to war in Iraq. Afterwards, the Committee published its views on the co-operation that it had received from the Government. In March 2004, it reported:

"We were hopeful that we would receive full cooperation from the government."

However, it went on to state:

"Our Chairman wrote to the Prime Minister (requesting his attendance and that of Mr. Alastair Campbell); the Cabinet Office Intelligence Co-ordinator; the Chairman of the Joint Intelligence Committee; the Chief of Defence Intelligence; the Head of the Secret Intelligence Service; and the Director of GCHQ. None of them replied."

It continued:

"We are confident that our inquiry would have been enhanced if our requests had been met. We agree with Alastair Campbell that 'It would have been very odd to have done this inquiry' without questioning him, and we regret that other witnesses, some of whom we suspect felt the same way as Mr. Campbell, were prevented from appearing."

That is the true story of the Foreign Affairs Committee inquiry, yet it is held up by the Government in their amendment as an example of an independent inquiry. It is unacceptable for the Government to refuse to co-operate fully with the inquiries that take place, and then to cite their work as an illustration of why further inquiries are unnecessary.

The fact is that each of the inquiries that has taken place so far has provided a snapshot of one particular aspect of events in Iraq, but that their findings were sometimes arrived at without the full co-operation of the Government and are in general now out of date. There has been no investigation so far into the overall conduct of the war, the planning for the aftermath, or the implementation of such plans as may have existed for the rebuilding of the Iraqi state and society after the overthrow of Saddam Hussein.

[Mr. Hague]

The argument that not even a proposal for an inquiry can be made because to do so would "divert attention" from the work going on in Iraq is merely the age-old argument of Ministers on the defensive. It amounts to saying that they are too busy to learn any lessons from what happened before, and it is an utterly bogus argument. Even if it were true, they would still be able to accept the principle of an inquiry, as called for in the motion before the House, but it is not true that our troops would be demoralised or that our enemies would take heart if we took the trouble to find out what has gone wrong. In a democratic society, the examination of successes and failures is a sign of strength, not of weakness. I have some experience of listening to soldiers serving in Iraq or who have recently returned from there, and they do an heroic job. They of all people are particularly anxious that the political decisions made in the aftermath of the Iraq invasion receive searching examination.

I would say to my hon. Friend the Member for Grantham and Stamford (Mr. Davies), who intervened on me earlier, that in circumstances of war, indeed even of total war, our predecessors in this House have conducted the most vigorous debates about wartime debacles, whether in Norway in 1940 or in the Dardanelles in 1915. Indeed, in the latter case, they set up a major commission of inquiry while the first world war continued. They were even encouraged to do so by the Minister principaliy responsible, a certain Winston Churchill, who clearly had a stronger sense of the need for accountability and learning lessons than we sometimes see today.

Mr. Quentin Davies: The historical precedents that my right hon. Friend has just cited reinforce my position, rather than his. There was indeed an inquiry in 1915 into the Dardanelles, but only after the last British troops and sailors had left Suva bay. In 1940, we did indeed have a memorable debate in the House on Norway, but only after the last British troops and sailors had left Narvik. I am suggesting that we should hold an inquiry into Iraq only after our last troops have left the country.

Mr. Hague: I am suggesting that when a war has been going on for this length of time, it is entirely valid to conduct such an inquiry. If it was good enough for Winston Churchill, it should be good enough for my hon. Friend.

It remains our view on these Benches that such an inquiry should begin at an early date. For one thing, some of the events to be examined took place as long ago as 2002, and we will soon find that memories will have faded, letters will have been shredded and e-mails will have become untraceable.

Mr. Gordon Prentice (Pendle) (Lab) *rose—*

Mr. Hague: Let me carry on for a little while. I will come back to the hon. Gentleman later.

Secondly, we have to be absolutely clear about some of the errors that have been made so that they are not repeated, for instance in Afghanistan. Thirdly, everyone—supporters of the war as well as its opponents—must now recognise that the events of the last four years have damaged public trust and confidence in the political handling of such matters more than any events in our lifetime. A major inquiry and the debates that will necessarily flow from its findings are an essential precursor to rebuilding trust and confidence in the capacity of this or any Government to deal with situations in the middle east. Such rebuilding of public trust is a vital task, and should not be long delayed.

In debates in the House of Lords, there has been a good deal of consensus, very much in line with what I propose. Former Foreign Secretaries such as my noble Friend Lord Hurd of Westwell and the noble Lord Owen have put the case for an inquiry to consider the workings of the machinery of government. Lord Owen said:

> "There is now an overriding case to establish an inquiry…very similar to the Dardanelles Commission." [*Official Report, House of Lords*, 29 June 2006; Vol. 683, c. 1350.]

There is no doubt in my mind that the co-ordination of Government Departments in the aftermath of the invasion is a legitimate subject for examination. Last December, at the court martial of soldiers from the Queens Lancashire Regiment, the Army officer who led British forces in Basra following the invasion, Brigadier Moore, said that in the aftermath of the Iraq invasion his 4,000 men were,

> "Not supported by any of the other government departments, other than their own."

He said:

> "The Foreign Office was there but largely inactive. No one from the Department of Trade and Industry was there. So the Brigade had to try and regenerate the economy, establish a judiciary, as well as security and stability. We were the only show in town. There was a lack of support across the rest of Whitehall."

We should, of course, recognise the successes in Iraq over the past few years: Saddam Hussein has been removed, democratic elections have been held, and parts of the country are relatively stable. Overall, however, Iraq today is not the Iraq that we hoped for in the aftermath of the fall of Saddam. I have mentioned the need to look into the major decisions, generally made in Washington, but undoubtedly with some kind of British input, either for or against—the de-Ba'athification and disbandment of the army. Those were of huge importance, and much needs to be learned from them about how to influence decisions when conducting operations alongside a superpower.

Then there were the immense problems in delivering improvements to the infrastructure of Iraq. The United States has conducted a wide range of searching inquiries, and notably has not been afraid to do so in spite of its massive engagement in fighting in Iraq. The American Special Inspector General for Iraq Reconstruction has produced 60 audit reports and given testimony to Congress on at least 18 occasions, but there is no equivalent examination of the more than £350 million of British taxpayers' money disbursed by the Department for International Development since 2003. The inquiry begun by the International Development Committee in 2004 was discontinued after the last election, yet the need to learn lessons from the difficulties faced is urgent and serious.

For all those reasons, none of us in the House should turn our face against a major inquiry into what has happened. This Government and future Governments need to learn the lessons, and the country needs to be assured that they will have done so. No adequate reason remains for the Government to refuse to establish such an inquiry to begin its work in the near future, but there is even less reason for them to disagree with the motion before the House today calling for such an inquiry in principle. Their response could be a constructive one, as on war powers, accepting that principle and opening the way for cross-party discussion to bring it about. Instead, if the Government's amendment is anything to go by, the Foreign Secretary looks set to maintain the Government's refusal to make any proposal for an inquiry. That position is inconsistent with the many comments already made by Ministers, incompatible with learning vital lessons as fully and as rapidly as possible, and inadequate to the scale of the immensely difficult issues that we now face.

4.54 pm

The Secretary of State for Foreign and Commonwealth Affairs (Margaret Beckett): I beg to move, To leave out from "House" to the end of the Question, and to add instead thereof:

"notes the Resolution of 31st October 2006; recognises that there have already been four separate independent committees of inquiry into military action in Iraq; further recognises the importance of learning all possible lessons from military action in Iraq and its aftermath; and therefore declines at this time, whilst the whole effort of the Government and the armed forces is directed towards improving the condition of Iraq, to make a proposal for a further inquiry which would divert attention from this vital task."

The motion before the House today calls for a new inquiry

"to review the way in which the responsibilities of Government were discharged in relation to Iraq…in the period leading up to military action in that country in March 2003 and in its aftermath."

It also proposes that the House decide now that such an inquiry should be conducted in the same way as the Franks inquiry into the Falklands war. Those with particularly long memories will recall that only about six months ago we had a debate here on a very similar motion. They may also recall that during that debate I made plain the Government's view that there would come a time when these issues would be explored in the round so that we could learn whatever lessons could be learnt from them. However, I also made clear our view that while our troops remained actively engaged and facing real danger in Iraq, it would be wrong to launch such an inquiry. I take the point made by the hon. Member for Grantham and Stamford (Mr. Davies) that there is no precedent.

Since then both Houses of Parliament have enjoyed substantive debates on Iraq, including debates in the House on 12 December and 24 January. On 11 January my right hon. Friend the Secretary of State for Defence and I gave evidence to a lengthy joint session of the Foreign Affairs and Defence Committees, and on 21 February the Prime Minister delivered a detailed statement to the House on the Government's policy on Iraq.

Sir Malcolm Rifkind (Kensington and Chelsea) (Con): The Foreign Secretary says that she is unhappy with the idea of an inquiry while British troops remain in Iraq. She will be aware that it is widely assumed that even if the vast majority of British troops are withdrawn over the next 12 months, it is highly likely that a significant number will remain to carry out training functions or for other purposes, possibly for several years. Is she implying that no inquiry could be considered by the Government until the last British soldier had left Iraq?

Margaret Beckett: I am not implying anything. I am simply saying very clearly and straightforwardly, as I did when this matter was last raised, that I do not think that now, when our troops are very much engaged, is the time to make the decision that has been proposed to the House.

Since we debated the issue here in October, the Government's position on an inquiry has been restated a number of times by, for instance, my right hon. Friends the Secretary of State for Defence and the Leader of the House, and indeed by the Prime Minister. Nothing has happened since last October to change our position. More than 5,000 British troops do remain in Iraq, where they continue to be engaged in extremely difficult and dangerous work in trying to build a better future for the Iraqi people. Only last week, Iraqi Foreign Minister Zebari paid tribute to them and stressed the importance of what they were doing for his country. I too pay tribute to their courage and professionalism.

I know that the House will join me in offering condolences to the family of Corporal Rodney Wilson, who was killed in Basra last week. He was the 150th soldier to lose his life in Iraq since 2003. I also pay tribute to two other servicemen, Lance-Corporal Paul Sandford and Guardsman Neil Downes, both of whom lost their lives in Helmand province in Afghanistan last week. I know that I take the whole House with me in sending our condolences to their families.

Against that background, it should be no surprise to anyone that the Government's position has not changed. We continue to believe that agreeing to set such an inquiry in motion at this moment would be not only premature but, much worse, self-indulgent. By contrast, the Opposition's approach to the issue seems at best confused and at worst opportunistic. Sadly, that is not new. In October, the right hon. Member for Richmond, Yorks (Mr. Hague) said:

"To begin an inquiry now"

—that is, on that date in October—

"would…be premature".

He then promptly voted for a motion that implied that such an inquiry should be launched immediately. To be fair, he said that an inquiry should instead commence in

"the next Session of Parliament".—[*Official Report*, 31 October 2006; Vol.451, c.183-4.]

He did not point out that, at the time, that was two weeks away. The motion that the right hon. Gentleman has tabled today makes no reference at all to the timing of such an inquiry, but does attempt—although he made only a passing reference to this—to commit the House to a very specific proposal for its forum.

[Margaret Beckett]

The right hon. Gentleman therefore appears to have accepted the argument that we advanced last October that now is perhaps not the time for his proposal to take effect. For our part, we also remain of the view that this is not the time to send a signal of potential disunity—whether it be to the courageous Government and people of Iraq, or to our own immensely courageous armed forces—or indeed to commit ourselves to an inquiry in the form that the right hon. Gentleman has proposed. I accept, of course, that that was the form of the Falklands inquiry—but in the 25 years since the Falklands war, important things have changed in the way in which Parliament works.

Lembit Öpik (Montgomeryshire) (LD): I understand the right hon. Lady's reasoning, although I may differ with her about the case for an inquiry now. Does she nevertheless agree that at some point we have to get clarity on some of the big issues? For example, there is a huge debate about how many people have been killed in Iraq since 2003. Does she agree that at some point we need to get clarity, and that we are arguing about a timetable rather than about the fundamental case for finding out the truth about those vexing questions?

Margaret Beckett: Judging from the range of different statistical methods that people have used, I am not sure whether, on that matter, any inquiry will ever come to a conclusion of which there will be general acceptance—but of course I share the view that it is important that we remember the civilian casualties that have occurred during the conflict, and that we do everything we can both to minimise them and to encourage the accurate keeping of records, so that understanding is not lost.

Chris Bryant: I am sure the Foreign Secretary would accept that it is almost certain that when eventually there is an inquiry, all parliamentarians will want to examine force protection, whether involving body armour or the physical environment in which our troops are protected. Does she agree that it will be difficult to do that in an open environment now, without further compromising the security of our troops?

Margaret Beckett: My hon. Friend makes a powerful point. Those who are approaching the debate with an open mind and a proper realisation of the dangers of the course of action being urged on us by the Opposition will certainly take heed of his remarks.

Mr. Gordon Prentice: Why is it necessary to continue to block the memoirs of Jeremy Greenstock, our man in Baghdad, when his American counterpart, Paul Bremer, published his memoirs a couple of years ago and the sky did not fall in?

Margaret Beckett: I am not responsible for the decisions of the American Government. They decided to allow Mr. Bremer to publish his memoirs. We have not made such a decision.

As I say, events have changed—

Mr. Redwood: Will the Foreign Secretary give way?

Margaret Beckett: I will give way to the right hon. Gentleman, and then I must get on.

Mr. Redwood: Why is it not possible to accept the proposal in principle, while leaving it to the Government to choose the date for dealing with all the issues that the Foreign Secretary has raised? To refuse that makes the Government look as if they have something to hide, and I am sure that they would not want that coming across as their true view.

Margaret Beckett: That is complete nonsense. As I say, we are being urged now to commit ourselves not only to the principle but to a form of inquiry. From the words of the shadow Foreign Secretary—I nearly called him the Leader of the Opposition; perhaps I would be percipient in saying that—it is clear that he envisages an inquiry taking place in the quite near future. As I say, it is not sensible to put that proposal before the House at this time.

We now have a framework of Select Committees—whose role and resources, incidentally, have been substantially strengthened under this Government, despite the nonsense talked about our approach to Parliament. They carry out independent inquiries, as they already have into different aspects of our involvement in Iraq.

I argued in October that the situation in Iraq was too delicate for us to turn our attention away from the immediate task of how best we could help the Iraqi people here and now. I make no apology for saying the same today. Indeed I remind the House that only a few days ago the Deputy Prime Minister of Iraq urged us to concentrate our minds, will and interests on continuing to work with the people there to give top priority to rebuilding and helping to reform the situation in Iraq.

Mr. Robert Marshall-Andrews (Medway) (Lab): Have the Government received any representations from past or current military commanders that an inquiry of this kind would be unwise or dangerous?

Margaret Beckett: I am not aware of having received any representations from military commanders either for or against an inquiry. However, I have no doubt whatever that it would be possible to find both former military commanders who took the view expressed by my hon. and learned Friend, and those who took a different view. I say that without implying any discredit to military commanders, as that is a perfectly reasonable state of affairs among human beings.

Mr. MacNeil: Will the right hon. Lady give way?

Margaret Beckett: No, I must get on.

My right hon. Friend the Secretary of State for Defence would have liked to take part in this debate, but he is today in Baghdad with the Chancellor, focusing precisely on what can be done today and in the critical months ahead to help the people of Iraq.

As all Members know, Iraq still faces a daunting array of political, security and economic challenges of a kind with which any Government in the world—let alone a Government who have been in existence for only a little over a year—would struggle to deal. The

Prime Minister set out in detail in his 21 February statement our analysis of the challenges and our strategy for helping the Iraqis to tackle them. I do not intend to repeat that today, but I shall seek briefly to explain why the next few months in Iraq are especially crucial, and why the Government want to maintain a clear focus on the here and now.

With support from the coalition, the Iraqi Government have in recent months launched a major fresh effort to restore security to Baghdad and neighbouring areas of Iraq. In the coming months, critical judgments will need to be made about the success of the effort. The commander of the multinational force, General Petraeus, is due to deliver his assessment of progress in Washington in September.

It is still too early to make definitive judgments on the success of the initiative. The last of the additional US units being brought into Baghdad will arrive only this month. So far, there have been significant falls in the recorded rates of sectarian murders in Baghdad, and more recently there have been impressive reductions in recorded violence in Anbar province, which was hitherto the most violent part of the country. However, there have also been further atrocious suicide bombings in and around Baghdad, and calculated attacks on symbolic targets in the capital, such as bridges and the Parliament building itself, in a deliberate attempt to induce a sense of despair both in the Iraqi people and in those in the international community working to help them.

The initiative will be judged not solely on its immediate impact on the security environment, but on the extent to which Iraq's political leaders manage to make progress on the fundamental political issues that underlie so much of the violence. It is crucial that Iraq's leaders reach early agreement on legislation governing the future of the oil and gas sector, and on how to share the huge potential wealth from the sector equitably among all communities in Iraq. That alone could prove a powerful force for national unity and reconciliation.

It is essential that agreement be reached on reforms to the process of de-Ba'athification, which has become the cause of much division. It is important that the Iraqi Parliament pass legislation setting a date for provincial elections, to allow a new and more representative generation of political leaders to emerge across the country. All these steps, along with others, must culminate in an agreement on revisions to the new Iraqi constitution that give all communities in Iraq a firm sense of commitment to the country's future.

These are all immensely difficult issues; were that not so, they would have been solved long ago. It is imperative for the future of the country that Iraq's leaders make headway on them over the coming months.

Mr. John Baron (Billericay) (Con): We hope that the inquiry will be wide ranging, and that it will include an examination of how the intelligence was assessed and presented. In the meantime, however, I have a question. The main justification for war was the weapons of mass destruction argument, and that ultimately proved to be wrong. Who does the Foreign Secretary think is to blame for that? Does the blame lie with the intelligence services for their assessment of the intelligence that came in, or with the politicians for their presentation of the evidence?

Margaret Beckett: The hon. Gentleman has just given an extremely good example of why it would not exactly promote the cause of looking to the future and rebuilding Iraq to engage in the kind of dialogue that he wants at this time. He is, of course, right to say that these are issues of importance, but I recall that in the last debate on this subject one of my hon. Friends reported to the House a discussion at which he had been present with Dr. el-Baradei. Dr. el-Baradei confirmed to those present at that meeting that in March 2003, he had himself believed that Iraq possessed weapons of mass destruction that it was capable of using, and likely to try to use. So the notion that this was somehow all made up by the Government of the United Kingdom bears no examination at all. As I said, this is a good example of how the Conservative party would prefer to dwell on the past, rather than looking to what is happening now in Iraq and working with it.

Mr. MacNeil *rose—*

Mr. Boris Johnson (Henley) (Con) *rose—*

Mr. Tobias Ellwood (Bournemouth, East) (Con): Will the Foreign Secretary give way?

Margaret Beckett: No, I must get on.

In the south, we have already been able to hand over responsibility for security to the Iraqi authorities in three of the four provinces in our area of operation. British troops and civilian staff are now engaged in an intensive drive to bring the last of these provinces, Basra, to the point at which security responsibility can be handed over there, too. At this critical juncture, when Iraq's future clearly hangs in the balance, it would be wrong—plainly and simply wrong—for us to divert our focus from the tasks that need completing now, and again turn our gaze backwards.

Let us have no pretence that this is an innocuous little motion that will have no effect on the atmosphere in, or background against which, these ongoing, highly difficult challenges have to be faced and met. If that were so, the shadow Foreign Secretary would not have troubled to table it. He made it clear last October that he hoped that the inquiry he proposed at that time would begin in this Session of Parliament. We believed then, and we believe now, that to carry a motion such as this would be an unnecessary and damaging diversion of effort, focus and attention.

Mr. Boris Johnson: *rose—*

Mr. Ellwood: Will the Foreign Secretary give way?

Margaret Beckett: No.

All our time and energy is badly needed now for addressing the challenges of the present, as the Deputy Prime Minister of Iraq reminded us only the other day. It is our responsibility to the people of Iraq that should receive our complete focus and attention in the critical months ahead.

[Margaret Beckett]

When we discussed this issue in October, some Members pointed out that only a few days beforehand, representatives of the Iraqi Government had urged us to concentrate on the future. It was also pointed out—to pick up the comment of my hon. Friend the Member for Morley and Rothwell (Colin Challen)—that the history of Iraq did not begin with the invasion.

As I said in October, I believe that we also have a responsibility to think very carefully about the signals that we send out from this House today—signals that will be closely followed in Iraq and around the world. It is critical that we do not convey to others the impression that this country's commitment to Iraq is weakening at a critical moment, and that we are about to turn away into a period of self-indulgent introspection. So I hope that all Members of this House will support the amendment that the Government have tabled.

5.13 pm

Mr. Michael Moore (Berwickshire, Roxburgh and Selkirk) (LD): The Foreign Secretary's statement that nothing has changed in the Government's position since October will not have been a surprise; none the less, it will be a disappointment to the House. It appears to all intents and purposes that the Government are still trying to avoid an inquiry, while hinting that there will be one. They are simply ducking the question of when.

The Foreign Secretary said that many Ministers and others have made themselves available to the House in debates, during statements and at questions. Those are worthwhile and welcome occasions, but they are surely no substitute for a thoroughgoing inquiry into what led up to the war in Iraq and what has happened since. The motion today simply asks for the principle to be accepted—little more than that. I should have thought that it was not beyond the Government to accept that. The motion has echoes of the nationalist text that we debated at the end of October, and there is nothing wrong with that, since the need for a proper inquiry into the follies and misjudgments that took us into the war in Iraq is even more pressing now than it was then. In the spirit of cross-party unity, which was evident on both sides of the House on that day, the Liberal Democrats will support the motion when it comes to a Division later.

Before I go on to our reasons why, however, let me add the support of my right hon. and hon. Friends to the tributes already properly and generously paid by the Foreign Secretary and the shadow Foreign Secretary, the right hon. Member for Richmond, Yorks (Mr. Hague), to our armed forces. Throughout the conflict, as in so many others, the men and women of the Army, the Navy and the Air Force have shown the highest levels of professionalism, dedication and commitment that could ever be expected of them. Their bravery and courage is beyond question and, indeed, many have paid the highest price. Many more have suffered or continue to suffer the consequences of their time in Iraq. We should never lose sight of those sacrifices.

Since we last debated the call for an inquiry in October 2006, we have seen the deadliest month for UK forces since the initial invasion, with 12 servicemen killed in April. In total, 30 more UK personnel have been killed since October 2006, and as the Foreign Secretary sadly marked, 150 servicemen and women have lost their lives in Iraq serving their country. Our thoughts are ever with them and the families and friends who are so tragically affected.

In the wider context, we should not forget the toll on American and other coalition service personnel, with US casualties nearing 3,500 and other coalition casualties nearing 130. That is all indicative of a desperate security situation. In written answers to me, the Secretary of State for Defence has detailed how attacks on UK-led, multinational forces have risen sharply since our last debate. From that date until the end of April, there were more than 1,300 attacks, compared with just over 500 in the previous six months. That is in the context of Operation Sinbad and the greater levels of confrontation that were inevitably involved, but at the very least, it highlights the ferocity of the situation even in southern Iraq. As we have been reminded only too recently, the dangers there extend to kidnapping, with the fate of the five latest hostages captured at the end of May still unknown. Our thoughts and prayers are with them and their families, too.

We may never know how many Iraqis have been kidnapped, and as the Foreign Secretary said, we will never know the true figure for civilian casualties in Iraq. There have been many estimates, and the United Nations has reported that 34,000 were killed last year alone. For millions of people, life and normality have been destroyed.

The United Nations High Commissioner for Refugees reports that there are approximately 2 million internally displaced people in Iraq. There are another 2 million Iraqi refugees in neighbouring countries, particularly in Syria and Jordan. Many people lack support, and the host countries are struggling to deal with them. According to a written answer that I received from the Secretary of State for International Development,

"DFID has provided £10 million to support emergency relief and other services to displaced and vulnerable Iraqis"—[*Official Report*, 7 June 2007; Vol. 465, c. 685W.]

this year. However, if I understand the answer correctly, that is in Iraq and throughout the region. In the context of the estimated £5 billion cost of the Iraq war to the United Kingdom, it is a tiny amount.

Our obligations surely extend to the many former translators and interpreters who have had to flee Iraq and, according to Human Rights Watch, have been denied any assistance in reaching the UK or in obtaining asylum in this country. Those people put their lives on the line alongside British personnel, and their lives are still on the line. Of all the people affected, surely we have a particular responsibility to them.

In Iraq, reconstruction has failed to live up to the large amounts of money poured in. To give just two examples, unemployment is commonly as high as 40 per cent. and electricity supplies in most of the country have barely improved on pre-war levels and have actually fallen below those levels in Baghdad.

Of course, there are achievements: democratic elections held in December 2005 and the formation of the national unity Government last year. As we have been reminded, security has been handed over in three

of the four Iraqi provinces under British control, but those milestones have been overshadowed by the security situation and the failure of the reconstruction efforts so far. Even those of us who opposed the conflict when the House voted in March 2003—that opposition was unanimous on the Liberal Democrat Benches—did not foresee the scale of the disaster that continues to unfold in Iraq. The aftermath of the conflict is dire and we need to get to grips with why things have come to this and why we got into the mess in the first place.

The first requirement of an inquiry will be to learn the lessons and, where appropriate, apply them to the ongoing conflict. Surely, we will also learn lessons to apply to other current and future conflicts, but at the heart of the process, as the shadow Foreign Secretary set out, must be the need to ensure proper parliamentary oversight of the Executive, which has until now been utterly inadequate, despite the efforts of Members from all parties to do their bit. The oft-quoted Chief of the General Staff, General Sir Richard Dannatt, was right when he said that

"history will show that the planning for what happened after the initial war-fighting phase was poor, probably based more on optimism than ... planning".

More is required of an inquiry than investigation of what happened to planning for the aftermath; we still need to understand the fundamentals, such as the purpose of the intervention. Was it simply to seek compliance with UN resolutions or, as many leaks, commentators and suspicions suggest, to enable regime change? When was the actual decision taken and when was British commitment given to the United States President? What exactly was the UK input to coalition strategy beforehand and what has it been since? What of the intelligence? Issues remain about both its gathering and processing, which allowed the creation of the flawed prospectus. We are no nearer a full understanding of the political oversight of intelligence processing. In that respect, the early draft of the September 2002 dossier on Iraq's weapons of mass destruction, prepared by Mr. John Williams of the Foreign and Commonwealth Office, is important evidence, which the hon. Member for Billericay (Mr. Baron) and others have been trying to obtain. It should be released so that we can make a proper assessment of what decisions were taken and when. More significantly, we still need to understand the role of the Attorney-General and why he changed his advice over a few fateful days in 2003, knowing as we do now that he was more ambiguous in his initial advice to the Prime Minister on 13 March compared to that presented to Parliament on 17 March. Those are just some of the issues that will need to be considered by an inquiry, but it is important that we are clear about its type and powers.

As a party, we have previously set out the case for a full public inquiry, which would have the widest possible scope, to investigate all relevant aspects of the decision to go to war in Iraq, but we are happy to support the mechanism proposed by the shadow Foreign Secretary on the basis that the membership reflects the range of expertise required and that the powers will be clear.

Mr. Ellwood: I am intrigued by the Liberal Democrat position. Had Britain not supported the war it is likely that we would have been invited to help with the peacekeeping efforts under resolution 1483. Can the hon. Gentleman tell the Chamber whether the Liberal Democrats would have supported Britain's participation in peacekeeping had we not been participating in the initial war-fighting?

Mr. Moore: That is a strange hypothetical question.

Mr. Alan Beith (Berwick-upon-Tweed) (LD): What if there had been no war?

Mr. Moore: Indeed. The hon. Member for Bournemouth, East (Mr. Ellwood) may want to reconsider his position, given how he and his party voted at the time of the initial invasion. I am perfectly happy with what our party decided at that time and since.

What is not clear from what we have heard today and on previous occasions is the Government's position on an inquiry. As I said at the outset, there are hints of a future inquiry but the Foreign Secretary will have to forgive us if we are a little sceptical about that, not least because the Government oppose today's initiative because, they have argued, it is unnecessary, diversionary and might have an impact on morale. I want to deal with those issues.

Of course there have been inquiries, but the shadow Foreign Secretary demolished the argument that they were independent and comprehensive. There are well-established gaps and shortcomings in all the inquiries, in terms of both their remit and the information that was made available to them. Crucially, there has been no specific investigation of the political decision-making process that led to the decision to go to war. As for the timing of the proposed inquiry, there is an urgent need to learn the lessons now, and to apply them to what we are doing in Iraq and to other current and future operations. As others have observed, waiting until the end of the conflict is hard when that has not been defined and when victory in the conflict was claimed and declared four years ago.

Mr. Stewart Jackson (Peterborough) (Con): Does the hon. Gentleman share my incredulous state of mind that the Foreign Secretary should dismiss the Opposition motion as self-indulgent given that the United States, which has a much stronger Executive branch, has suffered more casualties and is still engaged on the war front, has had a robust analysis through the Baker-Hamilton report as well as inquiries in both Houses of the US Congress? Does that not equally shoot down the Foreign Secretary's rather tenuous argument?

Mr. Moore: The hon. Gentleman makes an important point, which slightly unhelpfully anticipates a point that I shall come to in due course. Such is the way of debate in this place.

Let me turn to the issue of diverting Ministers' time. I do not want to be completely facetious, but the Prime Minister will be a key witness to the inquiry and by happy chance he will be released from the challenges of office in a few weeks' time, so the inquiry ought to be able to get off to a flying start any time soon. Presumably the new Prime Minister will want to be fully briefed and informed, since it seems unlikely that under current Cabinet arrangements he will feel that he was then, and is now, fully in the picture.

[Mr. Moore]

We have to take seriously any potential impact on morale. As the hon. Member for Peterborough (Mr. Jackson) has just said, we should look across the Atlantic. The United States has more people committed to Iraq, yet debates there have not been stymied one bit, whether in Congress or in the course of the Baker-Hamilton inquiry last year. More importantly, the armed forces in this country expect us to ask such questions and to find out the truth—not only those who have come back from Iraq and left the Army or the Territorial Army but, as one can see from the blogs, those who are serving, too.

Dr. Andrew Murrison (Westbury) (Con): Does the hon. Gentleman share my observation, as someone who served in Iraq in 2003, that most servicemen there will stand aghast at the argument that the Foreign Secretary has deployed that in some way such an investigation will damage their morale? They are far more likely to have their morale damaged by the lack of body armour, tanks that clog up in the desert sand and boots that melt in the heat of the same. They will look to us as their Parliament to start such an investigation, because they cannot speak for themselves.

Mr. Moore: The hon. Gentleman makes a powerful point, all the more so because he served in Iraq. The House ought to pay tribute to him and other right hon. and hon. Members, particularly from the Conservative Benches, who did their duty at that time. I know that people from all over the House did so.

Beyond the expectations of our armed forces, we see senior figures of our armed forces—there is none more senior than General Dannatt—being frank and open about some of the failings and about what needs to be done. I suspect that people like him know more about morale than most of us in the Chamber. The debate is going on in every part of British life, not least in the media and as part of independent inquiries, such as that recently launched by the Foreign Policy Centre and Channel 4. That inquiry is chaired by an impeccable cross-party group with significant expertise that includes Baroness Jay, Lord King and Lord Ashdown. Parliament should not be left behind in the debate. In fact, certain Labour Members are already arguing for an inquiry as the contest for the deputy leadership of the Labour party hots up. It seems that it is open season for everyone, except those of us who were elected to scrutinise the Executive.

Earlier this year, my right hon. and learned Friend the Member for North-East Fife (Sir Menzies Campbell) set out our view that British forces should now leave Iraq. Nothing has happened in the meantime to change our view. We believe that the issue should be one of the first priorities for our new Prime Minister, not least following his visit to Baghdad. While I hope that we will return to the specifics of future policy on Iraq on a later date, we believe that it is time for us to prepare to leave and to learn the lessons.

In the debate on the need for an inquiry in October, the Foreign Secretary said:

> "I have no doubt that there will come a time when we will want to look at the lessons learned from our full experience in Iraq, just as we have from every other major conflict in the past".—[*Official Report*, 31 October 2006; Vol. 451, c. 181.]

Nearly eight months on, the need for that inquiry is more pressing than ever.

Several hon. Members *rose—*

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I must remind the House that Mr. Speaker has placed a 14-minute time limit on Back-Bench speeches. However, due to what I could describe as hon. Members' late surge of interest in participating in the debate, that might be a touch on the generous side. I hope that hon. Members will bear that in mind when they address the House.

5.31 pm

Jeremy Corbyn (Islington, North) (Lab): It is a good thing that Parliament is debating the war in Iraq. The war has gone on longer than the second world war went on in Europe and has aroused the greatest passions ever among the public in Britain and the United States. It is worth reminding the House that nearly 2 million people took to the streets of London in February 2003 to demonstrate their views on British participation in that war. They took to the streets not in support of Saddam Hussein, but to oppose something that they believed to be an illegal war and because they wanted Parliament to listen to what they had to say.

Frankly, it is absurd to argue that we should not hold an inquiry into the causes of a war that has cost the lives of many people and caused huge controversy throughout the world. It is the job of Parliament and our duty as parliamentarians to investigate what is going on, to challenge what the Executive are doing and to try to represent public opinion as best we can.

In opposing the motion, the Foreign Secretary pointed out that inquiries had been carried out by the Foreign Affairs Committee, the Defence Committee and the Intelligence and Security Committee and that we had also had the Hutton and Butler inquiries. All those inquiries suffered from degrees of inadequacy. As the right hon. Member for Richmond, Yorks (Mr. Hague) pointed out, in one case, a considerable number of fairly key witnesses refused to give any evidence whatsoever to the inquiries, which meant that the inquiries' possible achievements were severely limited. Entirely legitimate questions remain that must be asked by an inquiry: how did we get involved in the war; how bad has the situation in Iraq become; and where does this take us in the future?

The Conservative motion is inadequate because I do not think that a Privy Council inquiry is necessarily the ideal format. Such an inquiry would exclude people who were not members of the Privy Council, even though the right hon. Member for Richmond, Yorks suggested that several people could become Privy Councillors instantly so that they could take part in the inquiry—*[Interruption.]* It would be extremely unlikely that my hon. Friend the Member for Hayes and Harlington (John McDonnell) and I would be invited to become members of the Privy Council under that procedure. However, while there are clearly inadequacies in the motion, it is fair enough.

A further inadequacy of the motion is the fact that it does not set a date by which the inquiry should take place; nevertheless, I will support the motion. I urge

other colleagues to support it because that would mean that Parliament would stress that it is our duty to investigate what is going on and to present a credible report to the British public on how we got involved in the war and, above all, how we will get out of it.

A large number of issues need to be examined. I think that I have been in the House on every single occasion when there has been a debate on Iraq since at least 1990. We have heard just about every allegation that could ever be made about the situation in Iraq. We were told that there were weapons of mass destruction, and that there was a 45-minute danger period, but that turned out not to be the case. Hans Blix and Mohamed el-Baradei were prevented from returning to Iraq in January 2003, although they were undertaking an effective weapons inspection there. I would like to hear from both of them what exactly the terms were under which they were prevented from returning. There are many other questions, too.

Crucially, we need to know what the genesis was of foreign policy after 2001. In September 2001, the Prime Minister said that we should stand shoulder to shoulder with the United States, whatever it chose to do, and whatever problems it faced—a very brave thing to say. It was not clear then exactly what he had in mind, and where that would lead us. It led rapidly to a war in Afghanistan, and later a very strange meeting took place in Crawford, Texas, in April 2002. When the Prime Minister ceases to hold that office, he should be invited to give evidence on that meeting. Was an undertaking given to President Bush that Britain would be involved in a war against Iraq, even though there was no evidence whatever that Iraq was involved with al-Qaeda or with the war in Afghanistan?

I say that not because I am in any sense an apologist for the regime of Saddam Hussein. Indeed, the right hon. Member for Richmond, Yorks seemed to reject the notion that the inquiry should go into relations with Iraq before 1990, and I disagree with him on that point. It is important that it does consider relations with Iraq before then, because I seem to recall this House quite happily approving the sale of arms to Iraq in the late 1980s. I also recall that there was participation in the Baghdad arms fair, even after the tragedy of Halabja. There must be serious inquiries about all those things—not for some academic purpose, but so that we can try to make sense of what has happened.

I know that there are people in the House who do not accept the estimate that *The Lancet* made in its examination of the death toll in Iraq, but there has been no creditable rebuttal of it. Its estimate is that 650,000 civilians have died in Iraq. I am not accusing British, American or any other coalition forces of causing all those deaths, but I am saying that the foreign policy decisions, taken principally by Britain and the United States, to pursue a war that had no legal basis led to the chaos that led to that loss of life. More than 3,000 United States servicemen and women have died, and last week, tragically, someone became the 150th British soldier to lose his life.

In my constituency, there are people who fled to this country to escape from Saddam Hussein, and now there are people there who fled to this country to escape the chaos of what life is like now in Iraq, and the dangers there. Last week, I was talking to a number of people from Iraq who came to this country and who, tragically, are threatened with deportation to Iraq. They tell me that for months on end they could not go out of their house without facing the threat of being killed in the streets. The electricity and water did not work, they did not enjoy normal safety levels, and normal society and normal life did not work. All that has happened since the invasion all those years ago and, as I said earlier, we are talking about a period of greater length than Europe's second world war.

The question of what happens in future in Iraq must also be considered. There was a report yesterday in *The Observer* entitled "Iraqi government threatens arrest for leaders of striking oil workers". It said:

> "Workers are objecting to Iraq's proposed hydrocarbon law, which unions claim will amount to privatisation of the industry, allowing Western oil executives to sit on an oil ministry council which will approve contracts under which foreign companies can operate."

That, in conjunction with the threat of arrest against Hassan Juma'a and other leaders of the Iraqi oil workers, may be one of the kernels that points to the real causes of the war in Iraq: the removal of large amounts of Iraqi natural resources into the hands of western companies. The oil law proposed in Iraq bears a horrible resemblance to the oil law introduced in Iran in 1952 after the coup that installed the Shah in power, and British oil companies did very well out of that.

Finally, on the question of foreign policy and what goes with it, the Prime Minister, ever since he took us into the war in Iraq, has developed his ideas on foreign policy a great deal. He has given many lectures around the world about what he calls "humanitarian intervention". We should learn the following lessons: we should consider, first, whether or not the war was legal; secondly, whether it did, or did not, breach the UN charter; and, thirdly, to avoid future conflicts, perhaps we should give more support to the UN charter and the principles of international law. I am concerned that in the debate about Iraq we often forget that that war started after the invasion and occupation of Afghanistan. Many far-thinking people in the Ministry of Defence and elsewhere believe that we should withdraw from Iraq to put even greater resources into Afghanistan. The road to peace in the world does not lie in one war after another, after another, after another, with all the attendant attacks on our own, and other people's, civil liberties that emanate from that. Surely, we have a big lesson to learn about how to bring about peace in the world.

When we come to vote on the motion, we can do so, whether or not we believe in the war in Iraq. I urge Members of Parliament to think a little bit further. We were elected to the House because we live in a democracy: we were sent here to hold the Executive to account, whether they belong to the same party as us or not. It is the job of Parliament to find out the truth, and to try to inform the public better how the war came about. It is therefore entirely appropriate that Parliament should vote for an inquiry, which should be conducted in depth. It should be detailed, public and, above all, far reaching so that we can learn the lessons of all those tens of thousands of people who have lost their lives in Iraq and so that at least that kind of disaster and tragedy could not be repeated somewhere else in some other oil-rich part of the globe.

5.43 pm

Sir Malcolm Rifkind (Kensington and Chelsea) (Con): May I begin by referring to an interest, declared in the Register, in a company that operates in Iraq?

I support very strongly the proposal for an inquiry made by my right hon. Friend the Member for Richmond, Yorks (Mr. Hague), because the Prime Minister has shown that essentially he is still in denial about the policy over which he has presided for the past few years. On several occasions, I have heard him, when challenged with the drama, trauma and mess that have developed in Iraq, say, "I accept full responsibility." Usually, when someone says that, they follow it with a second phrase—"And I acknowledge that we made a mess of this," or, "It's all gone terribly wrong." The Prime Minister is an unusual phenomenon, because he says, "I accept full responsibility and I got it right. I continue to defend what I did." Not only is that a rather eccentric approach but it damages the Government's overall credibility regarding future policy in Iraq, and not simply the justification for the past.

We saw a remarkable example of the Prime Minister's tendency towards double- speak in an article for which he was interviewed in *The Economist* on 31 May. It was headed, "What I've learned", but when one read it, one discovered that he had not learned very much. He said:

"It is said that by removing Saddam or the Taliban—regimes that were authoritarian but also kept a form of order—the plight of Iraqis and Afghans has worsened, and terrorism has been allowed to grow."

He went on to say:

"This is a seductive but dangerous argument. Work out what it really means. It means that because these reactionary and evil forces will fight hard, through terrorism, to prevent those countries and their people getting on their feet after the dictatorships are removed, we should leave the people under the dictatorship."

Considered just in those narrow terms, what the Prime Minister said was entirely logical, but the premise from which he proceeded was utterly wrong. I am reminded of the remark that Harold Macmillan once made about Sir John Simon, when he said that the hon. Gentleman has such a logical frame of mind that starting from a false premise, he moves inexorably to the wrong conclusion. That is what the Prime Minister has done. He is no fool. He knows perfectly well that when any Government, including a British Government, are considering intervention through military means against a country that has not attacked them, no Government, including the present British Government, simply look at the human rights record of the Government concerned.

Of course, that is an important consideration. So, too, is the question whether we will win in a conventional conflict and the war will be over quickly. But one also looks at all the wider implications of invading a country and implementing a policy of regime change. I ignore for the moment the fact that regime change was never part of the justification for the war and, indeed, could not have been because it would have been against international law. Even if it had been, the British Government, as we well know, have been disinclined to intervene in other countries that have just as bad a human rights record. Otherwise we would have had British troops in Zimbabwe getting rid of Mr. Mugabe. No doubt the United States would have gone into Castro's Cuba many years ago, and might have gone into North Korea more recently.

In each and every case, the reason was not a judgment about the human rights record or a judgment as to whether a conventional war would be won. It was a wider and a very wise judgment as to the overall implications and consequences of such an invasion of a country that had not attacked us. Sometimes the arguments are valid. I pay credit to what the Government did in Sierra Leone. There was a case where there was a strong human rights argument, but where the consequences of our intervention clearly have been beneficial.

That could have been anticipated, and was anticipated, and the Government were right to act. I happen to think that they were right in Afghanistan, but the whole point about Iraq is that most of what has happened since the invasion was not only predictable, but was predicted. It is not the Prime Minister's integrity or honesty that I question; it is the basic competence—incompetence, I should say—and the poor judgment that guided his actions over that period. That is why an inquiry is essential now.

So much for the past. Where do we go from here with regard to the British presence in Iraq? Even those of us who were against the war cannot say that because we were against it, British troops must come out at the first available opportunity. Prince Turki of Saudi Arabia made a very wise remark. He said that the coalition must realise that if they go in uninvited, they cannot just leave uninvited. We have contributed to the mess in Iraq. It has a more democratic Government than it has ever had. That Government want us to retain a presence in Iraq, and they are entitled to have that view taken into account.

What arguments should be used? There are three questions that we have to address. First, are we delivering the policy in Basra, in the south, that was the reason for British troops being there in the first place? Secondly, if we are not delivering that policy or only partially doing so, is there nevertheless some justification for a continuing presence on its merits in Iraq over a period of time? Thirdly, regardless of those arguments, what are the wider political implications in regard to both the United States and western interests generally if we continue in Iraq for some time?

Let me look at those three questions briefly. First, Basra is a lot better than Baghdad. The number of people being killed is far lower. The terrorism incidents have been much easier to control, but they are not in control. There is not a sectarian conflict between Shi'a and Sunni, but we should not get too overjoyed about that. The main reason is that the Sunni have effectively been expelled from the region and have become a small minority in that locality, so the conflict there is now Shi'a-Shi'a.

However, the Government's writ does not run in Basra, and in that sense the British Government's presence there through their military forces has not delivered the kind of peace and stability that we hoped for over the past three or four years. I broadly accept the Government's argument that it is sensible over the next few months to withdraw those of our troops who are involved in patrolling in Basra. Three of the four provinces have already been handed over. It makes sense to work towards a handing over of the fourth province in months, not years. That would allow a substantial deployment.

That brings me to my second question, which is highly relevant to what the Foreign Secretary said earlier: should we continue with some military presence even after most of our troops have been withdrawn and Basra province has been handed over to the Iraqi Government? In my judgment, the answer is yes because there are activities where we can continue to make a useful contribution to the objectives of the Iraqi Government, which we share, with regard to some possibility of stability in that region.

What are those objectives? First, we have been heavily involved in training the 10th division of the Iraqi army, and that job is not yet complete, so a training function should continue even if we withdraw our troops from Basra province in relation to regular patrols. Secondly, when our troops move from Basra palace to Basra airport, the protection of the airport in ensuring that it can be used with free passage is an important contribution that British troops could continue to make in an effective and credible fashion. Thirdly, a major requirement will be to ensure the free movement of logistics from Kuwait to Baghdad and to central Iraq. Such convoy work is crucial. Indeed, we will do a huge disservice not only to the Iraqis but to our American allies if they have to redeploy some of their own scarce resources to cover that purely transport-related requirement from the southern part of the country to the north. That function can be carried out pretty effectively and with minimal casualties. Fourthly, there will be occasional operations where we could assist the Iraqi army where it does not have particular capabilities available to itself.

On the basis of that argument, we would perhaps reduce our troop numbers from 5,500 to 1,000 or 1,500, ensuring that those who remained would not be as visible to the Iraqi public—and therefore could not be used as targets as has been the case in the recent past—but would continue to be able to make a useful contribution to the ongoing battle to try to get some stability and security in the country.

My third question concerns the wider political implications. We cannot get away from the fact that if the United Kingdom simply pulled out every single last soldier in the next few months, that would gravely damage the United States. I make that remark not out of love of the United States, although I happen to approve of it as a country, but because we have no national or international interest in giving comfort to al-Qaeda and terrorist elements. Leaving the United States completely exposed in Iraq, with even its closest ally having completely abandoned it, not even carrying out those responsibilities that it can credibly and effectively carry out, would be an over-reaction to the problem and should therefore not be supported. I would not make that argument were there not a job that could be credibly done, but in training and the other areas that I mentioned it is justified on its merits as well as in terms of the political strategy that points in the same direction.

We often hear comparisons between Vietnam and Iraq. In some ways, it is a false comparison: in fact, Iraq is worse than Vietnam. In Vietnam, there was already a war going on and the United States intervened to try to help one side—the Vietnamese Government. In this case, the coalition started the invasion and the war that would not otherwise have occurred. There are other highly relevant differences. In Vietnam, there was one group of insurgents—the Vietcong—and an alternative Government: the North Vietnamese Government who were ready and willing to take over control. Neither of those factors applies in the case of Iraq. Iraq does not have one insurgency—it has multiple insurgences throughout the country. Some involve Shi'a versus Shi'a, some involve Kurds, some involve Sunni operatives, and some involve foreign jihadists such as al-Qaeda: all are battling with their own agenda and their own grasping for power. Moreover, no alternative Government are available to take over. As a result, we have a situation whereby 2 million Iraqis have fled Iraq since the end of the original war, and they are overwhelmingly Iraq's middle class—the people who are essential if there is to be any economic reconstruction of the country. That makes the situation even more dire than it would otherwise have been.

What has happened is essentially this. Yes, it is true to say that under Saddam Hussein Iraq was a rogue state, but in the past four years—I take no pleasure in saying this—it has moved from being a rogue state and is now a failed state. A failed state can have even more serious implications for its neighbours and for the region as a whole because of the vacuum that is created—we all know what happens in vacuums when very nasty and vicious people are able to operate in ways that they would not otherwise have been able to. There are powerful reasons for ensuring that the United States is not humiliated. If Britain can continue to make some contribution to the wider international effort to achieve stability despite withdrawing its patrol forces and the bulk of its troops, that must be the right course of action.

We are not going to see an end in Iraq rather like the end in Vietnam. There will not be any US helicopter taking off from the American embassy in Baghdad on the last day of this conflict. Even if the Americans withdraw their combat forces, they are probably in for a long period of years with a very substantial presence. It will be a long haul for the Americans and probably for the United Kingdom and a number of other countries. The good news is that it will not end like Vietnam—but that is probably the bad news as well.

5.56 pm

Mr. Khalid Mahmood (Birmingham, Perry Barr) (Lab): I should like to express my concerns about this issue. I have great regard for the right hon. Member for Richmond, Yorks (Mr. Hague) and, given his intellect and ability, for which I also have had a very high regard, I am somewhat amazed that he has again brought such a motion to this place. The issue of an inquiry is very important. When there was a vote on that here, I did not vote for it. The right hon. Gentleman says that the Government cited propositions concerning national security and so on, and he took that advice, as did his colleagues, and voted in a particular way. Until then, during my time on the Government Benches I had only once previously voted against my Government. I took that very seriously.

In considering a motion such as this, it is important to determine whether it will really address and move forward the matter at hand, which is the number of lives that are being lost—not only among our armed forces and those of the Americans, but among Iraqis.

[Mr. Khalid Mahmood]

Would such an inquiry deal with that? What would be its terms of reference and how would they be set? We have had four other inquiries. Every Member can pick holes in those inquiries because not one of us has been pleased by their outcomes. Would we get the result that we want in this case?

Ms Dawn Butler (Brent, South) (Lab): Does my hon. Friend agree that there is a place for an inquiry but this is not the time for it?

Mr. Mahmood: I agree that there is a place for the inquiry that needs to consider the issues that must be dealt with.

As Members have said, we face the question of how we deal with what is happening in the current arena of operations. How can we expose our forces to the detailed scrutiny of an inquiry? There are, therefore, inadequacies in such a proposal and we need to consider that seriously.

The right hon. Member for Richmond, Yorks said that there had been four inquiries but that no inquiry was genuinely examining the issue. One inquiry is examining the matter, and I happen to be chairing it. It is a parliamentary inquiry into tackling terrorism and it has been proceeding for some time. Hon. Members have mentioned Sir Jeremy Greenstock—he will attend the inquiry to give evidence about tackling what is going on.

The number of insurgents in Iraq who are taking action to inflame the situation further has been mentioned. We need somehow to defuse matters and allow the people of Iraq to return to some sort of normality. The actions that were taken, the way in which they were carried out, the consequences and the people who made the decisions need to be considered—once the Iraqi people have been brought back to normality and enjoy the safety and security that we all take for granted. We must tackle that through active policy.

We need to consider ways in which we can make a difference to the Iraqi people's lives and start to control the insurgencies and the factions. If we do not deal with such issues, an inquiry would not assist the people who are currently most at risk.

Mr. Ellwood: I am trying to understand the hon. Gentleman's argument. We went into Iraq on 20 March 2003 and, four years later, the country is on the brink of civil war. Does he honestly claim that a review would not let us understand exactly what went wrong and led the country to its current condition?

Mr. Mahmood: We took action after a vote in this place. We went to war and we are now facing the consequences of that. We must deal with those consequences. We could scrutinise that action, as the Opposition suggest, but I want to tackle what is happening on the ground. How do we engage with people and try to overcome a situation in which innocent Iraqis are killed daily? People lose their lives while they wait in queues for food and for jobs. We need to address that.

Are we engaging in policy making with people from the Organisation of the Islamic Conference? We need to get them back on board. Someone mentioned the Baker-Hamilton inquiry in the United States, which has considered discussions with Syria and Iran. That is fine—those two countries have a bearing on the matter. The populations of many Islamic countries have an effect on the melting pot. We need to control that melting pot and deal with the position whereby insurgents from the surrounding area come to Iraq. We must consider how to tackle that. Any inquiry should examine those important issues. Our inquiry is starting to do that and ascertain ways in which to deal with those problems. We are managing to do that on a cross-party basis.

Mr. Boris Johnson: Does the hon. Gentleman agree that an inquiry could urgently consider our catastrophic failure before and after the war to protect Iraqi cultural heritage from systematic looting, which is devastating Iraq? If the Iraqis are to have any hope of rebuilding their country, that looting must be stopped. What have we in mind to prevent that? The Department for Culture, Media and Sport pledged £5 million, which has vanished, to stop the systematic looting. Would it not help the Iraqis to rebuild their future if they had some idea of what had allowed things to go so catastrophically wrong from the beginning?

Mr. Mahmood: The only way we can help the Iraqis at the moment is by bringing stability to the current position—*[Interruption.]* I am happy to allow interventions.

Clare Short (Birmingham, Ladywood) (Ind Lab): The coalition is incapable of bringing stability to Iraq. That is the crisis and we need to examine how we got here in order to find another way forward. The instability is getting increasingly worse.

Mr. Mahmood: I thank the right hon. Lady for that intervention; I am trying to make it clear that our inquiry is examining exactly that point. Military action has not worked and we need to consider engaging the OIC countries in the region. They can have a positive influence on all the factors that are needed to make a difference. We need to get them engaged in the process. Perhaps that will mean those countries contributing positively through allowing their armed forces to support the training of Iraqi forces, as opposed to American and British forces being targets for the insurgents. We need to examine methods of changing the arena in which our soldiers and the other coalition soldiers operate. We need to engage far more with the surrounding Muslim countries and emphasise that they have a stake in the future of Iraq, that of Afghanistan and, to an extent, that of Palestine. All those matters should be examined so that we start to deal with the position in Iraq.

We need an inquiry that starts to formulate our foreign policy on engaging with those Muslim countries, move it forward and begin to deal with the situation. To me, that is most important. The Americans started the process through the Baker-Hamilton review. It was an important step forward for the Americans to take. We are doing similar work in Parliament, where our inquiry thankfully has cross-party support.

Mr. MacNeil: If the hon. Gentleman believes that the Prime Minister was right to participate in the Baker-Hamilton inquiry, surely he would welcome the Prime Minister's participation in any inquiry into the genesis of the war that the House or the Privy Council conducted.

Mr. Mahmood: I have invited the Prime Minister to our inquiry—[HON. MEMBERS: "Will he come?"] I have been told that he will make himself available at some stage. I am waiting for him to respond formally. I have met him and invited him and made a formal request through his Parliamentary Private Secretary.

Mr. MacNeil: Is the hon. Gentleman saying that the Prime Minister showed greater respect to—and willingness to attend—the Baker-Hamilton inquiry than to his inquiry?

Mr. Mahmood: No. I am saying that I made a request to the Prime Minister and that it is currently being considered positively. We are waiting for a concrete date. People such as Major General Tim Cross have attended the inquiry and Sir Jeremy Greenstock will attend it. People such as Baroness Williams from the upper House serve on it. We are seriously considering how to tackle the situation in Iraq in future. My objection to the motion is that it does not do that.

What are the terms of reference of the inquiry that the Opposition propose? Would it tackle what people want it to address? We all have matters that we would like an inquiry to consider. The Opposition have tabled a motion that states that they want a Privy Council inquiry. Who will sit down and determine the terms of reference? Will the whole of Parliament agree them? How will that be managed? The Opposition need to consider that serious issue if they want a positive inquiry.

Harry Cohen (Leyton and Wanstead) (Lab): I hear what my hon. Friend says about his inquiry. However, he mentioned the Baker-Hamilton inquiry. When does he think that the Prime Minister will tell Parliament exactly what he said to that inquiry?

Mr. Mahmood: That is a matter for him; I cannot speak for the Prime Minister. What I have done and will do is pursue him to come to my inquiry—that is the best I can do and I will continue to do it.

What we have to realise in this place is that whatever decisions have been taken and whatever has happened needs to be addressed. As hon. Members have said before, an inquiry will have to look at the whole build-up of arms in Iraq. We would have to go back to the Matrix Churchill affair and other issues that have come after it. We would need to see how Iraq was allowed to get itself into the position that it did, and we would need to examine the way in which all these things have happened. All those things will need to be in the terms of reference for an inquiry. I am sure that there will be a huge amount of debate and a huge inquiry in that respect.

Most of us will agree with one or other aspect of an inquiry, but not all of it. That is what happens with public inquiries: we never always agree on all the final conclusions because they do not always suit our own particular ends or reflect what we wanted to see. The real issue for us today, though, is not that, but how we move forward. Until we start to look into how our foreign policy can address the issue of lives being lost—day in, day out—in Iraq, we will not achieve that.

How do we actively involve and engage other Islamic countries in order to deliver a peaceful settlement for those people who moved away from the tyranny of Saddam Hussein—someone who was prepared to take lives at any cost and did so, and sometimes with the help of the west? We need to move on and give confidence to Muslim opinion around the world that we are going to look into the issues that affect ordinary people who just want a decent quality of life—education and health, for example.

Mr. David Anderson (Blaydon) (Lab): Does my hon. Friend agree that one of the reasons his inquiry is facing problems is that the voice of ordinary people from Iraq—trade union leaders, for example—cannot be heard in this country because they are not allowed to speak? When they are out and about from their country, they face the risk of being assassinated, which has happened at least twice over the last six months.

Mr. Mahmood: My hon. Friend makes a valid point. He has made a huge contribution to the inquiry that is taking place. It is people like him who actually want a positive way forward, rather than navel gazing and continuous scratching of wounds in order to inflict damage. He realises that we need to move towards a decent future for the people of Iraq. That is the most important thing in any inquiry. What we should do in this place is to look into that very seriously and try to determine how it can happen.

6.13 pm

Clare Short (Birmingham, Ladywood) (Ind Lab): I strongly believe that it is essential to establish an independent inquiry into the route to war in Iraq and its aftermath for a number of profoundly important reasons. The first is that the terrible suffering, loss of life and displacement of people in Iraq continues, as does the death and injury of our soldiers and American soldiers—with no end in sight. There is no serious exit strategy. The Foreign Secretary talks as if all is going well and that if we can just wait a little bit longer, it will all be over and we could have an inquiry then. If only that were so. Whatever view one takes about the route to war, we would all be delighted if stability were to come soon and the killing and dying would end. No serious observer, however, holds that view.

I recently met a former general in the UK Army—he was a serving general when I was in government and I know him from that period—who asked me whether I would like to know the Army view of what was happening in Iraq. He told me that the Army view was that there was absolutely no military purpose to our soldiers being in Iraq and that there was nothing that they could accomplish by being there. All they are doing, he told me, is trying not to get killed. The reason they cannot be withdrawn is that it would embarrass the US if the UK withdrew. That was a serious source of information and he was not saying that that was his personal view, but the Army view. That is outrageous. It means that our young people are killing and dying in

[Clare Short]

order not to embarrass the US about its own flawed strategy. That is why we need an inquiry. It is an enormous problem and it is going to go on indefinitely.

Even in the US, where the call for withdrawal gets ever louder and the Democrat party has tried to take up and echo the call in order to win elections, there is no honesty about what is being recommended. What the US really wants to do is remain in Iraq with permanent military bases in order to dominate the Gulf, withdraw to barracks and have a pro-American Government in Iraq. That is the policy. The problem is that that is unacceptable to the Iraqi people. Poll after poll has shown that they want a withdrawal as soon as possible. That means—this is my serious and sincere view and the view of many others—that the insurgency will continue. The trouble, bloodshed, anger and hatred in the middle east will get worse. More people will die and the Muslim community across the world, about which the hon. Member for Birmingham, Perry Barr (Mr. Mahmood) has just spoken, will go on being angry and upset. More and more young people will become convinced that the only way to get justice in the middle east is to engage in violence. This whole situation is acting as a massive recruiting sergeant for terrorism, making the problem that it is meant to address ever worse and bringing our own country into terrible disrepute.

Given the situation of our soldiers, it is right that they should be withdrawn. I disagree with the right hon. and learned Member for Kensington and Chelsea (Sir Malcolm Rifkind) about that, but I agree that, irrespective of our views about how we got here, it is right to advise on the positive way forward. I believe that there is a positive way forward and that the Iraq Study Group produced a superb piece of work that points the way forward, but it is certainly not the policy being adopted by the US Administration or, to their shame, by the UK Government.

The Iraq Study Group said that the US has to make it clear that it wants to withdraw as rapidly as possible and give up its aspiration to permanent bases in Iraq. It should then seek to negotiate a withdrawal as quickly and responsibly as possible. If the hon. Member for Birmingham, Perry Barr wants other countries, particularly Muslim countries, to come in and help the Iraqis, there has to be a handover to some sort of Government of national unity—an end to the occupation, which would then trigger the willingness of the international community to come in and help the people of Iraq to stabilise their country.

There is now interesting and important evidence that Moqtada al-Sadr is in talks with the organisers of the Sunni insurgency about coming together in a potential Government of national unity, calling for an end to the occupation and then uniting against the al-Qaeda elements who are inciting civil war and violence between Sunni and Shia. That is the way forward and the Iraq Study Group outlined it as a possible policy.

The Iraq Study Group noted, of course, that if we want the help of Syria and Iran, things will have to be done. In the case of Syria, we will need to resolve the problem of the Golan heights. The report goes on to say that there has to be a settlement of the Israel-Palestine issue on the basis of the 1967 boundaries, the sharing of Jerusalem and a negotiated solution to the right of return. In other words, the Iraq Study Group, which comprised leading Republicans and Democrats who consulted all over the world—including our own Prime Minister—said that the only way out of Iraq is a change of US policy in the middle east. That is the right answer.

If the UK would say to the US, "We support the Iraq Study Group and would work with you on that basis, but if not, we are out because we are doing no good in Iraq, our young people are dying in vain and we are inflaming the problem", we could all get back together and be proud of our Government instead of being ashamed of how they have proceeded in error and, I am afraid, deceit.

I believe that dishonesty about why we went into Iraq helps to explain the chaos that we are now in. It never was about weapons of mass destruction: the Butler report summarised what the intelligence said and there was clearly no imminent threat. People believed that some scientists were doing work somewhere, but it was obvious that there was no imminent threat. Butler put that on the record. It was not about the nature of the Saddam Hussein regime either. The Prime Minister said in answer to a question—I think from the hon. Member for Liverpool, Walton (Mr. Kilfoyle), but I am not sure—that if Saddam Hussein would co-operate with the weapons inspectors, he could remain. That was not the reason.

The real reason was set out in "The Project for the New American Century" by leading neo-cons, who then went into Government. They thought that they would be welcomed when they went into Iraq because they believed their own propaganda. The purpose was, however, to remove American bases from Saudi Arabia—the land of the holy places, where they are absolutely not welcome and are seen as an outrage by the rest of the Muslim world—and place permanent bases in Iraq, from which to control the Persian gulf. That was the purpose—that is the purpose—and it is resulting in continuing insurgency, violence, divisions, death and destruction in the middle east.

We need an inquiry because we have dishonesty and bad faith, and we have a strategy that will not work. Surely it is the duty of the House of Commons to consider how we got here and to look at the available alternatives and find a way forward.

Mr. Ellwood: The right hon. Lady speaks of the importance of an inquiry into the war. The invasion having taken place, however, does she also agree that there is a need to look into the aftermath and the peacekeeping that prevailed afterwards? Will she tell the House whether there was enough co-ordination between the Department for International Development, the Ministry of Defence and the Foreign Office in mounting that peacekeeping operation? The window of opportunity for peacekeeping to work is very small.

Clare Short: I shall come to that point in a few minutes.

The second reason we need an inquiry is that the overwhelming majority of the people in the UK believe that they were lied to about the reasons for the war. Troops are still being deployed, and soldiers are still being injured, losing their lives and taking the lives of

Iraqis for reasons that the majority in this country disbelieve. Our troops find that very distressing. A year or so ago, I was stopped in Whitehall by an officer in civilian clothes, who said that the worst thing that a soldier ever had to do was to talk to the parents of someone who had died under their command, and that when their country thinks that the war is dishonest and does not believe in it, that duty becomes unbearable. So part of our duty is to our troops. We need to get the truth out there and to treat them with respect. We should not ask them to serve, to risk their lives and to take the lives of others for reasons that their country does not believe in.

The third reason we need an inquiry is to establish why there was such a failure to prepare for post-conflict Iraq. This is the issue that the hon. Member for Bournemouth, East (Mr. Ellwood) raised a moment ago. I was involved in this, and my view is that the failure properly to prepare flowed from the deceit on the route to war. Preparations were made in the State Department, in the United Nations and in my old Department in co-ordination with other humanitarian agencies across the world for a post-conflict situation in which the occupying powers would honour their obligations under the Geneva convention. The occupying powers have a duty under that convention to keep order, but they do not have the right to reorganise the political institutions of a country. Under such arrangements, there was an expectation of internationalisation and international support.

I went to a meeting of the World Bank shortly after the war. Of course, there were fantastic divisions there, but we worked to say that, whatever the divisions on the reasons for the war, if we could internationalise the reconstruction, please let us all come back in together to help Iraq to rebuild itself. What happened? With just months to go before the date chosen for the war, the President of the United States scrapped all the State Department's preparations—which were massive and had been made in co-ordination with the rest of the world—and set up a unit in the Pentagon, which started making preparations from scratch. A British general, General Tim Cross, was put in as its deputy. He told me that they were moving in the furniture just a couple of months before the date chosen for the war.

The answer is not that people failed to prepare. The preparations that were properly made according to international law for conditions that would have brought international co-operation were thrown away because of the reasons for the war. America wanted, as in Japan and South Korea, to be dominant in Iraq, to have bases and a pro-American Government there. It did not want internationalisation or a UN lead. That is all extremely important, and we need to learn those lessons if we are to begin to put things right.

The fourth reason we need an inquiry is to examine the role of the Attorney-General. The full legal advice was never given to the Cabinet. I have never been a constitutionalist, but I am still utterly shocked by what took place. When I read the full legal advice, I still cannot believe that we were never given it, and that the legal advice that was given to the Cabinet and to Parliament was so different—

Mr. Kevan Jones (North Durham) (Lab): You voted for it.

Clare Short: I voted on the basis of dishonesty, and of promises from the Prime Minister about the reconstruction and the road map, which were also untrue.

Mr. Jones: That makes it wrong now, does it?

Clare Short: I think that lots of people supported the Prime Minister but now feel that they were deceived by him. People all over the country have that view.

My view on what happened over the legal advice is that the disgrace goes beyond the present holder of the office. The Attorney-General's role needs re-examination. On any vote in which the House of Commons is to be given the right to decide on war or peace, it will need its own legal advice. We cannot go on with the present arrangements, with the pretence of independence in authority but with political pressure that causes someone to modify their legal advice.

The fifth major reason we need an inquiry is that the people of the UK have lost faith in their politicians and political institutions. There has always been a healthy disrespect for politicians in this country, but now it nears contempt. We need to be honest about what has happened, and to change our institutional arrangements as well as our policy in Iraq, in order to get back the faith and respect of the people of the UK.

Several hon. Members *rose—*

Madam Deputy Speaker (Sylvia Heal): Order. I can see several Members hoping to catch my eye, but the amount of time left for this debate is limited. Perhaps hon. Members would bear that in mind when making their contributions.

6.26 pm

Mr. Michael Meacher (Oldham, West and Royton) (Lab): I voted for the Iraq war, which I now bitterly regret. I therefore make these remarks much more in a spirit of contrition than of rebuke. I strongly believe that this issue will not go away. It continues to damage public opinion, as the right hon. Member for Birmingham, Ladywood (Clare Short) has just so rightly said, and, like all painful traumas, it can be exorcised only by facing up to it, warts and all, and by an admission of mistakes, misjudgments and misrepresentations being made, with a full account being given of the changes to be implemented to prevent any such events from happening again.

That is the only sure way in which to restore confidence and trust, which is what my party is now, rightly, urgently trying to do. Indeed, that has been the central refrain in the leadership and deputy leadership election contests in the party. The Chancellor—the Prime Minister in waiting—has made it clear that he wants a much more open and transparent form of Government to be a key means of winning back the votes that we have lost. I say to him that the Iraq war is unquestionably the place to begin. A wholly independent and thorough inquiry—not only into the war's origins, which have already been explored to some degree, but into its handling and its aftermath—will do far more to restore confidence and trust than any other single issue.

[Mr. Michael Meacher]

I take the Government's point that there have already been four separate inquiries, but none of them addresses what is clearly still needed. The Hutton inquiry was widely dismissed as a whitewash. The members of the Intelligence and Security Committee are appointed by the Prime Minister and the Committee reports to the Prime Minister. For all its seniority and expertise, which are undoubted, it cannot be regarded as wholly independent. The Foreign Affairs Committee is inhibited because it does not have access to the crucial intelligence data. The Butler review, to be fair, did produce a pretty damning report that drew attention to many high-level failures. However, it concluded that no one was really responsible, and drew no conclusions about how a debacle of this kind could be prevented in the future. None of the inquiries dealt with the handling or the aftermath of the war. What has happened since the war is, arguably, even more important.

Having said that, I do not endorse either the proposal in the Opposition motion that a committee of Privy Councillors should undertake the inquiry. Apart from the fact that the matter was debated less than eight months ago, which makes it hard to believe that there is not a measure of political opportunism in raising it again so soon, I do not believe that it would provide the degree of independence that is vital for the purpose. The committee of inquiry, which I strongly endorse in principle, should be headed by a senior judge or similar person. However, unlike in the case of Lord Hutton, the chairman, members and terms of reference of the inquiry should all have to be approved by Parliament. The acceptance of its independence would therefore be assured from the outset. The appropriate Select Committee might be the Public Administration Committee, whose Chairman I am glad to see in the Chamber today.

A great deal of information relevant to such an inquiry has already been documented. However, several key issues that led directly to the Iraqi disaster have simply been left hanging in the air—they have been debated endlessly, but no conclusions or determination about a different Government action later have been reached. No recommendation has been made for reform to prevent a repetition in future.

Mr. MacNeil: Does the right hon. Gentleman feel that the motion before the House is a good starting point for the inquiry into Iraq or not?

Mr. Meacher: I do believe that it is a good starting point. As I said, I am very much in favour of a committee of inquiry in principle. If the hon. Gentleman will allow me, I shall try to spell out how it should operate.

The most important issue that has been left hanging in the air is the interface between the intelligence services and the political decision makers. I noted that the previous Secretary of State for Defence said only last month:

> "I saw the intelligence from the first time I came into the office in May 1999—week in, week out—that said Saddam Hussein had weapons of mass destruction".

On the other hand, a few months before that, Carne Ross, a diplomat at Britain's UN mission in New York in the run-up to the invasion, revealed:

> "There was no intelligence evidence of significant holdings of chemical weapons, biological weapons or nuclear material".

Those statements are totally inconsistent. Whatever the truth, and none of us can be sure either way—and that is my point—a much tighter degree of parliamentary oversight is clearly needed to ensure the integrity of the intelligence services' advice. The committee of inquiry ought to spell out in some detail how that might work.

The Attorney-General's advice on the legality of the war was disclosed in full, well after the event, only because of the fear that it would be leaked bit by bit, damagingly, in the immediate run-up to the 2005 general election. That is not an acceptable precedent. We need a firm Government commitment that the Attorney-General's advice will always, in such circumstances, be published uncensored. Furthermore, reference should also be made to any significant dissenting voices, such as Elizabeth Wilmshurst's from the Foreign and Commonwealth Office, and to the grounds on which that dissent is argued.

Mr. Adam Holloway (Gravesham) (Con): I served as a soldier and a television correspondent during the war-fighting phases of both wars, and lost a number of friends and colleagues. Before the war in 2003, a friend who was well looped-in to intelligence about the war and what was going on told me that there was not a shred of evidence of useable weapons of mass destruction, and no connection whatever between Saddam and al-Qaeda. Does the right hon. Gentleman think that the inquiry should include an investigation of the activities of middle-ranking officers in the intelligence services and the Ministry of Defence?

Mr. Meacher: The whole point of having a committee of inquiry is to examine how sensitive issues of intelligence data and of national security—a blanket term that can be easily extended for the Government's convenience—can be made available in a way that allows the public and Parliament to take a serious and informed view. We cannot generalise about that; the matter needs to be considered with great care. That is exactly why a committee of inquiry ought to be asked to do that. If we are to have a parliamentary vote, which I strongly support—I have tabled a Bill to precisely that effect—we need to know the evidence by which an informed view can be taken.

Mr. Marshall-Andrews: I do not anticipate this point being contentious. Will my right hon. Friend extend his comments about the Attorney-General's advice to all advice given by the Attorney-General? In the case under discussion, two bits of advice were given. The first was wholly different from the second, and its existence was not even revealed to the Cabinet.

Mr. Meacher: The second bit of advice is the crucial one. I understand my hon. and learned Friend's point about the distinction between the two. We learned in full—in more than 17 pages—the Attorney General's detailed recommendations to the Prime Minister only because of the accident of an upcoming general election. That is totally unsuitable. In such circumstances, all the

recommendations of the Attorney-General, especially those carrying the most authority, should be made available.

The inquiry should examine the key question of the accountability of the Prime Minister to Parliament in such circumstances, and how it can be strengthened. I very much welcome the Chancellor's commitment to a parliamentary debate and vote before Britain is taken to war in future, which is absolutely right. The implication of the Iraq saga in that context is clear: the evidence to justify a decision to go to war must be made available to Parliament in detail, involving, where time allows, rapid and rigorous scrutiny by a Select Committee, which would then report to the House to inform the debate.

None of the four pre-existing inquiries examined in much detail the aftermath of the war. Arguably, the lessons to be learned from that are even more important. The prime question is: what were the real objectives of the US-led invasion? To what extent did the UK agree with those objectives? How consistent were they with the creation of a democratic, secure, independent Iraq, which we would all wish to see?

Many key issues deserve close attention from an inquiry, and have so far not been examined at all. Was there, initially, a reconstruction plan for the recovery of Iraqi industry and civil society? If so, what part did Britain play in it? Did we seek to avert the crass mistakes of the early Bremer administration, including the rapid disbanding of Iraqi military and security forces, the almost total neglect of essential, basic public services—clean drinking water, electricity and hygiene—in favour of taking over the oilfields, and the 100 or so Bremer orders for the wholesale privatisation of Iraq? Did we have any role in any of those decisions? I would also expect a committee of inquiry to examine what part the UK authorities might have made played in the machinations, to which my hon. Friend the Member for Islington, North (Jeremy Corbyn) referred, behind the current Iraqi oil law, which looks set to deprive the Iraqi state, utterly debilitated as it is, of its one, enormous, indigenous asset.

Of course, the most important question now, the Iraqi invasion and occupation being seen for the catastrophe that they are, concerns the exit strategy. Britain's own Army chiefs, public opinion in this country—consistently—and, indeed, the stated demands of the Iraqi Prime Minister are all calling for a speedy departure from Iraq. Of course a committee of inquiry will not settle a matter of that kind, but I think it could usefully give advice on some of the options and issues relating to it. I therefore believe that a further committee of inquiry, different from and more far-reaching than those that have preceded it, is still very much needed.

As I have said, I do not support the Opposition motion because I think it is wrongly structured, and the right structure is central in this instance. However, I do believe that the establishment of such an inquiry in a different form, with the kind of remit that I have sketched out and subject to the full approval of the House, cannot be delayed indefinitely. I hope very much that the Government will return to this issue very soon.

6.41 pm

Mr. John Maples (Stratford-on-Avon) (Con): The right hon. Member for Oldham, West and Royton (Mr. Meacher) has posed some of the questions that an inquiry should look into. I want to return to the question of whether we should have an inquiry, rather than discussing the question of what it might do or what findings it might come up with.

I want to deal with two specific issues. First, I want to nail the idea that the time is wrong for an inquiry. The time is certainly wrong for an inquiry about what we should be doing in Basra right now, or what General Petraeus should be doing in Baghdad and the Sunni areas right now—but there is absolutely nothing wrong with an inquiry into how we became involved in the war. What were the relationships between the Prime Minister and the President? When were the decisions actually made? How was the intelligence got so wrong, and how was it so badly misinterpreted and/or mis-sold to Parliament? What part did we play in the mistakes made by the Bremer administration, and did we argue against them or were we fully on side?

Those mistakes are in the past. I believe that we can inquire into them properly without in any way undermining the authority or effectiveness of what our troops and our coalition partners, particularly the United States, are trying to do in Iraq. I believe that it is a red herring for the Government to say that the timing is wrong. The timing is certainly wrong for a whole inquiry, but there would be nothing wrong with the timing of the first part of an inquiry, looking into how we reached this point and how such big strategic mistakes were made.

The second lie that I want to nail, which is in the Government amendment, is that there have already been four inquiries. The right hon. Member for Oldham, West and Royton dealt with that to some extent, but I want to deal with it in a little more detail, because I was a member of the Foreign Affairs Committee that reported on the issue.

The Hutton inquiry was nothing to do with the war in Iraq. It was to do with the death of Dr. David Kelly. The terms were drawn up by the Government and were very tightly prescribed, although the Government were extremely generous with witnesses and papers. They did not show such generosity to the Foreign Affairs Committee. The Hutton inquiry obtained every witness that it wanted, but it was nothing to do with the intelligence or the decisions that put us in this situation in the first place.

The Butler inquiry was useful. It examined the intelligence, and it was the only inquiry that found anything particularly new. It produced some very damaging evidence, mainly about the style of government—which I think tells us something about the process by which the issues were considered—but also about the fact that intelligence was at least mis-sold to Parliament, and did not quite justify what was in the September 2002 dossier.

The third inquiry was conducted by the Intelligence and Security Committee. The ISC is not a Committee of Parliament. It is appointed under statute by the Prime Minister, it reports to the Prime Minister, and for obvious reasons all its evidence sessions are held in private. Its original role was overseeing the intelligence

[Mr. John Maples]

services. It was not designed to inquire into particular uses of intelligence or particular policy decisions made on the basis of that intelligence, with or without it. It was designed to have oversight of the security services, which were felt not to be accountable to Parliament in any way, because accountability other than through departmental Ministers was very difficult. The Government, however, have used it as something to hide behind.

I was a member of the Foreign Affairs Committee for, I think, seven years, until a few months ago. The Government would say, "Oh, we'll give that intelligence to the Intelligence and Security Committee," as though that were an alternative to giving it to the Foreign Affairs Committee, when what was at stake was actually a foreign policy decision. I do not think that the Intelligence and Security Committee counts. The Committee that counts is the Foreign Affairs Committee, and our inquiry was obstructed by the Government.

I cannot remember another instance since I have been in the House of a Select Committee's publishing a special report to the House saying that its inquiry was obstructed, and inviting the House to consider what it might do as a result. My right hon. Friend the Member for Richmond, Yorks (Mr. Hague) listed some of the witnesses and papers that we were refused. Our report stated:

"We are strongly of the view that we were entitled to a greater degree of co-operation from the Government on access to witnesses and to intelligence material."

It was a unanimous report, produced by a Committee with a Labour majority. The only way in which the Committee could have sought to insist on the attendance of witnesses would have been to seek a resolution of the House, which, effectively, would require Government approval.

I think that Parliament must decide whether it is serious about its Select Committees. We are pretty awful at holding the Government to account. So was the Labour party when we were in government, and so it will be again when we are back in government. I do not think that this is a party political issue. I think that the House must decide whether it is serious, and if it serious, whether Select Committees are the answer. We need a better mechanism than having to come back here and pass a resolution of the whole House to force the Government to comply with requirements with which they have already effectively agreed to comply.

Our Committee asked for named civil servants and specific pieces of paper, and was denied them. We received a letter saying, "The Foreign Secretary will answer for all these people." That is not what the rules say. When Robin Butler was the permanent head of the civil service he reinforced the Osmotherly rules, which stated that if a Committee asked for a named civil servant, that civil servant had a duty to attend. In exceptional circumstances, it might be necessary for civil servants' Ministers to answer for them. But we were not offered the Secretary of State for Defence, and we were not offered the Prime Minister himself. We were offered the Foreign Secretary to answer for all those civil servants, and I think that that was unsatisfactory.

It is interesting to note that all those people attended the inquiries of the Intelligence and Security Committee, and the Hutton inquiry. At the Hutton inquiry they gave evidence in public. All the papers that the Foreign Affairs Committee requested—which we were prepared to take on restricted terms, as we have with many other papers in the past—were offered to those inquiries quite openly. I do not know whether the Under-Secretary of State for Defence, the hon. Member for Halton (Derek Twigg) will wind up the debate. If not, I ask him to invite the Minister of State, the right hon. Member for East Kilbride, Strathaven and Lesmahagow (Mr. Ingram) to deal with this issue. The Government must stop saying that there has been an inquiry of the House just because the Foreign Affairs Committee conducted an inquiry. We were obstructed, and we published a report saying that we had been obstructed, to which all the Committee's Labour members subscribed.

Our motion calls for—and everyone talks about—an external inquiry, as if we were incapable of performing this function for ourselves. I return to my point that the main function of the House of Commons, or at least of those Members who are not in the Government, is to hold the Government to account. One of our mechanisms for doing that is Select Committees. We should not abdicate the first difficult inquiry to a judge, as someone suggested. I happen to think that a High Court judge is the last person who should conduct such an inquiry. It would take five years, we would end up with a million volumes of evidence, and—as happened with the Scott inquiry—all who wished to do so would be able to pick out some bit of it that suited their argument. We need the House to be able to perform its functions. I think that if our Select Committee had been given the powers that it was supposed to have, we could have done it, although we might have needed some additional resources. The first step should be a Committee of the House; we should not be abdicating our responsibilities to other people.

Mr. MacNeil: Is there not an overwhelming sense that the Government's resistance to an inquiry is conveying to the public and the wider world the idea that they really do have something, perhaps many things, to hide?

Mr. Maples: I do believe that. Certainly we were not able to get to the bottom of the situation. The dossier of September 2002 was full of holes, and we picked up quite a lot of them. I think that the intelligence information was misrepresented, to put it at its most neutral. I suspect that, as someone suggested earlier, the decision was made six or nine months earlier, and the document was used merely to support a decision that had already been made.

What lessons might we learn from an inquiry at least into how we got into this position? There are a series of questions to be asked about how we can get out of it and where we can go from here in the middle east, and I think that we will feel the repercussions for a long time. However, there is one serious lesson that I believe most of us have learnt. It is important because of the position in relation to Iran and the possible, indeed almost certain, development of nuclear weapons, which I believe will confront us with a much more serious strategic and

security threat than we ever faced in Iraq, or in Afghanistan with al-Qaeda's bases there. It goes back to the Prime Minister's philosophy of intervention. I have always been dubious about the concept of humanitarian intervention. I do not believe that it exists in international law otherwise than through a resolution of the United Nations Security Council. In fact, in the mid-1990s, the Foreign Office published a quite lengthy refutation of the concept, saying that it did not exist.

The Prime Minister elevated that to a doctrine, and took it rather further in his famous Chicago speech. We got away with it in Sierra Leone. It was a little place and we could deal with it with one naval warship. We achieved some good; I concede that. We were jolly lucky in Kosovo. We got away with that by the skin of Martti Ahtisaari's teeth. I do not know what he said to Milosevic to make him change his mind, but we were very lucky that we did not have to make a ground invasion of that country and make good our promise.

I would thought that someone who really thought about such things would have said at that moment, "Gosh. Hang on. That was almost the one too far," but no, we had to test that concept again. We have now realised that there is a limit to what we can achieve with that sort of intervention, and it is pretty close to home. If our security is not at stake, there has to be an overwhelming humanitarian case—genocide or a situation on the verge of genocide—and it has to be clear that we can make a difference by intervening. If we intervene because we do not like the look of a Government, there is a long list. There must be 100 whom we do not like the look of—starting, as someone said, with Zimbabwe perhaps. There are many others around the world.

Therefore, the limits to the concept of intervention have been clearly brought home to us. We should reserve the huge punch that we have with our armed forces for situations where it is vital, and where we can succeed.

The main point that I want to come back to is that the inquiry should start in this House. It has Select Committees to do these things, and those Select Committees can do them—if they are given the powers, and if the Government do not obstruct them.

6.51 pm

Dr. Tony Wright (Cannock Chase) (Lab): I want to follow the hon. Member for Stratford-on-Avon (Mr. Maples) by saying something about Parliament, because he is on to something extremely important, and we should not give away to other people Parliament's ability to do things that Parliament should do. First, however, I shall return to a remark by the right hon. and learned Member for Kensington and Chelsea (Sir Malcolm Rifkind), who said that what had happened in Iraq was, in his words, predicted and predictable. I could not help but think, when I listened to him, that that was not something that the Conservative party—the official Opposition—knew at the time. If so, the massed ranks of Her Majesty's Opposition would not have been urging action on the Government. Indeed, the then leader of the party was irritated whenever Labour Members raised questions about the basis on which the strategy was being conducted. Therefore, a certain amount of humility and contrition is required on the Conservative Benches. As it happened, Conservative Members had it within their power to prevent the action from taking place. It has to be said that the questions were being asked entirely from the Labour Benches, and the people who dissented—although there were some honourable exceptions—were overwhelmingly to be found on the Labour Benches.

The reason the right hon. and learned Gentleman, who was one of those exceptions, was right to use the words "predicted and predictable" is that many of us, even when we wanted to—I was certainly in that category—could not find a way to make the story and the narrative that were being given to us about the basis for taking military action stack up. I wanted it to stack up. I have felt guilty since about not supporting action to take the world's worst tyrant out of the picture, but the fact is that I could not find a way of telling the story that made it add up.

I could not see a way of telling the story that altered the fact that Iraq was a regime contained. It was extremely vile, but it was not threatening us or the security of the world. We knew that it was not connected to al-Qaeda. In fact we knew that it was important in suppressing al-Qaeda. We thought that there was an agenda on the American right that was pushing military action as part of a wider plan for the middle east and the world, but we could not understand why we wanted to attach ourselves to it. Probably most importantly of all, we also thought that the action was likely to increase terrorism rather than to diminish it. The huge tragedy is that in the wake of 9/11 the world, with very few exceptions, turned in solidarity to the United States, yet within two years that solidarity was blown away by what happened next.

That is why the situation was predicted and predictable. It was pretty obvious, if we explored the story that was being given, that that was a likely consequence. Indeed, we discovered afterwards that the Intelligence and Security Committee had said in terms that terrorism was likely to be increased by the action that was taken.

Mr. Ellwood: I think that the hon. Gentleman is being slightly disingenuous. I did not support the war itself, but the hostilities finished about May 2003. A vacuum was caused, and we did not fill that vacuum with a proper Iraqi structure. That is why we are heading towards a civil war. Had that planning taken place, things would have been different. That has nothing to do with the war itself. The hon. Gentleman is blurring the two issues—something that has happened again and again.

Dr. Wright: I was not blurring the two issues. I was talking precisely about the genesis of the war, which would be a major focus of any inquiry. A further focus would, of course, be the failure to plan for what happened afterwards, but the genesis of the war is at the heart of what we are talking about. I took that to be the burden of the point that was made by the right hon. and learned Member for Kensington and Chelsea. Therefore, we have to revisit those events and to see why, if they were so predicted and predictable, they nevertheless happened.

By the way, I never thought that there was any intentional deceit going on. Certainly there was not any on the part of the Prime Minister—but I thought that

[Dr. Tony Wright]

he probably believed too much in the story that he was telling, which made him inattentive, as we now know, to the fact that, as Lord Butler has told us, the intelligence was being used to carry more than it could bear. Therefore, it is crucial that we go back and find out exactly what happened in terms of the story that was developed.

Without making, I hope, a trivial party point, I suggest that there is one inquiry that the Opposition could have at once, which is to examine why they did not know and understand better the flaws in the story that we were given at the time. That is one inquiry that they have it in their control to put in hand now, because that factor was of extreme importance, as it turned out.

I want to pick up the point that the hon. Member for Stratford-on-Avon made. Where does Parliament—

Mr. Gerald Howarth (Aldershot) (Con): The hon. Gentleman raises an important point, but speaking for myself, I never thought that I would be led astray by my own Prime Minister in respect of security matters. It always seemed to me unnecessary for the House to be kept informed of the minutiae of security matters, as long as the Prime Minister knew what was going on. The fact is that, as my hon. Friend the Member for Stratford-on-Avon (Mr. Maples) said earlier, the intelligence services were effectively suborned. That has not happened in recent history, and it is, in part, what has led us to the desperate situation that we now face.

Dr. Wright: I realise that that is the line that is given—that we were all woefully misled by the Prime Minister—but large numbers of Members of the House were not woefully misled by the Prime Minister. They interrogated the evidence, made political judgments and came to rather shrewd conclusions. Indeed, the right hon. and learned Member for Kensington and Chelsea has just told us that that is entirely what should have happened, so it cannot be simply that the Opposition were misled by what the Prime Minister said. The story is deeper, richer and more troubling than that.

I now want to talk about Parliament, because that element is the bit of the Opposition motion's call for an inquiry that I dissent from. The Opposition are mistaken to call for a committee of Privy Councillors. Again, there is a story behind what happened. A couple of years ago the Public Administration Committee, which I chair, conducted an inquiry into inquiries; it was the first time that that had been done. We looked into the whole history of inquiries—who called them, how they were organised, and the whole shooting match. At the time the Government were introducing their own Bill—the Inquiries Bill—to regularise how a range of them were conducted. What became clear as a result of our inquiry was that Parliament had, through a complex process, effectively abandoned the field.

In the 19th century the parliamentary inquiry was the dominant form of inquiry. Reference has been made to the first world war and the Dardanelles campaign, but we could go all the way back to the Crimean war. The House established a Committee of inquiry to report on the condition of the Army before Sebastopol. Gladstone spoke against it, and it produced the downfall of the Aberdeen Government. However, as the party system solidified at the beginning of the 20th century, it became difficult for Parliament to undertake dispassionate cross-party inquiries. The example that is always cited is the Committee on the Marconi scandal. That parliamentary inquiry divided on party lines, and has been described as the first great whitewash. As a consequence, the Tribunals of Inquiry (Evidence) Act 1921 was introduced, which effectively took inquiries outside this House, retaining only the requirement for a resolution of this House to set up such an inquiry. The establishment of an inquiry was still anchored in a parliamentary resolution, although the inquiry itself was taken outside the House. That in turn was also criticised. The Salmon commission looked into the matter, and now we have this Government's Inquiries Act 2005.

The overall consequence has been that Parliament has been taken out of the picture. In our report of a couple of years ago, my Committee argued that we should not abandon that territory. There is a category of inquiry on issues of great political importance that only parliamentary politics can get its teeth into. I say, with great respect, that such matters are not for judges. We heard great evidence from the then Lord Chief Justice, Lord Woolf, who emphatically said that there is a category of politically contentious inquiries in which judges should not be involved.

Therefore, there is a need for a specific kind of inquiry on matters that are not appropriate for the judge route or other routes—but Parliament has abandoned conducting such inquiries and is unable to undertake them through its existing Select Committee system. I am referring to forensic, fact-finding inquiries, such as the example we heard about in respect of the Foreign Affairs Committee. That is why I have a reservation about the form of inquiry proposed in the Opposition motion. We asked Lord Butler about this matter, and he agreed that it would have been better if his inquiry had been a parliamentary inquiry. He also pointed out that four of the five members of his team were parliamentarians, so it would have been quite easy to have made it a parliamentary inquiry. For the category of inquiries I am referring to, it is constitutionally important that Parliament as an institution can say, "This subject is of such great public importance that Parliament must set up a parliamentary commission of inquiry, beyond its Select Committee system." That would involve bringing in outsiders, as required. However, Parliament must be able to do that.

Mr. MacNeil: Perhaps some inquiries would best be conducted by Scotland Yard. However, is the hon. Gentleman saying that if the words "Privy Counsellors" were removed from the Opposition motion and replaced by a loose form of words such as "MPs chosen at random", he would support it?

Dr. Wright: Let me tell the hon. Gentleman exactly what I think, as this is important. This is what my Committee reported to Parliament two and a half years ago about the similarities and differences between the Privy Councillor form of inquiry and a joint committee of inquiry of this House:

"The similarity in form of the Franks and Butler Committees with that of a Joint Committee is striking but, as Committees of Privy Counsellors, their nature is fundamentally different and, from a constitutional point of view, less satisfactory. We

recommend that in future inquiries into the conduct and actions of government should exercise their authority through the legitimacy of Parliament in the form of a Parliamentary Commission of Inquiry composed of parliamentarians and others, rather than by the exercise of the prerogative power of the Executive."

That highlights the essential point. It is a truism that Oppositions call for inquiries and Governments resist them, unless they find it convenient to have one—and then, as Lord Heseltine has told us, they decide what they would like their conclusion to be and choose a chairman to make sure that they get it. That is what happens, but it is unsatisfactory if we believe that Parliament really is, as used to be said, the grand inquest of the nation. If it is that, it must have the mechanism to set up inquiries rooted in this place even when the Government of the day do not want them, and particularly where no other mechanism is suitable for the job in hand.

Mr. Marshall-Andrews: I have been listening with great respect to my hon. Friend's comments, and I would usually leap with enormous enthusiasm on anything that would enhance the power of Parliament, and in particular of Select Committees. However, I shall support the motion, because is there not a problem in this instance, in that we in Parliament were complicit in the decision to go to war? My hon. Friend is right to say that some Members did not sift the evidence with as much care as they should have done. He was not guilty of that, and I am proud to say that I too did not vote for the war, because I did not believe what we were being told. However, Parliament was complicit in the process—we voted for this. In those circumstances, is it not essential that an inquiry be taken outside Parliament, and away from those who were involved?

Dr. Wright: I draw the opposite conclusion. If we want to restore the reputation of this House, we must be able to show that we can do the kind of things that the public want us to do. They want to know where this war came from, in the largest possible sense. They want Members of Parliament, irrespective of party, to make sure that that job is done. That is what I strongly believe.

Mr. MacNeil: Will the hon. Gentleman give way?

Dr. Wright: I wish to conclude, if I may.

I am weary of all the time being on the side of those who demand inquiries because that is part of the rhetoric of the job that we do, while not being serious about making sure that we put in place the mechanisms to give us the inquiries that we need. I want that to be the lesson that comes out of this process. I am sure that we will have an inquiry one day, and I hope that the Government will propose the kind of inquiry that I would like.

7.9 pm

Adam Price (Carmarthen, East and Dinefwr) (PC): I warmly congratulate those on the official Opposition Front Bench for bringing back to the table the call for a comprehensive inquiry into the Iraq war, which was first tabled last autumn.

The motion is not about apportioning blame. It is about the House taking responsibility. To echo the point made by the hon. and learned Member for Medway (Mr. Marshall-Andrews), it is about this House recognising our collective responsibility—notwithstanding that a minority of us voted against the motion before the House four years ago—and signalling our collective determination to put right the colossal wrong that was inflicted on the people of Iraq and this country by that vote. We cannot bring back the dead, but we can honour their memory in our sincere commitment to learn the painful lessons of these last four years. Only then can we rebuild a relationship of trust between the Government and the governed in this country, and between this country and the countries of the rest of the world.

As we have heard in this debate, the cost of this war has been immense in human terms: 150 British servicemen and women, more than 3,500 Americans and more than half a million Iraqi civilians. Two million people have left Iraq and a further 2 million have been displaced internally. Millions more, especially the young, as we heard from the right hon. Member for Birmingham, Ladywood (Clare Short), are scarred by hate, hostility and a passive acceptance of, or even positive support for, continued violence. The war has galvanised Islamic extremism, destroyed Iraq's basic infrastructure, turned it into a fertile ground for recruiting terrorists, exacerbated the divisions within Iraq and fomented a civil war. It has diverted our attention from the very real threat of al-Qaeda, weakened our standing in the world, and undermined the United Nations and the rule of international law. All in all, it has made the world a far less safe and hospitable place for decades to come. This is the worst foreign policy disaster in more than half a century, and it would be a dereliction of our duty in this place were we not to hold an inquiry into this terrible debacle.

As has already been said, the damage done is not just the denting of public confidence in this Government; confidence in democracy itself, in any Government of any hue who will be faced in future with matters of peace and war, has been undermined. Indeed, on looking at the facts, the picture of manipulation and distortion and the absence of accountability in any real or meaningful sense is troubling to all of us—of any party and of none—who are concerned for the integrity of our democratic system. The Prime Minister developed more than ever before not a collegiate but a presidential style of government, with no effective input from the Cabinet or from Parliament because it and we were not in full possession of the facts.

As it happens, I do not doubt that the Prime Minister genuinely believed that Iraq had weapons of mass destruction, and the same is probably true of the Bush Administration. Why else were hundreds of millions of dollars budgeted for the destruction of weapons of mass destruction that never actually materialised? The question is: what was the basis for the Prime Minister's belief? In a sense, it was belief itself—faith itself. As a former director of strategic proliferation in the US State Department, Greg Thielmann, said in July 2003:

"this administration has had a faith-based intelligence attitude: we know the answers, give us the intelligence to support those answers".

[Adam Price]

The Prime Minister subtly shifted his position from saying that Iraq had the potential to develop WMD—in the same way that Iran has now—to saying that it actually possessed them, when there was no basis for that shift in the information emanating from the intelligence services. What was a potential became an article of faith, and then became an established fact. He told journalists that Iraq had

"actually acquired weapons of mass destruction"

and that the threat was

"not in any doubt at all".

He said that Iraq was in possession of

"major amounts of chemical and biological weapons",

yet there was no concrete evidence for any of this. It was assertion, which we now know to be entirely false. The intelligence at the time in both the United Kingdom and the United States was heavily qualified and non-committal, but the facts were fixed around the policy.

As far as the dodgy dossier is concerned, the serious charge levelled by the Butler report is not that the Government fabricated intelligence, but that they distorted it by leaving out the qualifications and the caveats. As Hans Blix so eloquently put it, the Government put exclamation marks where there should have been question marks, in effect misleading the Cabinet, Parliament, the Labour party, the public and the international community. It is our duty now in this place to find out how and why that course of action was pursued.

The right hon. Member for Birmingham, Ladywood was absolutely right in saying that the poor judgment and lack of candour that characterised the run-up to the war have also featured heavily in its disastrous aftermath. As we have heard, the most fateful decision of all was coalition provisional authority order No. 2, on the dissolution of the Iraqi army and the police force. Simply sacking close to three quarters of a million people—many of them armed, as we now know—and turning them into a vast army of the unemployed, alienated, humiliated and angry, was a monumental misjudgment from which Iraq has still not recovered.

The policy of privatising the state-owned enterprises had the same effect on the middle classes in Iraq, many of whom were employed by those companies. Interestingly enough, the only pre-invasion, Saddam era economic legislation that remained in place was a law restricting trade unions and collective bargaining. It would be interesting to hear what the Government's view on that was at the time. The inevitable result of the wave of economic insecurity that engulfed Iraq was insurgency, civil war and political instability.

Richard Younger-Ross (Teignbridge) (LD): The reasons we went to war, which the hon. Gentleman referred to in his opening comments, could perhaps be dealt with by a review at a later date, but the points that he is making now are the very reason we need an inquiry now. Reconstruction is still going on in Iraq and Afghanistan, and we need to learn those lessons so that we can make progress and make sure that we get Iraq and Afghanistan right, along with any other areas in which we are involved in a similar way.

Adam Price: The hon. Gentleman makes his point very cogently. Iraq cannot wait for us to learn these lessons; we need to learn them now in order to inform current policy making, so that we do not make these mistakes in future.

Mr. Eric Joyce (Falkirk) (Lab): I have been listening very carefully to the hon. Gentleman. If there were a contemporaneous inquiry, does he not think that, if he were a soldier or officer posted in Iraq who had also been there on previous tours, his mind might be on that inquiry, rather than on his current operations? Would such an inquiry therefore not be a profoundly bad idea?

Adam Price: I can only make my decision based on what serving officers have told me, and they have said that they want us to fulfil our democratic duty and to represent them by examining those difficult questions. Indeed, they have told other Members whom we have heard from this evening the same.

We need to know what the Government's role was in the mistakes that were made in the aftermath. The Prime Minister said that the invasion had been subject to the

"most careful planning and consideration".

That clearly cannot be the case—we only have to look at the facts before our very eyes.

He accepted the Bush Administration's assurance that it was

"unlikely that there would be internecine warfare between different religious and ethic groups",

even though he had been advised by Britain's Iraq experts at a Downing street seminar that that could very well be an outcome of the policy. Of course, we have now learned that the CIA advised the Bush Administration, in a paper presented to the President, of the very same conclusion.

Clare Short: That was the point that I wanted to put to the hon. Gentleman. The State Department's preparation said that there was a real danger of chaos and internecine civil war, and that the answer was to take off only the very top of the Ba'athist regime and leave everyone else in place, because any professional in the country had to be a member of the party. That was the State Department's advice.

Adam Price: Yes, and of course, we are still struggling to get the al-Maliki Government to reverse the de-Ba'athification policy.

Throughout the occupation and the aftermath of the war, the Government, conscious of the pressures of negative public opinion, have consistently underestimated the strength of the insurgency, consistently overestimated the capabilities of Iraq's Government and security forces, and failed to provide Parliament with an accurate assessment of the conditions on the ground in Iraq. Given the catastrophic failure at the heart of the Government, to which the enduring crisis in Iraq surely testifies, the lack of a proper inquiry to date is an abdication of our responsibility in this House, which we must put right tonight.

Let us turn briefly to the contrary arguments. The argument about the four inquiries, which the Government present in their amendment, has been categorically

demolished by several hon. Members. The shortcomings of the Select Committee process, which I would like to amend, are there for all to see from the comments that we have heard. As far as the Hutton and Butler inquiries are concerned, the terms of reference were deliberately—in my view—drawn too narrowly in order to preclude them from examining the wider issues with which we have concerned ourselves in this debate.

The second argument, which says that the time is not right, flies in the face of constitutional precedent. I do not refer just to Norway and to the Dardanelles; there is a much more pertinent precedent. When the British Army was last bogged down in a quagmire in Iraq, then known as Mesopotamia, in the summer of 1916, the official—Conservative—Opposition tabled a motion calling for a commission of inquiry into the Mesopotamia campaign, its inception and its conduct.

The motion was not moved, because they did not have to move it. The Government of the day accepted the principle, conceded the point and established the Mesopotamia commission in August 1916, while British troops—to answer the point made by the hon. Member for Grantham and Stamford (Mr. Davies)—were still in Basra. Indeed, while the commission was still investigating, there was a further push to central Iraq, to Baghdad. There was a commission of inquiry during a campaign that had cost the lives of 90,000 British troops.

If it was possible for the Government of the day to hold such an inquiry then, while the liberty of this country was at stake, why is it not possible now? One of the main charges that the commission laid at the Government in the Mesopotamia inquiry was that they were guilty of what it called in an elegant phrase, the misuse of reticence, or the culling of inconvenient facts to protect the official line—a practice that could as happily describe the Government's Iraq policy today as it could the then Government's policy 90 years ago.

This House cannot remain reticent; we must speak out. In the words of the special prosecutor in the case of the White House aide, Lewis Libby, who was sentenced this week:

"We need to make the statement that the truth matters ever so much."

It matters even more in "this little room", to use Churchill's phrase, because of what it signifies to so many millions of people. I hope that despite the difficulties that I understand right hon. and hon. Government Members will face, it will be possible for the House tonight to unite not behind party but behind the most basic principle that in this place, above all others, we must accept our responsibility if we are not to repeat our mistakes.

Several hon. Members *rose—*

Madam Deputy Speaker: Order. May I remind hon. Members that winding-up speeches start at 7.30 pm? I hope to call someone else, but I hope that Members will be mindful of that.

7.23 pm

Mr. Robert Marshall-Andrews (Medway) (Lab): I am very grateful to you, Madam Deputy Speaker. I shall, indeed, be brief.

Of course, there must be and there will be an inquiry. I favour the type of inquiry that the motion sets out, and I have already indicated why I do so in an intervention. The Government's reasons for opposing the motion are untenable. To deal with them individually and briefly, of course we must not damage or undermine the integrity of the elected Government of Iraq; but far more important than that, we must not damage or undermine the integrity of the elected Government of the United Kingdom. One great success of Iraq was the millions who voted in their election: one great failure of the United Kingdom is the millions who did not vote in ours. One reason they were alienated from the political process was undoubtedly Iraq.

It is myopic and false to suggest that there have been a total of four separate inquiries, and I shall not deal with that suggestion, because it has been rehearsed on many occasions. However, it is far more myopic and false to suggest that there have been four inquiries that have exonerated the Government, because they manifestly have not. The Butler inquiry in particular did not exonerate the Government. At paragraph 472, it said:

"We have also recorded our surprise that policy-makers and the intelligence community did not, as the generally negative results of UNMOVIC inspections became increasingly apparent, re-evaluate in early-2003 the quality of the intelligence."

Of course, Lord Butler was speaking mandarin, a language in which he is fluent. In mandarin, "surprised" does not mean "Good Lord! Is that the time?" It means to be confronted with facts and assertions that are utterly incomprehensible. The question that he asked in vacuo was, "Why didn't policy makers re-evaluate what they had sought in early 2002 when taking us to war in 2003?" He could not ask the question because of the terms of reference within which he was enchained.

One particular reason the issues were not revisited was that the decision to invade had already been taken—irrespective of the intelligence that was subsequently obtained. That, above all, is one matter than an inquiry must consider. The decision is to be found—mentioned not in the debate, but many times in America—in the so-called Downing street memo or minute, which *The Sunday Times* published in 2005, in an uncharacteristic service to this debate. It relates to a Downing street minute in July 2002, which records the report of Sir Richard Dearlove, the head of the Secret Intelligence Service, or "C", as he was known. It reported that he had come from Washington, where, he said:

"There was a perceptible shift in attitude. Military action was now seen as inevitable. Bush wanted to remove Saddam, through military action, justified by the conjunction of terrorism and WMD. But the intelligence and facts were being fixed around the policy."

Not one word of that reached this House in the subsequent debates. Not once were we told that it was the belief of the SIS and its head that America had already made up its mind, whatever the intelligence. None of it came here. That is the first matter that must be investigated.

The second matter, which has been touched upon on numerous occasions, is the Attorney-General's legal advice. On 7 March 2003 he produced for the Prime

[Mr. Robert Marshall-Andrews]

Minister an opinion that was hedged with doubt. He said that a reasonable case can be made; but two paragraphs later he said that a contrary case may easily and reasonably be made. Not a word of that reached the Cabinet or this House. Ten days later, a wholly contrary and completely un-hedged and unqualified opinion on the legality of war was given to the Cabinet. Not one word of explanation has been heard by this House for that sudden change to what has manifestly been perceived to be an illegal conflict.

Those matters must be resolved, and they are so important that party politics must be put on one side in order to obtain the inquiry. A fellow Back Bencher asked me a little while ago when we were discussing the debate, "Are you going to vote with the Tories?" The answer is no. I am not going to vote with the Tories: I am going to vote for an inquiry. I shall do so at every conceivable available opportunity, because it is in the interests of the country, of Parliament, and coincidentally, of my own party under its new leadership that we resolve this matter now.

7.29 pm

Mr. Gerald Howarth (Aldershot) (Con): Earlier, Mr. Deputy Speaker suggested that there had been a late surge of interest in the debate. That has been fully confirmed by the quality of the speeches we have heard, not least that of the hon. and learned Member for Medway (Mr. Marshall-Andrews). As is customary with him, he put the interests of the country and Parliament before his own narrow party interest—[*Laughter.*]

Mr. Marshall-Andrews: That was helpful. Thank you very much.

Mr. Howarth: I always like to try to help the hon. and learned Gentleman.

My right hon. Friend the Member for Richmond, Yorks (Mr. Hague) made a compelling case in principle for an inquiry of the type he set out, and the debate has illustrated that his view is widely supported on both sides of the House. It is thus extremely disappointing that despite the fact that the Foreign Secretary has had seven months to consider the arguments my right hon. Friend made previously, she has not been persuaded of them—unlike her right hon. Friends the Secretaries of State for Education and Skills and for Defence, both of whom have accepted the case for an inquiry, although they have not put a timetable on it. The Foreign Secretary seems to be out of step with many members of the current Cabinet and—who knows?—possibly the next one, too.

The Foreign Secretary not only said that her position was unchanged but made the astonishing remark that accountability was now self-indulgent introspection. It is astonishing that she should have equated accountability in the House with narrow introspection. We make no apologies for holding this debate. She described it as opportunistic. If it is opportunistic to give right hon. and hon. Members an opportunity to express their views on a matter of major national importance, we are proud to have facilitated it and proud to have done so again today.

Furthermore, in another astonishing contribution, the Foreign Secretary responded to my hon. Friend the Member for Billericay (Mr. Baron) by making it clear that she saw no merit in looking back to examine the lead-up to the war in Iraq. In essence, she argued that experience can inform neither the present nor the future. That is a serious indictment of her policy, and if it is the Government's policy it is a serious indictment of their strategy, too. If we cannot learn from our experience, we are not doing a service as Members. It is significant that some Members who supported the war in the past have said that we owe it to the public to revisit the matter—the right hon. Member for Oldham, West and Royton (Mr. Meacher) is one such Member.

I offer three reasons an independent Franks-type inquiry would benefit all of us, Ministers included. First, there is now almost universal recognition that there was a woeful lack of debate in the UK about post-conflict reconstruction. Paradoxically, in Washington in the six months leading up to the war there was talk of little else, but in this country—silence. The Government would not make time for a debate because they did not want to give their Back Benchers the impression that they had already signalled to the US Government a tacit commitment to provide British military support.

We had to initiate the debate and we did so on 30 January 2003, when my hon. Friend the Member for Meriden (Mrs. Spelman) said:

"If the wider war on terrorism is to succeed, it is crucial that we do not forfeit vital international support by pursuing a war against Saddam Hussein without a comprehensive humanitarian strategy for helping the innocent Iraqi people."

During that debate, not only my hon. Friend the Member for Meriden but many other hon. Friends tried to get an answer from the then Secretary of State for International Development about what precisely the British Government had it in mind to do post-conflict. The right hon. Member for Birmingham, Ladywood (Clare Short)—I am pleased that she is in the Chamber today—gave a lot of background about the circumstances and the lead-up, about Saddam Hussein and so on. However, she gave the House very little information about exactly what the Government's strategy—indeed, the allies' strategy—was for post-conflict reconstruction. All she said was:

"I have had talks with the various UN humanitarian organisations and the UN Office for the Co-ordination of Humanitarian Affairs, which leads co-ordination of the UN effort. I think that the preparations are as good as they can be."—[*Official Report*, 30 January 2003; Vol. 398, c. 1043-54.]

That was virtually all the information given to the House.

The result was that Parliament had almost no opportunity to test the Government's post-conflict reconstruction policies—how the country was to be run after the decapitation of the Saddam regime, let alone the rebuilding of Iraq's crumbling infrastructure. It was interesting that Washington had a clear plan, although as my hon. Friends have suggested, it did not last beyond the first round of gunfire. None the less, there was a plan, which was to leave in place those who were running the infrastructure in Iraq, but that was not consistent with removing the Ba'athists from the regime. Save for the opportunities afforded by the Opposition, the House could not debate those matters and we are pleased to offer Members a further opportunity to discuss them today.

As General Sir Mike Jackson, until last year head of the British Army, made clear in the Dimbleby lecture last December, the solution in Iraq does not lie simply with the military. He said:

"I want to say something about across-government capabilities. Particularly in post-conflict situations, it is not just a matter for the military. The political and military approaches must be as one. Complex and difficult conditions follow war, ethnic conflict, and failed states. My analogy here is the strands of a rope. Individual strands are just that, they have this or that breaking strength. But when you weave them together you actually produce something that is stronger than the sum of its parts. And these strands for me are obviously security, the political dimension, humanitarian, and economic—at least those four. And you don't have long to get going. There is a sense that you must make a difference within a hundred days, or you will have a lost opportunity. It gives me no pleasure to say that I fear this was not the case where Iraq was concerned."

Our armed forces are simply brilliant at getting things done quickly. I give the House an example. When the Select Committee visited Iraq less than three months after the war ended, we were given a briefing by a young captain from the Royal Monmouthshire Militia Royal Engineers and a senior warrant officer from the Army Air Corps. Within 13 weeks of the end of the war, they had already undertaken the refurbishment of 13 schools in Basra—a phenomenal achievement. We went to see DFID. What was it doing? It was still designing the forms. There was a grotesque lack of co-ordination between Departments, which is a real indictment. The military had done their bit; they had fulfilled their obligations, but unfortunately the civil side had not. There was no effective follow-up because there was no plan.

General Jackson argued that there should have been much greater co-ordination between Departments—a point also made by my hon. Friend the Member for Bournemouth, East (Mr. Ellwood). The current Secretary of State for International Development seems to be moving in that direction, too. Recently, he said:

"Using 'hard power' alone will not be enough to tackle terrorist groups".

The second purpose of an inquiry would be to consider how we should adjust our whole military posture to the new type of military operations we face, including at the tactical level: whether our soldiers, sailors and airmen are getting the right training package for that type of warfare; whether, as my hon. Friend the Member for Shipley (Philip Davies) said, we have the right equipment for the task; whether we have the correct balance of forces, and what needs to be done so that we do not become disproportionately reliant on urgent operational requirements—a kind of panic-buying formula—to make up the shortfall in equipment.

I do not believe that such an investigation would disrupt ongoing operations, still less that the armed forces would resent it. Between us, my right hon. Friend the Member for Richmond, Yorks and I represent a large slug of the British Army and we have not heard it said anywhere that such an inquiry would damage the morale of those on the ground. They have acquitted themselves with enormous courage and dignity in a military operation that they know does not command universal approval at home. I believe that they would welcome any measure that would help to build public confidence that lessons have been learned.

Significantly, when the Foreign Secretary was asked by the hon. and learned Member for Medway whether the military had given an indication that they would support an inquiry, she could not answer that question. Indeed, the Minister of State responsible for the armed forces could not give her any comfort, either. They both know that her point was bogus and invalid.

The third reason we need an inquiry has been set out by many right hon. and hon. Members: the four inquiries on which the Government rely as evidence that the House has had the opportunity to consider all the issues that have been debated today did not consider the issues in the round or in the way in which many right hon. and hon. Members would like. Simply speaking, those inquiries did not deal with the issues, or dealt with them partially and indifferently. We have heard at length how the Select Committee was treated contemptuously by the Government.

I make no apologies for mentioning in this debate and in this week, which commemorates the 25th anniversary of the Falklands conflict, the issue of combat stress among our brave service personnel. We are embarked on two war-fighting operations that involve high-intensity combat, yet unlike the second world war, when civilians in London and Coventry were being bombed out of their homes, or the Falklands campaign, when the entire nation was engaged and glued to the evening news to find the latest reports from the front, today the rest of us are enjoying the cricket—I do not know the result of the test match—[HON. MEMBERS: "We won."] We won, so the rest of us are enjoying the cricket, the motor racing and other relatively peaceful summer pursuits. This is a serious issue, and I do not want to demean it, but I want to make the point that the rest of the nation is enjoying the summer season, while our soldiers, sailors and airmen are engaged in bloody battles in the intense heat of the middle east. That experience will have an enduring effect on some of them.

I met such personnel yesterday at a Falklands drumhead service in Aldershot military cemetery in my constituency, and they are still suffering after the Falklands campaign. It is said that more men have died by their own hands since 1982 than the 255 who gave their lives 6,000 miles away. I am aware of the Ministry of Defence's announcement today, and I welcome it, but it is insufficient to meet the challenge that we face. An inquiry of the kind that my right hon. and hon. Friends have proposed tonight would provide an opportunity to examine why we are doing so comparatively little to help to mend those with broken minds.

There is a precedent. In the Dardanelles campaign, it was said that the remit of the commissioners in that inquiry in 1916 included the conduct of the war,

"the supply of equipment to the troops, the provision for the sick and wounded and the responsibility of the Government whose duty it has been to minister to the wants of the forces employed in the theatre of war".—[*Official Report*, 27 July 1916; Vol. 84, c. 1896-97.]

I rest my case—there is a precedent as to why an inquiry should consider such matters, too.

We cannot postpone an inquiry until a time that is politically convenient for the Government. We need to make a decision in principle now, and to assemble a wise and experienced panel of eminent persons who can consider the lead-up to the war, the use and

[Mr. Gerald Howarth]

interpretation of intelligence, the war itself and the post-conflict reconstruction. As my hon. Friend the Member for Stratford-on-Avon (Mr. Maples) said, we can do that perfectly well without inflicting any problems on those engaged in war-fighting operations.

The reason for the relative urgency is that, as my right hon. Friend the Member for Richmond, Yorks said, while the events are fresh in people's minds and the e-mails have not been destroyed, we need to learn whatever lessons we can from the background to operations in Iraq so far, and to apply them to Afghanistan before it is too late.

The hon. Member for Islington, North (Jeremy Corbyn) made the point that Parliament needs to assert its authority over the Executive—a point that was also made by the hon. Member for Cannock Chase (Dr. Wright). I strongly support that, and I hope that the House will support our motion and the principle that an inquiry should be established, even if the precise format proposed on the Order Paper is not exactly what some right hon. and hon. Members would like. The point is the principle of the matter, and we owe it to the nation to be able to establish that.

When Michael Foot called for a special commission to consider the Suez campaign, he cited something said by Lord John Russell in respect of the Crimea campaign a hundred years previously:

"Inquiry is the proper duty and function of the House of Commons...Inquiry is, indeed, the root of the powers of the House of Commons. Upon the result of the inquiry must depend the due exercise of those powers."—[*Official Report*, 16 November 1966; Vol. 736, c. 442.]

I submit that this House should support this motion.

7.45 pm

The Minister of State, Ministry of Defence (Mr. Adam Ingram): In opening the debate, my right hon. Friend the Foreign Secretary set out why the Government's view has not changed since we last debated the issue, not the least of which is that nothing has happened in that time that would require us to change our view.

When we considered the issue in October last year, the motion was proposed by the nationalist parties—Plaid Cymru and the Scottish National party. I well understand the motivation of those political parties in that and all other matters involving the United Kingdom: they have a visceral dislike of all things British. They do not want to be part of this united country. They want to engender disharmony, disillusionment and division in all that we do as a nation. They are driven not by what is right for our armed forces in the difficult tasks that they face in Iraq, Afghanistan and elsewhere, but by cheap political posturing—no more than naked populism dressed up as principle.

Although it is tempting, I would not ascribe such motives to the Conservative party. I fully accept that the role of Her Majesty's loyal Opposition is to find grounds of substance on which to hold the Government to account. Like many of my hon. Friends, I spent too many years—10 years—on the Opposition Benches, and I know only too well the difficulties that that poses for party interest versus national interest.

On this occasion, no matter how well argued the case—I pay tribute to the eloquence of the right hon. Member for Richmond, Yorks (Mr. Hague), who opened the debate—the Opposition have it wrong. A telling intervention by the hon. Member for Grantham and Stamford (Mr. Davies) made it clear that he thought so too. He made a specific point, and although the right hon. Member for Richmond, Yorks is not usually flummoxed or stumped, he paused momentarily before he dealt with the issue.

This is always a question of judgment. To undertake such an inquiry now would divert effort and attention from our prime task, which is to improve the condition of Iraq and find a more peaceful and stable future for its people.

Mr. Ellwood: Will the Minister give way?

Mr. Ingram: Not at the moment. If the motion was passed, regardless of the fact that the Opposition claim that it is about establishing the principle of an inquiry, the media in this country would go into hyper-overdrive. We would have endless weeks and months of corrosive speculation about who would serve on the inquiry, what they would examine and even what their conclusions would be. I believe that it would be less of an inquiry and more of an inquisition.

Many in this House and beyond have already come to their conclusions, yet at the same time they are calling for an inquiry. The hon. Member for Berwickshire, Roxburgh and Selkirk (Mr. Moore) made it clear that he already knows what the outcome of the inquiry should be. He carefully avoided the earlier view of his party that we should withdraw our forces by the autumn of this year. He did not mention whether that is still the policy of his party or not, irrespective of the conditions on the ground or the consequences. If there were such an inquiry, and those who have come to their conclusions already did not agree with its outcome, they would simply dismiss it as a whitewash and continue their assertions. I am reminded of former Prime Minister Jim Callaghan's comments about the Franks report on the Falklands conflict:

"for 338 paragraphs, the Franks Report painted a splendid picture, delineating the light and shade. The glowing colours came out. When Franks got to paragraph 339, he got fed up with the canvas that he was painting and chucked a bucket of whitewash over it".

That tends to happen with a lot of inquiries. If they do not reach the conclusions that those who call for them want, those people simply dismiss them out of hand.

Richard Younger-Ross: The Minister argues that we should not have an inquiry now because that might be difficult in terms of the media. How long do we have to wait for such an inquiry? If the war went on for another four years, would we have to wait four years? If it was the hundred years war—I know that that is an absurd example, Mr. Deputy Speaker—would we wait 100 years?

Mr. Ingram: I did not put forward that view just because of what would happen in the media, although I think that that would be corrosive. Let me make a serious point: we know from this debate—from speaker

after speaker—the previous debate and each time that we have discussed Iraq that people have already reached their conclusions and firm positions. They want an inquiry to confirm those positions, but that would not be the purpose of any such inquest. The hon. Gentleman's earlier intervention showed that he had reached a conclusion. He has made the firm statement that he opposed the mission from the outset and voted against it. If he were to give evidence, it would be on that basis, although I guess that no one would really be interested in the evidence that he might wish to give. However, would he accept the outcome of the inquiry if it did not stack up with his perceived position?

Mr. Ellwood: On 20 March, I asked a Foreign Minister—the Minister for the Middle East—whether he thought Iraq was in a state of civil war. Since 20 March, about 8,000 Iraqis have met a violent death. Does a Defence Minister believe that Iraq is in a state of civil war?

Mr. Ingram: The hon. Gentleman should remember from his military training the definition of what constitutes a civil war. An elected Government are in place in Iraq and are working assiduously to find solutions to complex problems. We and many other countries are assisting them. Yes, many lives have been lost, some of which, sadly, have been those of individuals serving alongside the Iraqi people to try to find peace and stability. However, that in itself does not constitute civil war.

Some of the sectarian groupings and factions are beginning to talk about the need to find at least a point of contact with the Government of Iraq and coalition forces. There are thus glimmers of hope while the carnage goes on, which, as the hon. Gentleman knows only too well, is being perpetrated not by coalition forces, but by other forces, many of which are internal to Iraq but some of which are being stoked up and manipulated by external forces. Incidentally, if those forces were not in Iraq, they would be attacking us by other means. That is the harsh reality of the world in which we live.

While this is a question of judgment, I do not believe that now is the time to set a date for a review or to reach a final decision on the best way to conduct such a review. This is a time to keep a focus on what is happening in Iraq in the here and now. Like my right hon. Friend the Foreign Secretary, I make no excuses for saying again that the situation in Iraq is too grave for us to divert our attentions from the immediate task of best supporting the Iraqi people as they begin taking control of their future.

Mr. MacNeil: Given that the Minister makes that point, why did the Prime Minister give evidence to the Baker-Hamilton inquiry in Washington?

Mr. Ingram: I honestly think that the hon. Gentleman has not listened to the answers that have already been given on that point. That inquiry examined not the past, but how to deal with the present—*[Interruption.]* Does the hon. Gentleman want an answer, or does he want to heckle? The inquiry was carried out to try to find solutions to some of the difficulties that we have to address. However, the motion calls for a different inquiry. I listened attentively to hon. Members' speeches. They talked about the past and some indeed argued that we should go beyond the immediate past and further back—*[Interruption.]* This is a multifaceted debate. The motion calls for an inquiry on the past to learn "lessons for the future", but the future is here and now. Baker-Hamilton sought to address what is in front of us.

Our policy of focusing our efforts on the vital task of helping to develop the capacity and capability of the Iraqi authorities remains unchanged. That support is valued by the Government of Iraq. Iraqi Ministers have publicly stated their appreciation of the help and support that we provide. We would be doing them a disservice if we were to allow our attention and efforts to be diverted from supporting them, even in part.

We are not alone in giving support to Iraq. As hon. Members will know, we are one of the 25 countries that contribute to the multinational force in Iraq. I have little doubt that they, too, would not want our attention and efforts to be diverted from the vital task in hand. I make no apologies for saying that we must continue to give our armed forces our undivided attention and support as they help Iraq's security institutions. I earnestly believe that an inquiry would do nothing to assist them and, at worst, that it could undermine their efforts. This is a question of undermining not their morale—that charge has been made—but their efforts. If senior military personnel were called away from the front or other deployments so that they could be dedicated to revisiting the part that they played in the past when they had important jobs to do, it would take them away from the vital task in hand.

As I have indicated, I think that we are making progress in Iraq. The transfer of Maysan province in southern Iraq to the Iraqi authorities and the handover of bases in Basra city to the Iraqi security forces are ample evidence of the sterling work done by UK forces and our coalition partners, especially on training and supporting the 10th division of the Iraqi army.

I have heard nothing in this debate that would change the Government's position that it would be wrong to launch an inquiry on our experiences in Iraq at this time. There have been several independent committees of inquiry, including those of Lord Butler and Lord Hutton. Reports have been published by the Defence and Foreign Affairs Committees of the House of Commons, while Ministry of Defence lessons-learned reports have also been produced. The questions of what happened at the time and what we have to do militarily have been well trodden over, as has the wider reach of what we are trying to do by giving humanitarian, governmental, social and economic support to the people of Iraq.

We have had many opportunities to discuss the issue; we have done so time and again. I urge the House to support the amendment proposed by the Government for one very good reason: I believe it to be correct, and I believe the motion proposed by Her Majesty's loyal Opposition to be wrong at this time. It would not in any way help the people of Iraq.

Question put, That the original words stand part of the Question:—

The House divided: Ayes 253, Noes 288.

Division No. 135] **[7.59 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, rh Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, rh Mr. David
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Cash, Mr. William
Chope, Mr. Christopher
Clark, Greg
Clifton-Brown, Mr. Geoffrey
Cohen, Harry
Corbyn, Jeremy
Cox, Mr. Geoffrey
Curry, rh Mr. David
Davey, Mr. Edward
Davies, Mr. Dai
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Fisher, Mark
Foster, Mr. Don
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Galloway, Mr. George
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Hopkins, Kelvin
Horam, Mr. John
Horwood, Martin
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Jones, Lynne
Kawczynski, Daniel
Keetch, Mr. Paul
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
MacNeil, Mr. Angus
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Marshall-Andrews, Mr. Robert
McDonnell, John
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Mundell, David
Murrison, Dr. Andrew
Neill, Robert
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Oaten, Mr. Mark
Öpik, Lembit
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Short, rh Clare
Simmonds, Mark
Simpson, Alan
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Soulsby, Sir Peter
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, David
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Tredinnick, David
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Wareing, Mr. Robert N.
Waterson, Mr. Nigel
Webb, Steve
Weir, Mr. Mike
Whittingdale, Mr. John
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Willis, Mr. Phil
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Wishart, Pete
Wright, Jeremy
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Angela Watkinson and Michael Fabricant

NOES

Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Bailey, Mr. Adrian

Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Borrow, Mr. David S.
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Curtis-Thomas, Mrs. Claire
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Farrelly, Paul
Field, rh Mr. Frank
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, rh Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hood, Mr. Jim
Hoon, rh Mr. Geoffrey
Hope, Phil
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Ilsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khan, Mr. Sadiq
Kidney, Mr. David
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meale, Mr. Alan
Morron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Morgan, Julie
Morley, rh Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Murphy, Mr. Denis
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Prentice, Bridget
Prentice, Mr. Gordon
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheridan, Jim
Simon, Mr. Siôn
Skinner, Mr. Dennis
Slaughter, Mr. Andy
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Straw, rh Mr. Jack
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, rh Mr. Stephen
Tipping, Paddy
Touhig, rh Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, rh Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Wills, Mr. Michael
Winnick, Mr. David
Winterton, rh Ms Rosie
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wyatt, Derek

Tellers for the Noes:
Claire Ward and Mr. Frank Roy

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments)*:—

The House divided: Ayes 274, Noes 229.

Division No. 136] **[8.14 pm**

AYES

Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Armstrong, rh Hilary
Atkins, Charlotte
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blears, rh Hazel
Blizzard, Mr. Bob
Borrow, Mr. David S.
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Cawsey, Mr. Ian
Chapman, Ben
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Crausby, Mr. David
Creagh, Mary
Cruddas, Jon
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
David, Mr. Wayne
Davidson, Mr. Ian
Dean, Mrs. Janet
Denham, rh Mr. John
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Farrelly, Paul
Field, rh Mr. Frank
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gilroy, Linda
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, rh Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hood, Mr. Jim
Hoon, rh Mr. Geoffrey
Hope, Phil
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
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Illsley, Mr. Eric
Irranca-Davies, Huw
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Johnson, Ms Diana R.
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Jones, Mr. Martyn
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Keeley, Barbara
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Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khan, Mr. Sadiq
Kidney, Mr. David
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marshall, Mr. David
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
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McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh John
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Morgan, Julie
Morley, rh Mr. Elliot
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Murphy, Mr. Denis
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Prentice, Bridget
Prentice, Mr. Gordon
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reid, rh John
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheridan, Jim
Simon, Mr. Siôn
Skinner, Mr. Dennis
Slaughter, Mr. Andy
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Snelgrove, Anne
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Straw, rh Mr. Jack
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Tipping, Paddy
Touhig, rh Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, rh Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan

Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, rh Ms Rosie
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wyatt, Derek

Tellers for the Ayes:
Claire Ward and Mr. Frank Roy

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, rh Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Cameron, rh Mr. David
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Cash, Mr. William
Chope, Mr. Christopher
Clark, Greg
Clifton-Brown, Mr. Geoffrey
Cohen, Harry
Cox, Mr. Geoffrey
Curry, rh Mr. David
Davey, Mr. Edward
Davies, Mr. Dai
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Flynn, Paul
Foster, Mr. Don
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gidley, Sandra
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Greenway, Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Horam, Mr. John
Horwood, Martin
Hosie, Stewart
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Keetch, Mr. Paul
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Letwin, rh Mr. Oliver
Liddell-Grainger, Mr. Ian
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Mackay, rh Mr. Andrew
Maclean, rh David
MacNeil, Mr. Angus
Malins, Mr. Humfrey
Maples, Mr. John
Marshall-Andrews, Mr. Robert
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Murrison, Dr. Andrew
Neill, Robert
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Oaten, Mr. Mark
Öpik, Lembit
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Price, Adam
Prisk, Mr. Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr. Laurence
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, David
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Tredinnick, David
Tyrie, Mr. Andrew
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Webb, Steve
Weir, Mr. Mike
Widdecombe, rh Miss Ann
Wiggin, Bill
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Willis, Mr. Phil
Willott, Jenny
Wilshire, Mr. David
Wishart, Pete
Wright, Jeremy
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Angela Watkinson and Michael Fabricant

Question accordingly agreed to.

MR. DEPUTY SPEAKER *forthwith declared the main Question, as amended, to be agreed to.*

Resolved,

That this House notes the Resolution of 31st October 2006; recognises that there have already been four separate independent committees of inquiry into military action in Iraq; further recognises the importance of learning all possible lessons from military action in Iraq and its aftermath; and therefore declines at this time, whilst the whole effort of the Government and the armed forces is directed towards improving the condition of Iraq, to make a proposal for a further inquiry which would divert attention from this vital task.

Carers

Mr. Deputy Speaker (Sir Alan Haselhurst): We now come to the second debate on the Opposition motions. I should announce to the House that Mr. Speaker has selected the amendment in the name of the Prime Minister.

8.26 pm

Mr. Jeremy Hunt (South-West Surrey) (Con): I beg to move,

That this House recognises the vital contribution that the UK's six million carers make to society; welcomes recent announcements on carers including the Government review of the National Strategy for Carers, the New Deal for Carers and the Treasury report 'Aiming high for disabled children: better support for families' as steps towards an improvement in recognition and support for carers; notes that 54 per cent. of carers have given up work and one in five carers feel forced to do so; recognises the impacts which caring responsibilities have on family incomes, relative poverty and the health of carers themselves; is deeply concerned that an estimated 175,000 young people are carers of adults with the consequent pressures on them; calls on the Government to reduce the bureaucracy of social care provision that puts so much pressure on carers; and asks the Government to bring forward proposals for simplifying the benefit system in order to provide better support for carers and to ensure that the review of the National Strategy for Carers has both short term and long term objectives to enhance support for carers and to respond to the vital role played by carers in society.

Today is the first day of carers week, the week when we as a country celebrate and recognise the extraordinary work of 6 million people who give up huge amounts of their time, energy and effort to look after disabled and older friends and relatives. Here is the problem: the social care budget, for which the Under-Secretary of State for Health, who is in his place, is responsible, is currently £19 billion, but Carers Week has estimated that if the amount of unpaid work done by those 6 million carers were costed, it would come to £57 billion. That means that if they stopped doing that work tomorrow and we wanted to continue with the same levels of care, we would have to quadruple the social care budget, just to stand still.

It is not just a matter of the tax implications. There is a much more fundamental question of the type of society that we wish to be. Those of us on the Conservative Benches think that it is fundamentally right that wherever possible the main caring role is undertaken by family and friends. That is what carers want and what the cared-for person wants. The brutal truth is that because of demographic trends, the huge growth in the numbers of disabled children, and the rapidly ageing society, very soon 6 million carers will not be enough. If we want the number of carers to grow, we must be prepared to answer difficult questions about the role of the state and whether it enables and supports that caring role, or whether, as is all too often the case, it hinders and obstructs that role.

This year's carers week theme is "My life as a carer". When I read that, it reminded me of the first carer whom I met when I was a prospective parliamentary candidate. For my sins, I had agreed to be a refuse collector for the day in my prospective constituency. I had spent the morning getting mucky and dirty picking up bottles, cans and newspapers for recycling and generally thinking that it was remarkable that anyone could want to do that kind of job full time. Then I spoke to the driver of the refuse van that I was with, and he told me that 10 years ago his wife had had an accident in their garden and had become wheelchair-bound and unable to get up, get dressed, wash or cook. Although he had been able to carry on his work, his life outside work had been turned completely upside down. Rather touchingly, he said to me that he would not change her for the world. The question is whether we are doing enough to help and support people who are playing that kind of extraordinary role; Conservative Members believe that we are not.

Lembit Öpik (Montgomeryshire) (LD): Does the hon. Gentleman accept that the Motor Neurone Disease Association would agree with his view that we as a society have not done enough to recognise carers? Is he aware that the cost to the state of caring for people suffering from motor neurone disease is £241 million per year, and that it would be a great deal more if we did not have the enormous voluntary contribution that he is discussing? It is about time that we recognised that and gave those carers the rights that I imagine he would agree with.

Mr. Hunt: The hon. Gentleman makes a good point. I am happy to praise the Motor Neurone Disease Association because he said earlier that if I did so he would buy me a pint in the bar later. In fact, I am genuinely happy to praise its work, because carers for people with motor neurone disease demonstrate one of the critical factors about carers, which is that their caring role often lasts for 24 hours, creating enormous stress and pressure. That is why it is incredibly important to do everything to support that role.

Before I talk about the things that are going wrong, it is also important to talk about the things that have gone right. There have been a lot of changes over the past 15 years that have helped the role of carers. The Carers (Recognition and Services) Act 1995 set up carers' assessments. In 1999, we had the first ever national carers strategy. The Carers and Disabled Children Act 2000 extended the right of direct payments to families with disabled children. The Carers (Equal Opportunities) Act 2004 gave local councils an obligation to promote carers' assessments to those entitled to them. Last year, as I am sure that the Minister will tell us, we had the Work and Families Act 2006, which extended the right of flexible working to carers. We have had some modest improvements in respite care. The Pensions Bill, which is before Parliament at the moment, will strengthen the rights of carers in terms of entitlement to state pensions.

However, eight years on from the national carers strategy we are still in a situation whereby three quarters of carers say that they are worse off as a result of their caring role, 79 per cent. of carers say that their health has been affected by their caring role, and one in five carers say that they have had to reduce the amount of food they buy because of the financial pressures created by their caring. I am afraid that the Government's response has been disappointing. They have promised yet another review—a review of the strategy involving, we are promised, the widest ever consultation with carers. In the end, however, this is the

politics of "talk, talk". The danger of that is not only that it does nothing in itself but that it obscures the fundamental problem—the Government's thinking that the only solution to these problems is financial, which means that carers are made to wait in a queue alongside everyone else who is calling on public resources and get restricted to the occasional scraps. We need a much more radical and imaginative approach. In particular, we need to slay the myth that the only way to improve the lives of the UK's 6 million carers is to increase spending on the system, when often it is the system itself that is failing.

Mr. David Drew (Stroud) (Lab/Co-op): There was a consensus following the Sutherland report, and it is disappointing that that was broken by the Government on financial grounds. There should be free nursing and social care, but people should have to pay for their accommodation once they get above a certain income threshold. If we had moved in that direction, we might have solved the problem.

Mr. Hunt. The hon. Gentleman is right. There is a huge challenge ahead in terms of how we finance social care provision, and it is particularly acute given the changing demographics. I hope that he will agree with what I am about to say about changing the system to ensure that much greater resources are directed to carers.

Two Under-Secretaries from two Departments are present, so let me deal with them one at a time. I shall start with the Department of Health. Let us consider the example that I gave of the refuse collector from Farnham. When his wife became disabled, he would have had to grapple with three levels of bureaucracy in the social service system. The first is the carer's needs assessment. For that, he would have to provide 140 different pieces of information spread over 40 pages and three different forms. Secondly, his wife would have to undergo possibly five different assessments. She would have to: go through a contact centre to ascertain whether she was eligible; do a fair access to community services assessment followed by a community care assessment, and she might have to undergo a specialist assessment for physiotherapy or occupational therapy. She then might have to do a further assessment, which is named—somewhat ironically—the "single assessment process". If we examine the questions that both must answer, two thirds of the questions that he has to answer are already asked of her.

Councils throughout the country would like to reduce the bureaucracy of the assessment process but legislation requires much of the assessing, thus making reduction difficult. The third layer of bureaucracy is perhaps the worst because it is hidden. It is the bureaucracy that providers of social care must tolerate. It comprises: reports to get star ratings from the Commission for Social Care Inspection; 26 performance assessment frameworks, including key thresholds; delivery and improvement standards reports for the Audit Commission; best value performance indicator reports; comprehensive performance assessment reports, and, for the Department of Health, the referrals, assessments and packages of care reports. All that bureaucracy comes at a huge price of £2 billion. That money is used in the assessment and commissioning process, not in delivering the services that carers and disabled people need.

The Parliamentary Under-Secretary of State for Health (Mr. Ivan Lewis): Given the hon. Gentleman's remarks, will he withdraw the Conservative party's opposition to electronic data sharing, which is at the heart of our capacity to reduce bureaucracy in public services?

Mr. Hunt: Let me put the Under-Secretary right: we have no opposition to electronic data sharing when it happens in a Department for a defined purpose such as simplifying the assessment process.

The Parliamentary Under-Secretary of State for Work and Pensions (Mrs. Anne McGuire): Would the hon. Gentleman and his party object strongly to data sharing between the Department of Health and the Department for Work and Pensions to fulfil the objective that he identified in his comments?

Mr. Hunt: If there is a good reason, such as simplifying the complicated assessment processes, we would be happy to consider data sharing. However, we oppose building a national database, such as that required for the identity card scheme. Perhaps the Under-Secretary will tell me how many carers it would help if we scrapped the ID card scheme, which will cost £5.7 billion. We object to that, not to sharing data for a valid purpose.

Does the Under-Secretary of State for Health acknowledge that the system that was designed to help carers and disabled people has become so burdened with bureaucracy that it adds massively to their daily stress? I will now let him off the hook, unless he wants to respond to that question, and move to the Under-Secretary of State for Work and Pensions. She knows that more than half of carers are forced to give up work to undertake their caring role. To what benefits are they entitled?

Carers are entitled to five different benefits: the carer's allowance; the carer's premium in income support; housing benefit; council tax benefit, and the community care grant. I have all the forms that carers have to complete. Can the Under-Secretary guess how many questions we ask people to answer if they want to apply for all five benefits? Does she have any idea? I shall put her out of her agony and tell her that the answer is 769 questions over 170 pages. The state is therefore saying, "We understand and value the role you're performing and we'd like to help you. Kindly complete the attached 769 questions over 170 pages and we'll tell you if you're eligible for help."

It might be justifiable to ask a lot of questions if we needed lots of unique information, but of those 769 questions, only 148—20 per cent.—ask unique questions, with 80 per cent. repeated. No wonder Carers UK says that the application for carer's allowance leaves carers

"confused, angry and with little faith in how the system works, with advisers caught up in complicated advice".

David Taylor (North-West Leicestershire) (Lab/Co-op): I launched North-West Leicestershire carers week in the Marlene Reid centre, Coalville, this morning and many of the remarks I heard relate to what the hon. Gentleman has said. Would he be surprised at the figure provided to me by a Department for Work and Pensions representative on a stand in the exhibition—

[David Taylor]

that only 500,000 people of the 6 million carers, 3 million of whom are not in work, actually apply for and receive carer's allowance under the current system? I have not had a chance to ratify it, but is it not a surprisingly low figure? Does he agree and can he authenticate that figure?

Mr. Hunt: The hon. Gentleman makes an important point. I am not surprised by that figure, as there is a total of £740 million of unclaimed carers' benefits. The result is that many carers fall into poverty. A third are in debt, a third cannot afford to pay some of their utility bills, while another third cannot afford essential repairs to their homes. We need to recognise that, just as there is a direct link between disability and poverty, so there can also be a direct link between caring responsibilities and poverty.

Mr. Mike Weir (Angus) (SNP): Does the hon. Gentleman also accept something that I have encountered in dealing with carers in my constituency—that many are of an age at which they do not feel they want to claim benefit? It is rather similar to pensioners and pension credit. An elderly woman said to me, "What's a carer? I have always looked after my disabled daughter". This is another barrier that has to be overcome. It is not just the fact that the money is not claimed: there are reasons for that, just as there are with pension credit.

Mr. Hunt: I would agree, but one of the reasons many people do not want to claim it is that the form is so complicated and difficult. Yes, there are barriers in people's thinking—and these are difficult problems to overcome—but there are also practical barriers that we, as a state, can do something about, and the complexity of the form is one of them.

Bill Wiggin (Leominster) (Con): In my constituency, there are also many children who care for their disabled parents. Are they expected to fill out those 750-odd questions as well?

Mr. Hunt: My hon. Friend makes an important point. If he had attended the debate earlier this year about the life chances of disabled children, he would have heard in my speech that for families with disabled children, the number of questions that have to be answered is not 769, but 1,118. The situation is actually worse for those parents.

What is most worrying about this complexity in the benefit system is how it makes it difficult for carers to work. All these benefits have different rules about the work that can or cannot be done. On carer's allowance, it is possible to earn £87 a week, but any more and the benefit is lost. For income support, anything above £20 is deducted pound for pound. With housing benefit, anything more than £20 is deducted at a rate of 65 per cent., while with council tax benefit it is deducted at the rate of 20 per cent. More than half of carers give up work because of their role, but nearly half would like to work if they could, so why are we penalising them?

This is not simply a moral question; it is also, because of the demographic crisis on our doorstep, a practical question. I was trying to think of a way to personalise this issue for the select group of hon. Members in their places this evening. The average age of an MP is actually 50. By the time the average MP becomes 75, there will be an additional 3.2 million 75-year-olds compared with the number of them today. In that period, because of the ageing population, there will be 500,000 fewer children; yet there will be 500,000 more disabled children and all of them will need carers. Six out of 10 men and seven out of 10 women will become carers at some point in their lifetime, but this involves children as well. There are also 175,000 child carers, and that number is growing.

The choice is simple. Do we want family and friends to remain the mainstay of the caring that takes place in our society, or do we want to gamble by doing nothing to reform the bureaucracy of the social care system and the complexity of the benefits system? Do we want to risk those carers giving up and passing that responsibility on to the state, which would be the worst possible outcome for cared-for people?

Mr. Gary Streeter (South-West Devon) (Con): My hon. Friend is making a powerful case and I totally agree with him about streamlining the benefits system; carers certainly call for that. Do they not also call for a bit more help from the state—that is, from all of us—to enable them occasionally to have access to respite care and short breaks? Many of those wonderful people and hard-pressed families are at breaking point. Is not there a lot more that we could do to provide respite care and short breaks? Will my hon. Friend address that point for a few moments?

Mr. Hunt: No one has done more than my hon. Friend to campaign for respite care provision. We made significant progress this year, following the Treasury review, when respite care for an additional 40,000 families was announced. He is absolutely right. According to Mencap, eight out of 10 families with disabled children are at breaking point because of the lack of respite care. This is a pressing issue. Dealing with the complexity of the benefit system and the bureaucracy of the social care system is one of the major pressures that these families face, and we could do something about it.

We need to stop talking and start acting. As a shadow Minister, I can offer only the shallow comfort of words. Ministers, however, can offer the real hope of action. We have told them what to do and when they must do it. Six million carers will be watching this week to see whether they are listening.

8.47 pm

The Parliamentary Under-Secretary of State for Health (Mr. Ivan Lewis): I beg to move, To leave out from "review" to the end of the Question and to add instead thereof:

"of the first ever National Strategy for carers, the New Deal for Carers and the Treasury report "Aiming high for disabled children: better support for families" as steps towards an improvement in recognition and support for carers; notes that the review of the National Strategy includes a far reaching consultation with carers and others to make recommendations for the short, medium and long-term; further welcomes the extra £25 million for short-term home-based respite care for carers and the extra £3 million towards establishing a national helpline for carers announced in 2007; congratulates the Government for introducing in 2007 the new Expert Carers Programme; further notes that the Pensions Bill currently before Parliament includes

a package of reforms to recognise the contribution made by carers and ensure that they can build up better pension records; further notes that the right to request flexible working introduced by this Government will help carers better balance their work and caring benefits; and further welcomes the substantial improvements made to the benefits available to low income carers.'.

This issue should unite all sides of the House. National carers week provides us with an important opportunity to pay tribute to the remarkable contribution of carers to their families, friends and our society, and to shine a light on many remarkable and inspirational personal stories, but also to face up to our solemn responsibility to build a system and a society that address the needs of carers, both in fulfilling their caring role and as people who have a right to a life of their own. Observing national carers week is like throwing a pebble into the sea. It will generate a ripple but leave the vast expanse of ocean—the lives of 6 million carers—largely untouched. One week is a catalyst; our challenge is to make a difference 52 weeks a year and 365 days a year to the carers in every community in every part of the country who are coping with unique situations, but also with common problems.

As we face this responsibility, we should not make the mistake of believing that Government or Parliament have all the solutions. We must listen to and learn from individual carers and the organisations who are their voice. I want to pay tribute to national organisations such as Carers UK, Crossroads, the Princess Royal Trust for Carers, Partners in Policymaking, the Children's Society and all the organisations that are part of the Every Disabled Child Matters coalition.

I also want to pay tribute to the hundreds of self-help groups, voluntary organisations and local authorities up and down the country that support carers and enable them to have the best possible quality of life, as well as the individual heroes who exist in every hon. Member's constituency. In my own constituency, Geraldine Green is a remarkable person. As a grandma, she is full-time carer to grandchildren who have autism. As a social entrepreneur, she runs Hurdles, a voluntary organisation offering a range of support services to disabled children and their families. In her spare time—I use the term jokingly—along with a team of volunteers, she has just opened a café with the aim of providing training and work opportunities for young people with learning disabilities so that they can develop the skills and confidence necessary to secure a job of their own. Then there is Jill Pay, whom the Chancellor and I met when we launched the new deal for carers recently. She looks after her daughter Rowan, who has severe learning disabilities, and is supported in doing so by her eldest daughter, Camilla. Geraldine, Jill and Camilla's spirit, tenacity, courage and flair are inspirational, but their frustration and anger at the system must be a wake-up call to us all.

In many ways, that frustration is summed up by a mother I met recently in my constituency. She has a son with autism, and two things that she said stuck out, and could have been articulated by far too many carers: "Why don't the professionals seem to understand that I am the expert on my son?" and "Why do I have to shout before anybody listens?"

As the hon. Member for South-West Surrey (Mr. Hunt) said, it is estimated that the country has 6 million carers overall—arguably, about one in every street. Given the likely consequences of changes in our society, that figure will become one in every family. As the hon. Gentleman said, the vast majority of us are likely to become carers. It will no longer be somebody else's concern.

Mr. Hunt: The Minister has talked about the number of people who are likely to become carers. Can he explain why his Department is currently refusing to fund the inclusion of a question about caring responsibilities in the 2011 census? Such a question was included in the previous census. Many carer organisations are worried, however, that if his Department is not willing to put up the funds for the same question to be asked in the 2011 census, we will not know how many carers society has.

Mr. Lewis: As part of the review that we are about to undertake, that is exactly the kind of issue that we need to address. That will be part of the fundamental review of the new carers strategy, which we shall develop and work on in the period ahead.

Mr. Philip Dunne (Ludlow) (Con): On the subject of the census and listening to the organisations listed by the Minister at the beginning of his remarks, I hope that he will listen to the representations made to his Department today by Shropshire Partners in Care. Its petition, which I delivered with other Shropshire MPs, highlights the problems of process whereby the Government rely on out-of-date 2001 census data to determine the allocation of funding for the elderly, adults with learning difficulties and others in care. Demographic changes, and changes in health, are moving faster than the census data can catch up with them.

Mr. Lewis: In a moment I shall talk about demographic change, which is why, in the next two decades, the vast majority of people in this country will become carers. Of course I have sympathy with constituents who have strong passionate feelings about their areas, but neither the hon. Gentleman nor the hon. Member for South-West Surrey made one policy or spending commitment during their contributions to the debate. Theirs were all fine warm words, many of which I, as the Minister responsible in the Department of Health, would have no problem with. But they made not one extra spending commitment in relation to the needs of carers.

Mr. Hunt: In that case, will the Minister give a policy commitment about reducing the bureaucracy of social service provision?

Mr. Lewis: As part of the review of the needs of carers, we will listen—*[Interruption.]* The hon. Gentleman referred to the review being all talk. To be clear, he therefore wants a process in which senior civil servants and Ministers sit in offices in Westminster and Whitehall and impose a new strategy on carers, rather than engaging with people in the real world who experience services daily, and ensuring that there is a bottom-up strategy in which carers identify the priorities and what they expect from the state.

Ms Sally Keeble (Northampton, North) (Lab): Will my hon. Friend confirm that a key Government recommendation was that local councils should appoint lead people to liaise with carers and co-ordinate the

[Ms Sally Keeble]

services that they need? That should overcome a lot of the difficulties that, as the hon. Member for South-West Surrey (Mr. Hunt) suggests, many people experience.

Mr. Lewis: I entirely agree, but localism—in which the Conservative party also believes—means that we do not impose any one model on care services run by local authorities or primary care trusts. The outcome of the review of the needs of disabled children and their families illustrated the importance of the lead professional who helps families to navigate the system, which is at the heart of the provision of modern personalised public services. Those are the changes that we need to see, in the context of reform of social care and of public services more generally.

Jeremy Wright (Rugby and Kenilworth) (Con): I am sure that all carers would like to be helped to find their way through the problems that becoming a carer throws up, but would not the adviser's job be much easier if the benefits system, in particular, were much less complex? The Government could do something about that.

Mr. Lewis: Let me say gently that this is the Government who introduced a national carers strategy in the first place, in 1999. This is the Government who introduced the annual carers grant that goes to every local authority, and this is the Government who gave carers the right to request flexible working. We will take no lectures from Opposition Members. There may still be issues to be addressed, but that is precisely why we are now going to engage in the most extensive consultation ever, with carers in every community in the country, to ensure that we can make the necessary changes.

Dr. Hywel Francis (Aberavon) (Lab): As chair of the all-party parliamentary carers group, I want to record my thanks to the official Opposition for initiating the debate and giving us an opportunity to showcase the tremendous advances achieved by this Labour Government over the last decade. Will my hon. Friend reiterate his warm response to what I said last week in congratulating the Labour-led Welsh Assembly Government on establishing, in that Government, a carers champion—an example that we should follow here in England?

Mr. Lewis: If there is a vacancy for such a role in this Government, I think that my hon. Friend would be an excellent candidate—although it is not for me to hand out ministerial appointments, especially at this stage in the political cycle. On the basis of his personal experiences of caring, he has been a tremendous champion and advocate of change in our society, to transform the experiences of carers in Wales and throughout the United Kingdom. Over time, the Carers (Equal Opportunities) Act 2004, which he promoted, will make a massive difference to the opportunities available to carers. He should be very proud of the difference that he has made.

I must make some progress, as Back Benchers will want to make their own contributions. I was talking about the changes taking place in our society, to which we have a duty to respond. The demographic realities are that people are living longer, which will continue, and that disabled people want not just longer lives but full lives. There have been medical advances too. Another fact, which is often missed, is that people are demanding—not being forced—to remain in their own homes rather than going into institutions. The implication of that for the role of carers is profound, and will become even more profound.

We must also recognise that carers are people first, with their own needs, aspirations and fears. They need help with caring, but—I do not think that the hon. Member for South-West Surrey mentioned this once—they want a life as well, and public policy should reflect that.

I have already referred to the tremendous progress made in recent years. I am not suggesting that the Conservative Government did nothing, but we were presented with a pretty blank piece of paper in terms of the commitment that Government were willing to make to carers historically. We introduced the 1999 strategy—the Prime Minister's strategy—we awarded an annual carers grant to every local authority, and we produced the Carers and Disabled Children Act 2000. I referred earlier to the Carers (Equal Opportunities) Act and the right to request flexible working.

Pension credit legislation is going through Parliament, and a tremendous package of support—which is overdue—was announced several weeks ago, involving a partnership between the Treasury, the Department for Education and Skills and my Department. That will significantly enhance the support available to disabled children and their families in every community. There will be many more short breaks and much more respite care, along with lead professionals, and a focus on a transition that is often difficult—the cliff edge between being a child or a young person and becoming an adult.

We are now about to make a reality of our announcement of a couple of months ago of a new deal for carers. The national telephone helpline will mean that carers have easy, ready access to information focused on their needs. Carers tell us that they want to be able to make a call or to log on to the web and to know that they will end up in the right place and have their needs met.

The Minister of State, Department of Health (Ms Rosie Winterton): Signposted.

Mr. Lewis: Carers want to be signposted in an appropriate way, as my right hon. Friend says.

We are developing the expert carers programme, so that carers in every community have the training and support to develop the skills and confidence not only to be able to look after the person they are caring for, but to engage on a far more equal footing with professionals. There is also the emergency respite care fund. Carers themselves have told us that one of the greatest difficulties they face is a sudden caring breakdown, a sudden difficulty with the person they are looking after and a sudden need for emergency support. We will make further announcements later this week about the consultation. Over time, we want to bring about a system that is on their side, and which gives carers a life of their own. Issues have to be addressed.

I was interested by the curious contribution of the hon. Member for South-West Surrey on the question of information sharing, because he said that information could be shared, but only within a Department. But the first thing that carers say to us is, "We want a holistic, cross-Government approach. Each one of us is a person, not a series of compartments as represented by Government or local delivery mechanisms." To suggest that the Conservative party is happy for electronic data to be shared, but only if it is within a Department, misses the point and fails to listen to what carers tell us about their priorities.

I turn to the question of social care, which is massively important to the quality of carers' lives. We need a new consensus for a new settlement. We must recognise that society is changing so rapidly that we need a new balance between the state and the responsibilities of families and individuals. That settlement must be fair but it must also be sustainable. We must be clear that resources will always be finite. The question is: what, on a long-term basis, is both just and sustainable in terms of funding a social care system that is fit for purpose to meet the challenges of demographic change?

In the context of changing the social care system, we also need to transfer a lot of power and control from organisations to those who use services and to their families through individual budgets, direct payments, person-centred planning and self-directed support. We need to move away from a system in which professionals determine the life chances of individuals, and transfer a maximum amount of power and control to those who use services, and to their families.

I pay tribute to the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Stirling (Mrs. McGuire), who has worked alongside me on that agenda in making tremendous progress for disabled people in our society. She has not only served as the Minister with responsibility for disabled people but has been the champion of disabled people across Government, and she has continued to make the point that every Department must fulfil its responsibility.

Now move on to the national health service. It seems that we have to do more in terms of access to general practitioners. They are often the gatekeepers. for carers, they are the trusted professionals. We need to ensure that in future GPs give far greater priority to identifying carers and ensuring that they are referred to the right service and to the place where they will have their needs met.

As the hon. Member for South-West Surrey said, we must also acknowledge that the health of carers often deteriorates as a consequence of fulfilling caring responsibilities. That has implications for the NHS. Carers, more than most, require a truly integrated approach at local level between local government, the local national health service and the voluntary sector. We need services in local communities to be much more joined up. We need to move from a notion of partnership to one of integration, and to recognise that the prize that we now seek is not simply a synergy between the NHS and social care. In order to protect the health and well-being of carers, the NHS, all the services local government commissions and provides, and the voluntary sector need to harness their resources efficiently and in a joined-up way.

Employment is another issue. Some carers might want to combine their caring responsibilities with having a job, and others who have been out of the labour market for a long period might want to have the chance to re-enter it. We must look into what support we might give them. Education and training are important factors.

It is right that the system draws a distinction between adult services and children's services, but we need to ensure that that does not lead to young carers being failed. There is a danger of that happening. We know from evidence and research—and from some powerful and sad recent stories—that there are many hidden cases of children and young people fulfilling caring responsibilities for a parent. A child or young person should not do that alone without having a lot of support. That affects their education, and their chance to do the things that children and young people ought to do. Society and Government need to take a fresh look at the support that we offer young carers, not only through our Department but in the education system.

The hon. Member for South-West Surrey asked about the benefit system. I agree that we need to examine benefits, taxation and pensions in an integrated way. The key issue here is the financial impact of caring on the carer and their family. In no circumstances should a carer have to live in poverty as a consequence of having made the choice to care.

In an Adjournment debate last week, my hon. Friend the Member for Aberavon (Dr. Francis), who has now left the Chamber, raised the issues of leisure, friendships and social relationships. Many carers tell us that they suffer isolation and loneliness. Therefore, it is crucial to ensure that carers have access to leisure opportunities—to a social life, to friendships and to informal networks.

The reform of public services is not only about addressing leadership, management, targets and organisational changes. We must not forget that pressure from those who use services and who fight and campaign for them is also important. That is why having a voice, information and advocacy are crucial. We must ensure not only that we change public services by reforming systems, but that we transfer a lot more power and opportunity to influence public services at the local level to those who use them, and to their families.

The support we give to carers will define the character of our country as we face up to future challenges. We must care for them and be compassionate, and we must empower and support them so that they can maximise the quality of life of the loved one or friend whom they are caring for. Carers are usually better placed than the state to offer appropriate care, but they need the state to be on their side. They need a state that is active and enshrines rights in law, that provides accessible and quality information, advocacy and support, that personalises public services so that respect and dignity are at their heart, and that ensures that choosing to care does not mean giving up one's own life.

As a result of demographic change, medical advances and changing expectations, the needs of carers will become more, not less, important in the future. Caring will ask new questions of every family and community, of the state and the voluntary sector, of the husband and the wife, and of the son and the daughter. This Government will provide leadership and

[Mr. Ivan Lewis]

ensure that carers are at the heart of a new contract with the people, so that the system is on their side and they can have a life of their own. To make that aspiration a reality is the prize, and it must become a shared mission.

9.9 pm

Sandra Gidley (Romsey) (LD): I welcome the chance to debate these issues today, at the beginning of carers week. Although there has been a little bit of acrimony, it is fairly obvious from the speeches of the Minister and of the hon. Member for South-West Surrey (Mr. Hunt) that there is a genuine will to do something, so I do not intend to make many party political points this evening.

At the beginning of carers week, we are obviously celebrating the contribution that carers make to society. The Carers UK website published today the results of a survey that it carried out on behalf of 3,500 carers, who are probably fairly representative of the 6 million out there. The results highlighted the negative impact that the role of carer can have on a carer's relationship with their partner. Some 66 per cent. said that their relationship had suffered, and 60 per cent. said that they had little quality time. Interestingly, when they did have such time, 21 per cent. used it to catch up on sleep, so it is clear that other things suffer, too. Importantly, nearly two thirds—63 per cent.—felt a loss of identity.

For many people, caring is a long-term commitment, so it is worrying to note that three quarters of carers have not had a regular break from caring in the previous 12 months, and that 38 per cent. have not had a single day off in the last 12 months. I will be kind and concede that the Government have put £25 million toward respite care, which was mentioned in an earlier intervention. That is of course very welcome, but it is targeted at emergency respite care only. We have to look at ways of freeing up money to make sure that people have regular access to respite. As constituency MPs, we have all probably had people coming to see us saying, "I could cope if only I knew that I was going to get regular time off at some point in the future." Services are so stretched that even if time off is booked—of course, booking time off has an impact on people's lives because they cannot therefore be spontaneous; they have to sort out their social lives weeks, if not months, ahead—it is often cancelled at the last moment or changed because an emergency has arisen involving someone with a greater need. Carers realise that there are people with greater needs, but it is difficult if we cannot honour even small commitments.

In a trial on the Isle of Wight, carers received regular respite every few months. Respite care was always with the same nursing home, so the staff got to know the individual concerned and the carer got to know the people in whose care their loved one was being entrusted. The system seemed to work very well. If people feel that they are being treated as human beings and can have a regular break, they can carry on caring for longer. Some work needs to be done on the economics—perhaps as part of the strategy—because we do not really know the answers at the moment. That system seems like a good thing, but perhaps some pilots are called for properly to assess the long-term benefit.

The survey to which I referred also looked at carers' financial situation. The Minister rightly made the point that nobody should be financially worse off because they have caring responsibilities, but the reality is that 67 per cent. said that they were, and 28 per cent. said that they felt unable to support the family properly. One in five carers is forced to give up work, but many of them are missing out on the benefits, pensions and practical support that is available. Here, there is something of a double whammy. As has been pointed out, caring is a full-time occupation. Many people who suddenly acquire these responsibilities do not also have the time or energy to access the very complex benefits system and to work out what they are entitled to. As has also been pointed out, even if they did have the time, the system is complex, inconsistent and bureaucratic.

According to estimates, carers actually save the economy £57 billion each year, but carer's allowance is still very low at £48.65 a week. Rates of unclaimed benefit also remain high. Although, in theory, part of the problem is being tackled, in practice, carers are not getting the little to which they are entitled. I agree that there must be a wholesale review of the carers benefit system, including the provision that is available to retired carers. That is another anomaly that must be reviewed, and I am sure that during the review, it will be brought to the Minister's attention time and again.

The anomaly for young carers is that they cannot claim benefits if they take part in education for 21 hours a week or more. By young carers, I mean young adults who may wish to take part in some education. The anomaly is a disincentive to young carers, because they do not have the resources to carry on furthering their education or training, and if they do not take the opportunity when most of their peers do so, they could be locked into a lifetime of social exclusion.

Annette Brooke (Mid-Dorset and North Poole) (LD): Is my hon. Friend concerned about what might happen to young carers when the school leaving age is raised to 18, and about whether the Government will give that every consideration in the review?

Sandra Gidley: My hon. Friend makes a very good point. She has a long commitment to the subject of young carers, and I hope that her point will be addressed by the Minister when she winds up, because it is valid.

The issue is about joined-up government. There are Ministers present from two different Departments, but it has already been pointed out that the Department for Education and Skills has a role to play, and I suggest that the Department for Communities and Local Government has a role, too.

Mark Williams (Ceredigion) (LD): One of my hon. Friends talked about young adults and the challenges facing them as carers. Is my hon. Friend aware of primary school children who have been undertaking caring roles? Children as young as eight years old—at arguably the most formative time in their education—are taking on caring roles out of necessity. Does she agree that we must urgently consider models to support those children?

Sandra Gidley: My hon. Friend makes an excellent point, and I shall return briefly to that subject later in my comments.

Older carers often have to change jobs. The survey that I mentioned said that 57 per cent. felt less able to focus on a career, and respondents also quoted reduced promotion prospects and the fact that they were unable to take up training opportunities. Some 40 per cent. found it difficult to get back on the job ladder when returning to work. When asked how their working life could be made easier, one fifth felt that they needed greater support from their boss, and 18 per cent. more understanding from colleagues. Again, access to carers advice came up during that part of the survey.

There is a need to ensure that the way in which companies structure their training programmes does not discriminate against carers. Often, companies' work practices are assessed for gender, and parental provision is also taken care of. It is also important to note that 80 per cent. of carers are of working age, and 3 million already combine work and care. Advice needs to be made available to them so that they can perhaps change their career slightly, or learn how to suggest alternative working practices to their employers. Of those people who were not working because of their caring responsibilities, one third said that they would return if the right alternative care and flexible support were available.

The peak age for caring is 45 to 64 years old, and the cost of replacing the expertise of a worker of that age is immense. Flexible working is one way forward, and I recognise the Government's efforts in that direction, but many companies still enshrine the old ways of working, and I do not think that quite enough has been done to encourage companies regarding the way forward.

At a recent meeting with BT, I learned that 75 per cent. of its work force were flexible workers. The company decided that it would be resented if flexible working was available only to parents or carers, so the same provision was offered to everybody. As a result, BT has identified average productivity gains of 21 per cent., cost savings, increased customer satisfaction, increased creativity and energy and—no surprise—a decrease in sick leave. To introduce a green theme to the debate, BT calculated that it had saved 12 million litres of fuel. Flexible working is good for people and good for the environment so I hope more will be done to encourage other companies to follow those who have successfully adopted those practices.

My hon. Friend the Member for Mid-Dorset and North Poole (Annette Brooke) mentioned young carers; there are 175,000 in the UK, 13,000 of whom care for more than 50 hours a week. In 1999, the national carers strategy made a number of proposals to improve recognition and support for young carers, but unfortunately only 18 per cent. of young carers actually receive an assessment of their needs. I am sure Ministers agree that the problem urgently needs to be addressed. Sometimes, there is a family decision not to seek support, so more work needs to be done with families to reassure them that if social services are aware of the problems they will not take the children away and break up the family, as that may be a concern. Sometimes, however, lack of support is simply indicative of a failing system.

There is often poor awareness in schools. Teachers may tell a child off for not doing their homework or for being late, when the situation may have been prompted by the child's caring responsibilities. Such an approach does not encourage school attendance.

Last week, in the debate in Westminster Hall, my hon. Friend the Member for Mid-Dorset and North Poole recommended a whole-family approach—a point echoed by the Minister in his speech. My hon. Friend welcomed more joined-up thinking between adult and children's services, because they are all part of support for the family. The system may fall down because a parent who needs support during the night may not meet the criteria for adult social services, yet in practice there is a huge impact on the child who may have to get up every night to undertake caring responsibilities.

The Government have greatly progressed the agenda. Mention was made earlier of the carers hotline. I rang the hotline because I thought it was such a good idea—as the Minister said, people want access to advice when they actually need it—so I was a little surprised to hear a recorded message:

"This hotline is only available Wednesday and Thursday between the hours of 10 to 12 or 2 to 4."

At other times, people are merely sent a package of information.

Mr. Ivan Lewis: May I point out to the hon. Lady that the helpline does not exist yet? I do not know which helpline she is referring to, but it is not the one we are talking about establishing.

Sandra Gidley: In that case, the situation is even worse because I used a link from a Government website. I had assumed that the helpline had not been established so I was delighted to find what I thought was the official website. Perhaps the Minister who winds up the debate will tell us when the hotline is to be established and what service we will be getting for the £3 million that has been allocated, but clearly not yet spent.

As a society we have to start getting our heads around the problems and challenges. Caring is an emerging electoral issue. An ageing population means that 3 million extra carers will be needed by 2037, in addition to the 6 million at present. In many ways, the issue is hidden because carers do not have time to lobby.

Finally, I again plug the book, "The Selfish Pig's Guide to Caring", by Hugh Marriott, which shows clearly that carers do not express their feelings because they risk appearing uncaring. We need to encourage honesty in the debate. In a survey, when people were asked which words best expressed the experience of being a carer, 74 per cent. said "stressful" and 71 per cent. said "demanding". More heartening, 31 per cent. found caring rewarding and 20 per cent. found it fulfilling.

In many ways I hope there will be no vote tonight. We need to change the habits of a lifetime and reach cross-party consensus to change those percentages and move the agenda forward.

9.25 pm

Ms Sally Keeble (Northampton, North) (Lab): I will be brief, because I recognise that other people want to contribute to the debate. I welcome the debate and the

[Ms Sally Keeble]

remarks made by the hon. Member for South-West Surrey (Mr. Hunt). Bureaucracy always needs to be simplified. However, to make that an end in itself is limiting. It is also true to say that the issue is partly about the nature of the society in which we live, the kind of society we want and the importance of supporting people so that they can look after their families in their own homes, which is obviously right. People will always look after their families, relatives and neighbours in quite remarkable circumstances. For generations, people—an awful lot of them women—have looked after their family members at great sacrifice to themselves. Part of the challenge faced by the Government is how to make sure that people are able to act as carers with dignity and support and without running themselves ragged in the process.

The Government have done a great deal in this respect and two areas have not been highlighted enough. First, there is the carers supplement to pension credit. That is enormously important because it deals with the anomaly that the hon. Member for Romsey (Sandra Gidley) pointed out in relation to people who, post-retirement, are suddenly deemed not to be carers any more and with the difficultly implicit in the carers benefit system, which is that carers are recompensed for lost wages. The carers supplement to pension credit has been under-recognised. I also suspect that the pressure in relation to pension credit and means-testing has discouraged retired people who are carers from recognising that this important element of support exists.

Secondly, there is the provision in the Pensions Bill for carer credits and for widening the scheme so that it is not linked just to certain restricted benefits. That will enable quite a number of people in my constituency, where there is a high level of participation in work, to feel a bit more confident about giving up full-time employment to take on caring responsibilities, without fearing that that will leave them without a pension in retirement. Those two points are important and are perhaps not sufficiently recognised.

I want to comment on two areas of caring. Last Friday, in preparation for carers week, I spent time with some carers. Two of them were caring for spouses who were in ill health and a number of issues were raised about what happens when people's health fluctuates and the carer finds themselves falling in and out of recognised care. The other group of people who seem to have had little recognition and who do heroic work are grandparents who take on the care of their grandchildren. I spent some time with Tanya Kettleborough. She and her husband took on two granddaughters after the girls' mother horrendously abused and then abandoned them. Those two girls had the emotional difficulties of being abused and abandoned, and one of the girls was also left with profound physical disabilities because of the level and nature of the abuse.

To an extent, the hon. Member for South-West Surrey was right: there is an issue about how much money carers get. In order to give her grandchildren a secure home, the grandmother had got a residence order, so she had forgone the opportunity of getting foster care payments, which would have given her an income of about £600 a week given the scale of the disabilities of one of the children. Instead, she got payments of about £370 for two weeks. She thus gave up about half her possible income, yet she said that she would do that again because it was what she wanted to do for her grandchildren. The care that she gives is astonishing. I had met the little girl before and I am sure that she has made much more progress in a couple of years with her grandmother than she would have done in residential care, which would have been the alternative.

While the grandmother said that this was not about the money and that she would do the same thing again, then came the buts. She wanted a new buggy for Shannon, the little child, because the child had outgrown her existing buggy and all the thrashing about had weakened it, meaning that it was no longer safe. In addition, the buggy did not have proper straps for the little girl, so the grandmother had to get some on eBay. As we all know, there are long waits for wheelchairs and buggies for disabled children. I think that the lack of buggy was down to one of the health providers.

Padded walls were needed for the bedroom because the little girl would bang her head on the wall. Someone first said that they would pad all the wall and then that they would pad just around the bed. While that would be just about manageable, it had not been done. There was also no chair for the little girl, so she had to sit in her buggy indoors. While a chair had been loaned by social services, it was inappropriate and not big enough. A ramp was also needed to get the child out of the house in the buggy. That was down to the housing authority, although an occupational therapist was required to carry out an assessment and procure the ramp. The grandmother's real problems were not money, her age—she was in her early-50s and had to give up work completely, although she had worked for her entire adult life, which obviously damaged her pension rights—her job security, or the fact that she was up all night with a little girl who could not sleep, but that she could not get the things that she needed, that there were waiting lists and that she did not know when the occupational therapist would come.

Mrs. Nadine Dorries (Mid-Bedfordshire) (Con): Does the hon. Lady agree that the story that she is articulately relaying is repeated by carers to Members in constituencies throughout the country over and over again? The problem for each family is usually not obtaining one particular piece of equipment, whether that is a bath hoist, proper padding for a bed, incontinence sheets, or the right chair, but that they cannot get three or four things. The problem continues over the years. How long will it take to get this right?

Ms Keeble: I think that the example that I am citing is especially poignant because of the nature of the family involved. The system must be able to adapt to the needs of many carers, especially those who are pitched into it, and to recognise that many small support systems are needed to make such care placements possible. It is important that local authority leaders in managing care are appointed and work effectively. Targets such as those on waiting times for operations should be extended to the time allowed for the provision of aids and adaptations. It is completely impossible to care at home for someone who has outgrown their wheelchair, or if aids and

adaptations are provided only after a person's physical condition has deteriorated to the extent that they can no longer be used. For example, I have a friend who received his hoists only after his condition had virtually reached the point at which he could not use them. There is an urgent need to recognise and address that situation. I put it to the hon. Member for South-West Surrey that those needs are every bit as pressing as, if not more pressing than, the need to deal with some of paperwork involving benefit claims.

Although the hon. Member for Romsey and others have raised this point, I wish to emphasise the situation for young carers. The website of the excellent young carers initiative shows that in the 2001 census, it was estimated that there were 5,016 carers aged five to seven providing one to nine hours of care a week, and that 943 of those carers provided 50 hours or more of care a week. Those astonishing statistics obviously have implications for every agency. I should also point out that a number of those children are bullied, and there is a real need for schools to consider the emotional support that those children need in order to cope with their difficult situation.

I simply echo the comments made by other hon. Members about the outstanding support that carers provide; in many ways they are the unsung heroes and heroines of the care world. In her response, I hope that the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Stirling (Mrs. McGuire), will set out exactly how the Government will meet the challenges of upgrading support for carers.

9.35 pm

Jeremy Wright (Rugby and Kenilworth) (Con): It is a pleasure to follow the hon. Member for Northampton, North (Ms Keeble), because I want to concentrate on people at the opposite end of the age spectrum to those whom she was talking about when she left off her remarks. I shall talk a little about older carers. As we have heard, there are about 6 million carers in the UK, and about a quarter of them are over 65. It is a staggering statistic that 8,000 of them are over 90; I find that remarkable.

Older carers face particular problems, some of which are obvious, and others of which are less obvious. Among the more obvious problems that they face, particularly if they are caring for someone with a physical disability, is the difficulty of managing the physical lifting as they become older. Secondly, older carers may have difficulties with fatigue, which begins to set in more easily, and becomes more difficult to recover from. Thirdly, other hon. Members have mentioned medical conditions, which often afflict the carers themselves; that problem is exacerbated among older carers. Less obvious are the financial problems, although they too have been mentioned, not least by the hon. Member for Northampton, North.

On the finances of older carers, there is no doubt that the carer's allowance is, understandably, regarded as an income replacement measure, but when a person retires, they may lose that income, because it is offset against pension payments. An extra difficulty is that some carers have been forced to retire or stop working earlier than they otherwise would have done, so their pension payments are reduced and their pension income is therefore smaller. As others have said, it is still too complicated for people to get what is available. The carer's addition to the pension credit is not claimed by 63,000 carers who are entitled to it. That figure is too large. Older carers are the very people who are put off by the vast amount of paperwork, referred to by my hon. Friend the Member for South-West Surrey (Mr. Hunt), that must be completed if they are to obtain that income.

Older carers are also put off by the need to ask for help—a point that the hon. Member for Angus (Mr. Weir) made. It is important to remember that when we are dealing with the over-65s, we are dealing with a proud generation. They do not enjoy asking for help. They have the admirable but completely counter-productive attitude that it is up to them, not the state, to look after their loved ones, so they do not claim help—both with regard to respite and with regard to financial assistance—when they should. The difficulty that the Government, and indeed any Government, face is that they must identify carers who do not identify themselves as being in need of help, and must none the less provide that help to them.

In providing that help, carers' relationship with the agencies that ought to be in partnership with them to help provide care is crucial. It is important, particularly for older carers, that their relationship with social services departments is good, productive and a genuine partnership, but too often that is not the case, as the Under-Secretary of State for Health, the hon. Member for Bury, South (Mr. Lewis), has said. A good relationship with the social services department means that an older carer is more likely to ask for help when it is needed. A bad relationship means that it is less likely that that help can be asked for, and that may be because many older carers fear that if they go to social services and ask for help, they will be judged incapable of looking after their loved one, who will be taken into residential care against their wishes and the wishes of the carer. That must be addressed. The Minister himself said that far too often carers believe they have to shout loudly to obtain the services that their loved ones need. He is entirely right, and it is perhaps the most significant problem that many carers face and which they often identify. It is particularly acute among older carers. Far too often, the services that are available to carers and the people for whom they care are arranged for the convenience of the provider, not for the convenience and use of the person who utilises them. Surely, the assumption should be that it is the carer, who knows the individual best, who knows best, not that it is the state that knows best.

Most people, as we all agree in this debate, would prefer their care to be delivered at home, in an environment with which they are comfortable and familiar. If that is to be achieved, we must all assist carers to deliver that care. Again, as we all agree, in future there will be many, many older carers, partly because of longer lifetimes, but partly because of other demographic changes. Indeed, it is far from inconceivable that someone looking after an aged parent is well past retirement age, so there is a whole new dimension to older carers' needs and responsibilities that we must address.

I agree entirely that supporting carers is not just the right and decent thing to do but is economically prudent. If people providing care on a voluntary basis do not

[Jeremy Wright]

continue to do so, it is simply unsustainable for the taxpayer to pick up the entire burden. I hope very much that the Government and, indeed, any Government will continue to give older carers particular consideration in making their judgments.

9.42 pm

Greg Clark (Tunbridge Wells) (Con): It is a pleasure to follow the powerful and reasoned contribution of my hon. Friend the Member for Rugby and Kenilworth (Jeremy Wright).

I should like to make one point, which is inspired by regular visits to the House over the past two years by the members of the west Kent branch of the Alzheimer's Society. A powerful point that emerges from talking to them is that the society is there to help the carers of suffers of that terrible disease as much as those who have the disease. That points to a wider lesson: when the drugs and treatment that can alleviate the effects of diseases are considered by the National Institute for Health and Clinical Excellence, the guidelines that it is obliged to follow focus narrowly on the effect on the patient, the health service and personal services, but the effects on carers are left out completely. I do not blame NICE for that—that is the nature of the standing orders from the Secretary of State under which it operates—but it is possible, particularly when considering Alzheimer's disease, that when NICE clinically evaluates a new generation of drugs and concludes that a certain drug is not sufficiently effective to be prescribed, if the effect on carers were allowed to be taken into account, a different result would come about. The Alzheimer's Society estimates that the new generation of drugs can save an hour a day of carers' time. That may not seem to be terribly much, but as the drugs cost £2.50 a day, even if carers were paid the minimum wage, the drugs would pay for themselves twice over if NICE were allowed to take into account the effect on carers.

I hope that when the Under-Secretary of State for Work and Pensions, the hon. Member for Stirling (Mrs. McGuire), replies she will comment on whether the Government are prepared to relax and change the conditions under which NICE operates to allow it to take into account the effects on carers. That is not necessarily a recipe for increasing expenditure but for a prioritisation of Government expenditure to reflect the true effect on people with diseases and those who look after them.

9.44 pm

Tim Loughton (East Worthing and Shoreham) (Con): The debate has been short, but concise and of high quality. It is a shame that more of the hon. Members who were present earlier for the Iraq debate were not in the Chamber to listen to the excellent representations that have been made. We are debating not an instant, but an ongoing experience for many millions of our constituents.

The hon. Member for Northampton, North (Ms Keeble) made a good point when she reinforced the consensus against bureaucracy and flagged up the caring responsibilities of many grandparents. My hon. Friend the Member for Rugby and Kenilworth (Jeremy Wright) made a powerful demographic point about the ageing population. Representing a constituency such as Worthing, I know about old carers, many of them well into their seventies, if not more, looking after even older charges. My hon. Friend the Member for Tunbridge Wells (Greg Clark) made a pertinent point about the particular challenges facing Alzheimer's sufferers. As somebody who has a large Alzheimer's Society branch in my constituency, I applaud the excellent support that it provides to carers. We have people in their mid-thirties now with Alzheimer's—not only are instances of the disease increasing, but it is affecting younger people.

I will not repeat the comments that have been made about the number of carers—6 million, or one in 10 adults—or the cost to the state that is being saved. Some 20 per cent. of young carers look after parents or family members with a mental health problem. We are discussing not just physical disabilities. I shall focus my comments on young carers, because we have so far talked mostly about older carers. I welcome the legislation that has been introduced over recent years, and some of the Government's strategy, but still too many young carers tell us that they are not getting the help and support that they need—an awful lot of warm words, but not enough firm action.

Surely our responsibility as parliamentarians and the responsibility of the Government should be to do everything we can to remove the obstacles to caring and to make the job of carers much easier because they do the nation an enormous service. We need to make their access and entitlement to information much easier so that they do not have to spend so much of their time hunting for it. We must make the paperwork simpler and shorter. My hon. Friend the Member for South-West Surrey (Mr. Hunt) cited horrendous figures to illustrate the complexities of the benefits system.

We must increase the availability of respite care and offer flexible respite care that can also be provided in the homes of the people being cared for. It is not just a question of sending somebody to a residential home. A little break can give a big boost to carers who have onerous responsibilities day in, day out. Above all, we must recognise and value the contributions of carers and provide flexibility. Caring is not a constant—the condition of a person who has a disability can go up and down so we need long-term and sustainable strategies. That is why, at the last election, we had in our manifesto certain commitments that would recognise the vital role played by informal carers.

I said that I would concentrate on the role of the 175,000 young carers—2 per cent. of children overall, including 18,000 children under the age of 15. That was starkly brought home last month when the Princess Royal Trust for Carers raised the case of Deanne Asamoah, the 13-year-old who died from a morphine overdose after caring for her terminally ill mother for four years, and the pressures of caring that brought her to that tragic end to her own life. Some 250,000 children in the United Kingdom live with a parent who engages in some form of substance misuse, and they often end up as carers as well.

The "Hidden Lives" report produced last year by Barnado's shows that some young carers can go for years without requesting help. They are often excluded

from medical discussions. One of the things that young carers mentioned to us is that when they are effectively providing nursing support to a family member, the doctor will exclude them from discussions, yet they are vital to providing that care and undertaking big responsibilities such as administering the drugs that may be prescribed. They suffer at school, and their social life and their health suffer. That is why I am glad that so many hon. Members mentioned the effect on carers themselves, not just the mechanics of caring for people with disabilities.

I echo the tributes that have been paid to organisations such as Barnado's, the Princess Royal Trust for Carers, the Children's Society's young carers initiative, NCH and Crossroads, and particularly to Jenny Frank, the programme manager at the Children's Society, who every year organises the young carers festival, which I have attended for most of the seven years that it has been held in Southampton, together with the hon. Member for Mid-Dorset and North Poole (Annette Brooke). Some years ago, at their own behest, they organised a parliamentary question time and invited MPs to go down there to answer questions. They invited us to go down again to report on the progress that has been made. I always feel slightly guilty at the lack of progress for young carers in too many cases, despite the warm words of many of us.

That festival, Madam Deputy Speaker—I know that you have your own interest in it—is a truly remarkable event. I defy anybody who goes there not to be overwhelmed by the enormous dedication of and sacrifices made by young people, many of whom are very young indeed. On 18 April this year, many of them came to Portcullis House, where I chaired a session with them in which they could, face to face with parliamentarians, give their checklist of the things that they wanted to happen to make their job easier. Let me quote some of the comments from that event and from previous young carers festivals. The things that they wanted to say to social services included:

"I want someone to teach me to cook proper meals for my mum when she's ill, not scrap meals."

"I want someone to be there when needed and when things get out of hand."

"To answer and return phone calls, and actually be on time and friendly and talk to me not just my parents."

"If they're not going to help they should say so straightaway."

Things that they wanted to say to their teachers included:

"We cannot always manage our time to do homework and often it is necessary to miss school and so we fall behind, but it is NOT our fault."

"We might be tired because we've been busy at home."

"We might need time to have FUN!"

I could repeat such comments from all the other events that we have attended.

Many young carers get into problems at school through no fault of their own. The cycle of truancy that can result can often be as follows. A child takes on a caring role and gets behind with work. They are late for school because they are looking after younger brothers and sisters, or they miss days when their family member is unwell. They are afraid of giving the real reasons, so they make up unconvincing excuses. They get detentions after school but cannot attend them because they have to get home. That leads to more trouble and worsening relationships with teachers, and it starts to become easier to stay at home where they feel valued. They miss out on their education, on their social life, and on their good health, which often means that they miss out on the career prospects that go with them.

What is needed for young carers is not rocket science. They tell us that they need continuity of funding for young carers' projects so that they do not start and then stop because the money has run out. They need good projects such as the Brighton young carers outreach project. They need respite to be available and to be able to have a social life. They need to be able to get together with other young carers. They need to know where to go for help and to be able to get it without struggling. They need to be included in health decisions about their charges. Above all, they need understanding and flexibility at school, with a nominated teacher who appreciates the problems that go with caring. We need to look after the health, career and development of our young carers, not just the people they look after, and the same goes for adults. The state should be on their side and at their side, not in their way. We owe these people a debt of gratitude, and we owe it to them to make their job easier.

9.53 pm

The Parliamentary Under-Secretary of State for Work and Pensions (Mrs. Anne McGuire): Like the hon. Member for East Worthing and Shoreham (Tim Loughton), I too, Madam Deputy Speaker, would like to recognise your own contribution to the support of carers over many years. I am sure that Mr. Speaker will not mind my saying that it is entirely appropriate that you are chairing tonight's debate.

I welcome the opportunity to highlight the commitment of carers who, as Members on both sides of the House have said, put a degree of commitment and energy into their task that would put many of us to shame. Today's launch of carers week makes it entirely appropriate that we are discussing these issues.

I echo what the Under-Secretary of State for Health, my hon. Friend the Member for Bury, South (Mr. Lewis), said when he opened the debate. The Government are justifiably proud of their record in extending support and opportunities to carers over the past 10 years, including the first national carers strategy in 1999. I believe that Governments should be judged not on their Green Papers and strategies but on their achievements. As my hon. Friend the Under-Secretary of State for Health said, the Government not only produced a national strategy for carers shortly after taking office, but have introduced a raft of initiatives since then.

At the heart of that strategy was the recognition that carers also deserve care and support. That did not previously exist. I thank the hon. Member for South-West Surrey (Mr. Hunt), who led for the Opposition, for acknowledging some of the Government's achievements. Tangible policy changes have occurred. We introduced the carer's grant to support councils to provide breaks and services for carers in England. By 2008, that grant will have delivered £1 billion worth of additional support. We introduced new legislation to improve carers' rights and a new right to carer's assessment. Indeed, in 2004, Parliament extended the nature and scope of carer's

[Mrs. Anne McGuire]

assessment through the Carers (Equal Opportunities) Act, which, as my hon. Friend the Under-Secretary said, was a private Member's Bill.

However, as the motion states, many carers do not currently work. The Government want carers to be able to work when their caring commitment allows them to do so. We all recognise that employment brings not only financial advantages but social contact, on which many carers miss out if they care full time. That is why, in April this year, the Government extended the right to request flexible working to the majority of carers of disabled adults. Again, that was not even contemplated previously.

I hope that hon. Members recognise that we have demonstrated our commitment to helping carers balance their caring responsibilities with their need and desire to work and engage in social activity.

Let me pick up on a couple of points that hon. Members made. The hon. Member for Romsey (Sandra Gidley) highlighted the importance of flexible working practices and I was delighted to hear the example—I think it was of British Telecom—that she gave. She said that the company had introduced flexibility not only for specific categories of workers but across the piece. That will undoubtedly assist carers. I gently suggest to her that she needs to look again at the website from which she got the telephone number she mentioned because we cannot trace a Government helpline that is open only between the hours of 10 and 4 on two days a week. We suspect that it may be one of the many helplines that voluntary organisations have set up. If she gives us the telephone number, we will double-check that.

Mr. Ivan Lewis: Don't ring us, we'll ring you.

Mrs. McGuire: Something like that.

I was especially delighted that my hon. Friend the Member for Northampton, North (Ms Keeble) highlighted the importance of the carer's element in pension credit. She rightly said that it is a bit of an unsung, positive response by the Government to income maintenance for those at state retirement age when they lose out on their carer's allowance.

Let me point out to the hon. Member for Rugby and Kenilworth (Jeremy Wright) that one problem that we addressed with regard to older carers was lifting the age embargo that existed throughout the Conservative Government's tenure and which meant that people at state retirement age were no longer entitled even to apply for carer's allowance. We lifted that embargo and said that age was no disadvantage to applying for carer's allowance, and when it could not be paid because of the double entitlement rule, we introduced the carer's premium, which my hon. Friend the Under-Secretary highlighted.

I appreciate that I may not have much longer to stand at the Dispatch Box, since I see the right hon. Member for West Derbyshire (Mr. McLoughlin) from the Opposition Whips Office in his place. I regret that the debate has been so short, but I hope we have demonstrated that we are committed to recognising the efforts of carers and building on their support. I look forward to further discussions with colleagues across the House to see how we can make matters even better.

Question put, That the original words stand part of the Question:—

The House divided: Ayes 198, Noes 291.

Division No. 137] **[10 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Ancram, rh Mr. Michael
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Beresford, Sir Paul
Binley, Mr. Brian
Bone, Mr. Peter
Boswell, Mr. Tim
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, rh Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Cash, Mr. William
Chope, Mr. Christopher
Clark, Greg
Clifton-Brown, Mr. Geoffrey
Cox, Mr. Geoffrey
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Philip
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Evans, Mr. Nigel
Evennett, Mr. David
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Foster, Mr. Don
Francois, Mr. Mark
Fraser, Mr. Christopher
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gidley, Sandra
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gray, Mr. James
Green, Damian
Greening, Justine
Greenway, Mr. John
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hammond, Stephen
Hands, Mr. Greg
Harper, Mr. Mark
Harvey, Nick
Hayes, Mr. John
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Horam, Mr. John
Horwood, Martin
Howard, rh Mr. Michael
Howarth, David
Howarth, Mr. Gerald
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hunter, Mark
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Leech, Mr. John
Letwin, rh Mr. Oliver
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Mackay, rh Mr. Andrew

Maclean, rh David
Malins, Mr. Humfrey
Maples, Mr. John
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Miller, Mrs. Maria
Milton, Anne
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Murrison, Dr. Andrew
Newmark, Mr. Brooks
Oaten, Mr. Mark
Öpik, Lembit
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Price, Adam
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Stanley, rh Sir John
Steen, Mr. Anthony
Streeter, Mr. Gary
Stuart, Mr. Graham
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Taylor, Matthew
Teather, Sarah
Thurso, John
Tredinnick, David
Tyrie, Mr. Andrew
Viggers, Peter
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Webb, Steve
Widdecombe, rh Miss Ann
Wiggin, Bill
Williams, Hywel
Williams, Mark
Willis, Mr. Phil
Willott, Jenny
Wilshire, Mr. David
Wright, Jeremy
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Angela Watkinson and Michael Fabricant

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Atkins, Charlotte
Austin, Mr. Ian
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Betts, Mr. Clive
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blizzard, Mr. Bob
Blunkett, rh Mr. David
Borrow, Mr. David S.
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Clapham, Mr. Michael
Clark, Ms Katy
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coffey, Ann
Cohen, Harry
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Crausby, Mr. David
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
David, Mr. Wayne
Davidson, Mr. Ian
Davies, Mr. Dai
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Farrelly, Paul
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flynn, Paul
Follett, Barbara
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, rh Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hillier, Meg
Hodge, rh Margaret
Hood, Mr. Jim
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr. George
Hoyle, Mr. Lindsay
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Mackinlay, Andrew
MacNeil, Mr. Angus
MacShane, rh Mr. Denis
Mahmood, Mr. Khalid
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McGovern, Mr. Jim
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, Edward
Miller, Andrew
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Morgan, Julie
Morley, rh Mr. Elliot

Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Murphy, Mr. Denis
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Prentice, Bridget
Prentice, Mr. Gordon
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, Angus
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Sarwar, Mr. Mohammad
Seabeck, Alison
Shaw, Jonathan
Sheridan, Jim
Simon, Mr. Siôn
Simpson, Alan
Skinner, Mr. Dennis
Slaughter, Mr. Andy
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stewart, Ian
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Taylor, Dr. Richard
Thomas, Mr. Gareth
Thornberry, Emily
Timms, rh Mr. Stephen
Tipping, Paddy
Touhig, rh Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, rh Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Weir, Mr. Mike
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, rh Ms Rosie
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Michael Foster and Huw Irranca-Davies

Question accordingly negatived.

Question, That the proposed words be there added, *put forthwith, pursuant to Standing Order No. 31 (Questions on amendments), and agreed to.*

Main Question, as amended, put and agreed to.

Resolved,

That this House recognises the vital contribution that the UK's six million carers make to society; welcomes recent announcements on carers including the Government review of the first ever National Strategy for carers, the New Deal for Carers and the Treasury report "Aiming high for disabled children: better support for families" as steps towards an improvement in recognition and support for carers; notes that the review of the National Strategy includes a far reaching consultation with carers and others to make recommendations for the short, medium and long-term; further welcomes the extra £25 million for short-term home-based respite care for carers and the extra £3 million towards establishing a national helpline for carers announced in 2007; congratulates the Government for introducing in 2007 the new Expert Carers Programme; further notes that the Pensions Bill currently before Parliament includes a package of reforms to recognise the contribution made by carers and ensure that they can build up better pension records; further notes that the right to request flexible working introduced by this Government will help carers better balance their work and caring benefits; and further welcomes the substantial improvements made to the benefits available to low income carers.

Madam Deputy Speaker (Sylvia Heal): Order. Will Members who are leaving the Chamber please do so as quickly and quietly as possible? Will those who are remaining please reduce the level of conversation?

Mr. Nicholas Soames (Mid-Sussex) (Con): On a point of order, Madam Deputy Speaker—*[Interruption.]*

Madam Deputy Speaker: Order. I wish to hear the hon. Gentleman's point of order.

Mr. Soames: Today, I tabled a parliamentary question to the Secretary of State for Foreign and Commonwealth Affairs. Since a Foreign Office Minister is present, I wondered if I might raise the matter with you, Madam Deputy Speaker. The question was:

"To ask the Secretary of State...how many Russian diplomats have been asked to leave London for activities incompatible with their diplomatic status in the last 12 months."

The answer is:

"I will reply to the hon. Member shortly."

It seems to me that that cannot be an accurate or proper reply to give to a Member of Parliament—that the Foreign Office does not know how many Russian diplomats have been asked to leave because of activities incompatible with their diplomatic status. As a general point, will you say that the Chair expects that properly tabled questions deserve and require proper answers?

Madam Deputy Speaker: The occupant of the Chair has many responsibilities, but Ministers' replies are entirely Ministers' responsibility. I think the hon. Gentleman's point of order will have been heard and noted.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Delegated Legislation Committees),

Value Added Tax

That the Value Added Tax (Payments on Account) (Amendment) Order 2007 (S.I., 2007, No. 1420), dated 10th May 2007, a copy of which was laid before this House on 10th May, be approved.—*[Tony Cunningham.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Delegated Legislation Committees),

That the Value Added Tax (Administration, Collection and Enforcement) Order 2007 (S.I., 2007, No. 1421), dated 10th May 2007, a copy of which was laid before this House on 10th May, be approved.—*[Tony Cunningham.]*

Question agreed to.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Delegated Legislation Committees),

Northern Ireland

That the draft North/South Co-operation (Implementation Bodies) (Amendment) (Northern Ireland) Order 2007, which was laid before this House on 10th May, be approved.—*[Tony Cunningham.]*

Question agreed to.

COMMITTEES

Home Affairs

Ordered,

That Mr Richard Spring be discharged from the Home Affairs Committee and Patrick Mercer be added. —*[Rosemary McKenna, on behalf of the Committee of Selection.]*

Procedure

Ordered,

That Mr David Gauke be discharged from the Procedure Committee and Mr Roger Gale be added. —*[Rosemary McKenna, on behalf of the Committee of Selection.]*

Pakistan

Motion made, and Question proposed, That this House do now adjourn.—*[Tony Cunningham.]*

10.15 pm

Mr. George Galloway (Bethnal Green and Bow) (Respect): I have an interest in Pakistan. I hold the highest civil award that the country can bestow, the Hilal-i-Quaid-i-Azam, given to me at the end of the 1980s for my work for the restoration of democracy in Pakistan at the end of an earlier bout of military dictatorship supported at the time by the then British Government. I also hold the second highest civil award in Pakistan, the Hilal-i-Pakistan, given to me for my work on behalf of the rights of the people of Kashmir. Until the military overthrow of democracy in Pakistan, I worked closely with all the democratic parties in the country.

It is worth establishing a time line. General Musharraf, as we used to call him when he seized power in a military coup in 1999—before we began to call him President Musharraf, an office to which he appointed himself—came to power having imprisoned and then exiled the democratic political leaders in the country. In 2002 he held a referendum, an extraordinary one even by the standards of eastern potentates, in which he won 97 per cent. of the vote. The referendum was described by Transparency International as blatantly rigged, and the accompanying parliamentary elections in 2002 were described in the same way by all international and disinterested observers. At that time Musharraf made a promise that he would cease to be chief of the army general staff—a promise on which he has reneged.

In September 2006 Amnesty International issued a detailed report on human rights abuses in Pakistan, alleging that the Musharraf Government were responsible for violating

"a wide array of human rights".

The alleged violations included torture, unlawful detention, enforced disappearance, extrajudicial execution, unlawful transfer of persons to the United States and other countries, and arbitrary arrests.

That date, September 2006, is important. Two months later, in November 2006—just over six months ago—the British Prime Minister visited President Musharraf, and this is what he said. He paid tribute to General Musharraf for

"symbolising the future for Muslim countries the world over."

I want the House to keep those words in its mind. The Prime Minister praised Musharraf, the military dictator of Pakistan, for

"symbolising the future for Muslim countries the world over."

Let us see what has happened in Pakistan since the Prime Minister uttered those words. The chief justice, Iftikhar Chaudhry, insisted on hearing cases of "missing persons" and objecting to the privatisation of a steel mill. I think we know who may have taken over, perhaps new Labour's biggest donor, Mr. Mittal, who has given millions of pounds to the Labour party. The chief justice would have none of it and was told by President Musharraf that he must resign. He refused to resign and, on 16 March, just three months after Prime Minister Blair held Musharraf as symbolising the future for Muslim countries, the chief justice was

[Mr. George Galloway]

supported by demonstrations throughout the country by lawyers, civil society groups and Opposition parties, which were savagely assailed by General Musharraf's armed forces. That included the first of many attacks on independent television stations.

On 26 April, the chief justice made a 26-hour journey by car from Islamabad to Lahore and was welcomed by vast crowds along the way. On 12 May, the Government of Sindh, a coalition Government of Musharraf's king's party and the Muttahida Quami Movement, led from London by a British citizen, Altaf Hussain, to whom I shall return, laid siege to the city. The main thoroughfares were blocked, lawyers and their supporters were attacked outside the Karachi Bar with batons and the MQM militants fired bullets indiscriminately into the peaceful demonstrators. Eleven members of the Pakistan Peoples party were killed, 10 members of the Justice Movement of Imran Khan, with whom I met today and who is meeting the Leader of the Opposition tomorrow—I am not sure whether the Minister will find time in his busy schedule to meet Imran Khan—were wounded, as were scores of others. Last week, just seven months after the Prime Minister said that Musharraf symbolised the future for Muslim countries around the world, all independent television stations were closed down and a draconian ordinance on the press was introduced.

Human Rights Watch, an organisation oft quoted approvingly by Her Majesty's Government, says that

"As president, Musharraf has arbitrarily amended the Pakistani constitution to strengthen the power of the presidency, marginalize elected representatives, and formalize the role of the army in government"

and claimed military impunity for abuses. It goes on:

"These abuses include extrajudicial killings, torture, arbitrary arrests".

In *The Guardian* today, there is a story about how those independent television stations have been taken off the air and journalists fired upon. One television station, Aaj TV, was attacked for six hours in Karachi during the unrest accompanying the chief justice of Pakistan's visit to the city. The report states that a large demonstration was tear-gassed, bullets were fired, batons and rubber bullets were used, television stations were taken off the air and 52 bullets were fired into the television studio of Aaj TV.

The US State Department—I quote it because the United States Government often act in synchronicity with our own—says that the MQM, which is the power in Karachi,

"has been widely accused of human rights abuses since its foundation two decades ago"

and it goes on:

"In the mid-1990s, the MQM-A was heavily involved"—

not alleged to be heavily involved—

"in the widespread political violence that wracked Pakistan's southern Sindh province".

Three Members of Congress, led by Joseph Biden, another man close to new Labour, wrote the following letter just a few days ago to Condoleezza Rice:

"Dear Secretary Rice...we have witnessed the spiral of civil unrest and harshly-suppressed protest in Pakistan...We ask that you publicly call for an immediate end to the violence, and urge the government of Pakistan to commit to holding free and fair elections by the year's end."

Nothing less will be acceptable from the Minister this evening.

Joe Biden and his fellow Senators say that President Musharraf's dismissal of the chief justice has sparked protests from tens of thousands,

"spearheaded by bar associations, and supported by moderate political parties and civil society organizations".

They say:

"The violence in Karachi appears to show disturbing signs of collusion between MQM and government forces"

leading to the deaths and wounding of opposition party militants and other protestors—and they go on, and on. They say in the final paragraph:

"The national interests of the United States and of Pakistan are both served by a speedy restoration of full democracy to Pakistan, and by an end to state-sponsored intimidation—often violent—of Pakistani citizens protesting government actions in a legal and peaceful manner. We urge you to make a public appeal to this end, and to raise these matters forcefully in your interactions with Pakistani government officials."

Again, nothing less will be acceptable from the Minister when he addresses the House this evening.

Following my discussions today with Imran Khan, I want to emphasise that my primary concern, and that of most Pakistanis living in Britain, is this: why is Altaf Hussain being allowed to conduct from a sofa in Edgware a terrorist campaign and a campaign of extortion of businesses and citizens in Sindh, and why was he given British citizenship? I would like the Minister to answer the following question tonight, and if he does not have the answer to hand I would like him to write to me to inform me of it: was Altaf Hussain ever refused British citizenship; and, if he was, what changed between that refusal and the granting of citizenship to him? It is extraordinary that in the middle of a so-called war on terror there is such a bloody reign of terror in a major Pakistani city—and there are millions of Pakistanis who are citizens of our country. A terrorist cell is operating from Edgware in the form of the MQM. Every day, Altaf Hussain, a British citizen, addresses his puppets in Karachi, giving them instructions on how they should govern, including how they should handle peaceful demonstrations.

The Minister smiles smugly. He might think that this is a small matter, but if this man, instead of being a stooge of General—sorry, President—Musharraf and of a Government allied to his own, were a hook-handed, glass-eyed ranting mullah, he would at best already be in Belmarsh and at worst he would be on a plane being deported to the country from where he absconded from murder charges.

This man is the godfather of Sindh—he is the godfather of Karachi—and he is living high on the hog from the extortion of the citizens of Karachi. I really do not know why the Minister finds this funny. It is a serious matter. The question that must be answered is this: how long will the British Government tolerate this situation that is occurring under their noses? Citizenship was given to Hussain under this Government in 1999, and it is my belief that he was refused citizenship under the previous Administration. I want to know why he was given citizenship, and why he is being allowed to operate with impunity.

Far from symbolising the future for the Muslim countries around the world, General Musharraf crystallises the problem which western Governments have in those countries. We tell people that we are invading countries in order to defend democracy and liberty, but we support dictators who crush democracy and liberty as long as they do so in concordance with western policy on other matters.

The slogan, "My enemy's enemy is my friend" is a deeply flawed one, but the Government do not seem to have learned that. They did not read the novel "Frankenstein" to the end. Dr. Frankenstein created a monster, but he lost control of it because we cannot control monsters. Across the border in Afghanistan, we helped to create the monster of jihadism and Islamist fundamentalism that became bin Laden and became the Taliban, on the principle that my enemy's enemy is my friend. However, Madam Deputy Speaker, as we are finding in Iraq and to some extent in Palestine, our enemy's enemy is not always our friend. Sometimes, our enemy's enemy is worse than our enemy, and by allying ourselves with the former, making him our friend, we become complicit in the crimes that he commits.

Nobody in the Muslim world can believe that this Government are really interested in democracy and liberty in the Muslim world, so long as they are kissing Colonel Gaddafi in the tent at Sirte—the same Colonel Gaddafi who brought down the Lockerbie airliner, we were told, with the deaths of hundreds of people; the same Colonel Gaddafi whom we said funded the IRA's bombing campaign in Britain through the '70s and '80s; the same Colonel Gaddafi whom we said shot down an English policewoman in a London square. Nobody can believe that Colonel Gaddafi deserves the kisses of the British Prime Minister. Nobody believes that Colonel Gaddafi has changed—just that he has changed sides.

Nobody believes that General Musharraf really is the President of Pakistan, and to treat him as if he is is an insult to the hundreds of millions of Pakistanis living under the iron heel of his dictatorship, not to mention the Pakistanis living as citizens in Britain, many of whom have traditionally voted for the Minister's party. So I hope that the Minister will bear that in mind when he answers this debate. General Musharraf is a tyrant who is about to fall. I urge this Minister not to do as the now Lord Owen did in backing the tyrant Shah of Persia until the last moments before he fell. It was because of western support for tyrants such as the Shah until the last moments that the radicalisation of such as the Islamic revolution in Iran took place.

My last words are these. Pakistan is a nuclear power. After Musharraf falls, no one knows who will replace him. Whose finger will be on the nuclear trigger in Pakistan once Musharraf falls? The Government would be doing Britain the favour that Biden and others are doing America by intervening now to distance themselves from this tyrant and to help the democratic forces come back to power in Pakistan.

10.33 pm

The Minister for Europe (Mr. Geoffrey Hoon): May I begin by extending the normal courtesies of the House to the hon. Member for Bethnal Green and Bow (Mr. Galloway) on securing tonight's debate, which he entitled "Restoration of democracy in Pakistan"? I am sure that everyone—including, I hope, the hon. Gentleman—will join me in condemning the recent violence in Karachi and terrorist attacks in Pakistan that have killed and injured so many people. On behalf of the United Kingdom, I extend my sympathies and condolences to those affected.

As this House is aware, Pakistan is an important friend and ally of the United Kingdom. Sixty years after independence, the bilateral relationship between Pakistan and this country is as close as it has ever been. We are closely intertwined historically, culturally and politically. More than 800,000 British citizens living in the UK have Pakistani origins. What is perhaps less well known is that there are at least 80,000 residents in Pakistan with British nationality. About 150,000 people from each country visit the other country every year.

Pakistan is at the heart of a range of the key international issues, including counter-terrorism, counter-proliferation, counter-narcotics, migration and cross-cultural and cross-community relationships. These are all shared challenges, which we need to tackle together. The UK is grateful for the continuing co-operation on counter-terrorism that it receives from Pakistan, and the sacrifices that Pakistan has made in the border region with Afghanistan to prevent the Taliban and other criminal elements from crossing the border.

This debate is, however, focused on the question of democracy, and I want to deal with a number of related issues in turn, the first of which is human rights. The Government welcome President Musharraf's commitment to promoting "enlightened moderation". The recent reform of the Hudood laws was an important step forward in human rights and democracy in Pakistan. Ministers have consistently raised human rights questions with the Pakistani Government, welcoming their efforts on the women's protection Bill, for example. Follow-up by the British Government detailed a number of our human rights concerns in Pakistan, and offered UK support on a range of connected issues.

One of those issues was the effect of the blasphemy laws on religious minority groups. We have welcomed Pakistan's efforts to address that issue, and encourage further reform of discriminatory legislation. I am aware of the continuing problems faced by minority groups in Pakistan, such as the Christian community in the North-West Frontier Province. We continue to monitor closely the developments in these cases.

Both bilaterally and with our European partners, we continue to engage in dialogue with Pakistan on the issues of discriminatory legislation and the situation of minorities. Freedom of religion is a fundamental human right, and we will continue to voice our concerns to the Government of Pakistan.

The hon. Gentleman also raised the related question of media freedom. I am aware of the new ordinance introduced on 4 June, giving greater powers to the Pakistan Media Regulatory Authority. That ordinance was suspended on 6 June, although the hon. Gentleman did not mention that, and subsequently revoked. In response, EU Heads of Mission in Islamabad reaffirmed the great importance that the EU attaches to freedom of expression and of the media as a crucial element for a successful democratic process. They welcome the

[Mr. Geoffrey Hoon]

Government of Pakistan's decision to suspend the amendment and express their confidence that further steps will be taken to safeguard a political climate in which freedom of expression and of the media is respected, and is conducive to free and fair elections. Freedom of information is essential to economic and social development and stability, and we actively support the evolution of a free and fair press in Pakistan.

On the issue of democratic institutions, in Malta in 2005, Commonwealth Heads of Government welcomed the progress that Pakistan was making in restoring democracy and rebuilding democratic institutions. It is important that Pakistan continue that transition. Strengthening democratic institutions and promoting freedom of expression are vital steps in countering extremism and promoting an environment of tolerance.

The Department for International Development is working in partnership with Pakistan to help to develop its institutions and increase the accountability of the state to its citizens. That programme has four dimensions, which are public sector reform, representative government, access to justice and citizen participation. We also support major interventions underpinning the reform process in government. An important context for DFID's work is Pakistan's devolution reform, which was announced in March 2000 by President Musharraf. A distinctive feature is that it aims to deliver "justice at the doorstep", including moving beyond public safety and the recognition of basic human rights to political and administrative justice. Other interventions include support to tax administration reform, reform of the Federal Bureau of Statistics, and a package of district level reforms in Faisalabad district.

As the House is aware, when the Prime Minister visited Pakistan in November 2006, he announced a doubling of the UK's development programme for Pakistan. DFID is currently working on its new country assistance plan, which will include further support to Pakistan on good governance, institution building and empowerment.

The UK looks to the Pakistan Government to ensure that the forthcoming presidential and parliamentary elections are held in a free and fair manner in which it is equally possible for all political parties to participate. The British Government welcomed the appointment of an independent election commissioner as an important first step towards those free and fair elections. We are supporting him and his team in their efforts to provide free and fair elections, and to strengthen the role of local election monitors. We call on the Government of Pakistan and the Election Commission to continue their work on voter registration.

In January this year, the Department for International Development announced that it would be giving £3.5 million to support the electoral process in Pakistan. The money will be spent on a number of areas that are fundamental in ensuring a successful electoral process. They include voter registration, training of polling staff and party agents, voter education and ensuring maximum citizen participation in and oversight of the electoral process. The funds will also provide support for a group of international observers to give an objective analysis of the conduct of the elections.

The hon. Member for Bethnal Green and Bow mentioned President Musharraf's dual role as head of state and chief of army staff. The UK remains committed to the declaration made by Commonwealth Heads of Government in Malta in 2005, to which Pakistan also agreed, that until the two offices of head of state and chief of army staff are separated, the process of democratisation in Pakistan will not be irreversible.

In conclusion, I emphasise the fact that the UK has a long-term commitment to Pakistan's future. We are closely linked and we share common goals: to defeat terrorism, to tackle extremism, and to share a peaceful and prosperous democratic future. For our part, the Government will continue to work with the Pakistani Government to achieve those goals.

Question put and agreed to.

Adjourned accordingly at twenty minutes to Eleven o'clock.

House of Commons

Tuesday 12 June 2007

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

SCOTLAND

The Secretary of State was asked—

Barnett Formula

1. **Mr. Peter Bone** (Wellingborough) (Con): What recent discussions he has had with the Chancellor of the Exchequer on the operation of the Barnett formula as it affects Scotland. [140952]

The Parliamentary Under-Secretary of State for Scotland (David Cairns): The Government have no plans to replace or review the Barnett formula, which has delivered fair, stable and transparent settlements for Scotland, Wales and Northern Ireland under successive Administrations for almost 30 years.

Mr. Bone: Public expenditure in Scotland is £8,414 per head, yet in the east midlands it is a quarter less, at £6,334. In Wellingborough, a secondary school has been demolished, there have been cuts in the police force and we do not have a local hospital. Why should the population of Wellingborough and the rest of the east midlands subsidise the population of Scotland by the massive amount of £2,080 a year? What is the justification for that huge difference in public expenditure?

David Cairns: In every constituency, in every part of every region and nation of this country, there has been a massive increase in public services: more schools, more doctors, more nurses. As it happens, investment in public spending in Scotland has increased in the past five years by 18 per cent., but in England it increased by 21 per cent., so there are higher rates of increase in England. As the hon. Gentleman has brought it up, I should point out that in his area there are 420 more teachers than in 1998, 163 more police officers and 62 police community support officers. In his NHS area, there are 6,886 more nurses, 725 more consultants, 353 more GPs and 548 more dentists—all on account of strong economic management by the Government—

Mr. Speaker: Order. I think the hon. Member for Wellingborough (Mr. Bone) has got the point.

Mr. Tom Clarke (Coatbridge, Chryston and Bellshill) (Lab): Recently, I had the privilege of chairing an all-party review of services for disabled children. The Treasury's response was to target £340 million for England and £34 million for Scotland. May I have my hon. Friend's assurance that nothing in the Barnett formula will prevent us from continuing to negotiate with the Executive to ensure that funding is indeed targeted at disabled children and the needs we identified?

David Cairns: It is only right to point out that my right hon. Friend has done more to advance the cause of disabled children than almost any other Member of the House, and much tribute is due to him. He is right to point out that as part of the comprehensive spending review settlement for the Department for Education and Skills in England money additional to that agreed with the Barnett consequentials at the time has been made available. His point underlines the fact that, because of the strong economic performance of the United Kingdom over the past 10 years, significant sums of additional money are going to education and health in Scotland, as they are throughout the rest of the UK. Obviously, it is for each of the devolved Administrations to decide how to spend the money made available to them, but my right hon. Friend makes an excellent case that additional resources should be spent on services for disabled children, and I look forward to that happening.

John Thurso (Caithness, Sutherland and Easter Ross) (LD): When the Minister next has discussions with the Chancellor, will he also raise the issue of moneys not contained in the Barnett formula, particularly Nuclear Decommissioning Authority funding for decommissioning at Dounreay? He will be aware that earlier this year there was a severe threat to Dounreay caused by problems outside Scotland. Will he ensure that his right hon. Friend is aware of that so that such threats do not reoccur in future years?

David Cairns: I am happy to have that conversation and to inform the hon. Gentleman that I shall be visiting Dounreay next Friday, where I will be able to hold discussions with local management. If the hon. Gentleman wants to come along—*[Interruption.]* I am telling him now. Don't start with the "no phone calls and no letters"—I am telling the hon. Gentleman now that I shall be there next Friday, so why do he and I not sit down with local management at Dounreay and discuss all those issues?

Economic Activity

2. **Ms Katy Clark** (North Ayrshire and Arran) (Lab): What assessment he has made of trends in the level of economic activity in Scotland since the 2005 general election. [140953]

The Secretary of State for Scotland (Mr. Douglas Alexander): If I may, Mr. Speaker, I shall begin my answer by placing on the record condolences on behalf of the whole House on the passing of the noble Lord Ewing who served the House and Scotland with great distinction.

Since the 2005 general election, output in Scotland's economy has grown at above the long-term trend rate. In employment terms, economic activity has increased and is now at a record high.

Ms Clark: Does my right hon. Friend agree that such growth and stability in the Scottish economy do more for all our constituents in Scotland than constitutional wrangling?

Mr. Alexander: I certainly find myself in agreement with my hon. Friend. Last week, I had the opportunity to visit China, where I met a range of British businesses, including Scottish businesses, which are investing in that expanding economy. When one has the opportunity to meet such business people and discuss with them the challenges facing Scottish business in the global economy, it is perfectly obvious that the economic stability of the past 10 years has provided strong foundations on which to seek new markets, new prosperity and new jobs for Scotland.

Angus Robertson (Moray) (SNP): On behalf of the Scottish National party, may I associate myself with the comments that the Secretary of State made about the record of public service of Lord Ewing?

Has the Secretary of State read the newly published survey of success by the Federation of Small Businesses that sadly shows Scotland lagging as the worst-performing country in western Europe? I know that the Labour party has just lost political hegemony after 50 years in Scotland, but what responsibility does it accept for this woeful state of affairs? How long will it take for the only party in Scottish politics that as yet holds out against more powers for the Scottish Parliament—the Labour party—to reassess that, join the rest of us and give the Scottish Parliament the powers to improve the economy and society of Scotland?

Mr. Alexander: Notwithstanding that characteristically gracious question, may I pass on my congratulations to the hon. Gentleman on assuming the leadership of the Westminster group of his party? I fear, however, that he will continue to articulate a case of "Scotland the Victim" rather than "Scotland the Brave". If one actually takes the opportunity to consider the FSB index of success report, one will recognise that Scotland is above Switzerland, Sweden, Ireland, Iceland, Denmark and Norway in terms of educational attainment. Scotland ranks seventh out of 32 for employment, representing equality of opportunity and how that comes about.

Of course, it is right to recognise that we face a very considerable challenge in terms of life expectancy and public health. Those areas of responsibility touch on the issue of poverty, for which both this House and the Scottish Parliament have responsibility, but I fail to see from the hon. Gentleman's argument how additional powers would help the Scottish Parliament, given that it has responsibility for health policy in Scotland. If he is concerned about health inequalities in Scotland, he will be better discussing them with the First Minister.

Mr. Ian Davidson (Glasgow, South-West) (Lab/Co-op): May I associate myself with the Secretary of State's remarks about the sad passing of Harry Ewing, who contributed an enormous amount to my election in 1992 when I defeated Jim Sillars of the SNP—a fact greatly welcomed by all concerned?

Is the Secretary of State aware that unemployment in my constituency has come down by more than 50 per cent. since 1997, but is he also aware that I am still not satisfied? Can he therefore tell us when he will be arranging for there to be an announcement about the orders for the two aircraft carriers?

Mr. Alexander: I know of long standing that my hon. Friend is always proud but not satisfied in relation to employment in his constituency. His constituency is just one of the many constituencies—not just in Glasgow or west central Scotland but across the whole of Scotland—that has seen unemployment tumble in recent years as a direct consequence of the economic stability of which I was just speaking. Of course, much further work needs to be done in Glasgow, and it is the case that Ministry of Defence orders to British shipyards in Scotland have contributed significantly to the employment success that has been achieved in recent years. However, this Government recognise that more needs to be done.

Malcolm Bruce (Gordon) (LD): I echo the tributes to Lord Ewing and, in particular, pay tribute to his role as joint chair, along with Lord Steel, of the Scottish Constitutional Convention that delivered many of the changes that Scotland benefits from today.

May I concur with the Secretary of State that many parts of Scotland are performing well and have the potential to develop more strongly? However, for that to happen in places such as the north-east, we need continual investment in infrastructure—for example, the western peripheral route and a commuter rail service between Inverurie and Stonehaven—and a regime for oil, gas and energy that encourages long-term development and investment. For businesses in my constituency, being part of a strong Scotland within a strong United Kingdom is an overwhelming priority.

Mr. Alexander: Somewhat unusually, I find myself broadly agreeing with the sentiments expressed by the right hon. Gentleman. It is of course the case that we want to see continued investment on the UK continental shelf in the North sea. Although the primary responsibility is with the Scottish Executive, it is also the case that we want to ensure that there is an infrastructure to support sustained economic growth. It is also the case that that has taken place not just on the platform of economic stability but as part of a significant global economy. That is why Scotland has enjoyed such economic success in recent years.

Act of Union Celebrations

3. **Philip Davies** (Shipley) (Con): What discussions he has had with Scottish Ministers on the planned Act of Union celebrations in Scotland. [140954]

The Secretary of State for Scotland (Mr. Douglas Alexander): A range of activities has been planned to celebrate the Act of Union, some of which have taken place already. As you are aware, Mr. Speaker, you and the Lord Speaker earlier today opened an exhibition in the Royal Gallery in the other place displaying some of the historic documents associated with the treaty of Union. That exhibition is due to travel to the Scottish Parliament later in the year.

Philip Davies: Does the Secretary of State share my concern that what is undermining the Act of Union celebrations is not just the SNP victory in the Scottish parliamentary elections, but the fact that there is growing resentment in England about the unfairness of the constitutional settlement since devolution? Does he agree that the only way to ensure that we can celebrate the Act of Union in the long term—and, indeed, to save the Union in the long term—is to ensure that Scottish MPs in this House do not vote on matters that apply only to England?

Mr. Alexander: I am not convinced by the case that the hon. Gentleman outlines. Opportunism is vying with principle on the Conservative Benches, as the Conservatives try to frame a policy on the United Kingdom. I am somewhat more optimistic than he is about the future of the Union, given that—notwithstanding the election of the First Minister a few weeks ago—at the elections the Scottish people overwhelmingly rejected the party that sought separatism. Two out of three votes cast were clearly in favour of the Union.

Mr. Jim McGovern (Dundee, West) (Lab): Does my right hon. Friend agree that the Union of Scotland with other parts of the UK does far more for each and every part of the UK than narrow nationalism ever will?

Mr. Alexander: I find myself in agreement with my hon. Friend, and not simply for the historic reasons relating to the strength that the Union brings to Scotland and England—the shared history, the common geography and the trading links that we have enjoyed in recent centuries. Looking to the future, the ability to balance the strength that we draw from each other with a recognition of diversity is a powerful message to send to the whole world. What a dismal message it would send to the world if, on the 300th anniversary, people were to judge that, instead of working together, we should split apart.

Pete Wishart (Perth and North Perthshire) (SNP): The Secretary of State and the Scotland Office have played an absolute blinder on this one. Look what we have secured in this anniversary year: we have a brand-new shiny £2 coin and a brand-new shiny SNP Government in Edinburgh. Will he pledge to continue to do what he has done so well and reflect the public's enthusiasm for this celebration by continuing to do not very much at all?

Mr. Alexander: What powerful eloquence from the hon. Gentleman. The fact is that Scottish people recognise that there is something useful about having a £2 coin—in clear distinction to an SNP-led Administration.

Mr. Ian Austin (Dudley, North) (Lab): Surely the best way of celebrating this magnificent anniversary would be to reject once and for all the idea that some Members of the House should be prevented from voting on some matters before it. That is an undemocratic, anti-British proposal that would create a de facto English Parliament and lead inexorably to the break-up of Britain.

Mr. Alexander: I know that my hon. Friend is tireless in his advocacy not just of his part of the west midlands, but of the case for the United Kingdom. A United Kingdom needs a united Parliament. The argument that Members on the Opposition Benches sometimes articulate—that somehow there is a great oppression of England by Scottish MPs—ignores the fact that more than 80 per cent. of the House is not composed of Scottish MPs. The House reflects the geography and the population shares of the respective nations of the United Kingdom. I am convinced that there is a strong case for having a single class of MPs who are able to legislate on the matters that come before the House. That has served us well in the past, and I believe that it will serve us well in the future.

David Mundell (Dumfriesshire, Clydesdale and Tweeddale) (Con): May I associate Conservative Members with the Secretary of State's comments about Lord Ewing?

I am sure that the Secretary of State will agree that one aspect of the Act of Union to be particularly celebrated is the retention of Scotland's distinct legal system. So like me and Jack McConnell, was he appalled by the Prime Minister's apparent willingness to ride roughshod not just over the Scottish legal system but over the whole devolution settlement in seeking to agree a prisoner exchange deal with Libya? What hope can we have for the continuation of the Act of the Union if the First Minister and the Prime Minister do not even communicate?

Mr. Alexander: I have something of an advantage over the hon. Gentleman—not only by being educated and trained in Scots law, but by having practised as a Scottish solicitor. Greater familiarity with the tenets of constitutional law, including the Scotland Act 1998, might allow him to recognise the error of his statement. The memorandum of understanding states:

"The UK Government will seek to obtain the agreement of all three jurisdictions within the United Kingdom in each case."

That is entirely consistent with the devolution settlement.

David Mundell: What is not consistent with the devolution settlement is the discourtesy that was shown to the Scottish Parliament and the Scottish Executive by the Prime Minister in failing to raise this issue before he began the discussions. Does the Secretary of State agree that the best way to celebrate the Union is to demonstrate our commitment to it in all our actions? Surely that means that when a memorandum of understanding is signed between the United Kingdom Government and the devolved Administrations it should be adhered to; that when a joint ministerial committee is set up, it meets; that when Scotland elects a First Minister, the Prime Minister speaks to him; and that if the intergovernmental relations as previously envisaged are not fit for purpose, they are revised. Is it not about time that the Secretary of Scotland showed his commitment to the Union in deeds, not words?

Mr. Alexander: Forgive me, but I have some difficulty taking seriously the hon. Gentleman's assertions of his commitment to the Scottish Parliament. This is a man who was, in one of his own memorandums, somewhat scathing in his views of his colleagues in the Scottish Parliament. On the integrity of the United Kingdom constitutional settlement in light of the memorandum

of understanding, there is nothing in the memorandum of understanding that is prejudicial either to the interests of the jurisdiction that rightly continues to be the province of Scots law, and indeed of the Scottish Parliament, or to the right of the UK Prime Minister to negotiate on foreign affairs on behalf of the United Kingdom.

Electoral System

4. **Mr. Andrew Robathan** (Blaby) (Con): What plans he has to make changes to the electoral system in Scotland. [140955]

The Parliamentary Under-Secretary of State for Scotland (David Cairns): The Government have no current plans to make changes to the electoral system in Scotland.

Mr. Robathan: We have just heard the Secretary of State say that notwithstanding the fact that two out of three voters voted to continue the Union, we face a perverse situation in which the party in government in Scotland is determined to push for independence. The Under-Secretary of State will recently have heard many of his Labour colleagues call for a return to the first past the post system, so will he instigate a review and consider returning to a simple, clear method of electing Members of the Scottish Parliament, namely the system that we have here—first past the post?

David Cairns: We set up an independent commission, led by Sir John Arbuthnott, to consider the consequences of having different electoral systems in Scotland. He and his commission looked into the matter and came back with the recommendation that we should not move back to first past the post, or move to the single transferable vote system right across Scotland, but that we should keep the current system as it is. It is a reflection of the fact that during the Scottish Constitutional Convention, there was an attempt to reach consensus. Perhaps if the hon. Gentleman's party had taken part in the Constitutional Convention, it might have been able to make the hon. Gentleman's comment at the time. We have a system and it has produced a result that we openly acknowledge: it has given the Scottish National party a one-seat advantage, but it should not think that it has any mandate whatever to break up the United Kingdom. That would be going against the clear wishes of the vast majority of the people of Scotland.

Mr. Brian H. Donohoe (Central Ayrshire) (Lab): But will the Minister accept that the voting system for this place should remain as it is—that is, that it should be first past the post?

David Cairns: Yes.

Mr. Angus MacNeil (Na h-Eileanan an Iar) (SNP): As the newly elected Scottish Executive have a good Gaelic song, doubtless the SNP could have looked forward to election victories regardless of the voting system used. However, is it not the case that Scotland's electoral system should be a matter for Scotland's Parliament and all the parties within its Parliament?

David Cairns: The Scotland Act 1998 is very clear: issues relating to the constitution are reserved to this place, and that includes the electoral system for the Scottish Parliament. We have no plans to change that.

Mr. David Hamilton (Midlothian) (Lab): When looking at the Scotland Act, will Ministers consider the position that it is completely wrong that someone should be able to stand under first past the post, under the list system and for a local authority, and so may fail in the first, fail in the second and fail in the third? There are parties in which people are able to do that, whereas in our party we stand for only one position. Surely that is right.

David Cairns: I think that it is probably best to leave the issue to the individual parties concerned; it is up to them to make a decision on whether they should have people who are on the list, who stand under first past the post and who stand for the council, too. My hon. Friend will be aware, of course, that the Arbuthnott commission looked into that, and rather explicitly ruled it out.

Jo Swinson (East Dunbartonshire) (LD): I am sure that all Members want trust in our electoral system to be restored after the mess of last month's elections, and a full and comprehensive inquiry is clearly vital to that. However, we now face the ludicrous situation in which the inquiry investigating the thousands of spoiled ballot papers will not be able to see a single one. Will the Minister tell me why he has not yet brought forward the necessary legislative changes to ensure that the inquiry is able to examine the spoiled ballot papers, and will he do so now?

David Cairns: We have been absolutely and consistently clear: the inquiry is independent of Government, and an independent international expert has been brought in to lead that inquiry. If I were to start second-guessing what those carrying out the inquiry might ask for, or how they should go about their inquiry, I would rightly be accused of interfering with it. We have said that we stand ready to co-operate with Mr. Gould, and so we do.

David Mundell (Dumfriesshire, Clydesdale and Tweeddale) (Con): The Minister will be aware that the subject of the elections was raised at First Minister's questions in the Scottish Parliament on 31 May, when the First Minister referred to his telephone discussions with the Secretary of State. Although I am pleased to learn that they were cordial, the First Minister also indicated his intention to push for

"a more thorough and independent inquiry"—[*Scottish Parliament Official Report*, 31 May 2007; c. 316.]—

into the Scottish election debacle. Will the Secretary of State and the Minister accede to that request?

David Cairns: The First Minister has not actually made the request, so it is difficult for me to accede to a request that has not been made. I have not had a telephone conversation with the First Minister, but I had the unalloyed joy of spending three hours with him over a curry in Renfrew a week last Sunday, and he did not raise the matter with me then, either. If he says one thing to the Scottish Parliament and does not say it in

this place, that highlights the fact that he has a seat here and if he came and took his seat and served his constituents in Banff and Buchan, he could make that point to us at Scottish questions.

Energy White Paper

5. **Sir Robert Smith** (West Aberdeenshire and Kincardine) (LD): What assessment he has made of the impact of the proposals in the Energy White Paper on energy production in Scotland. [140956]

The Parliamentary Under-Secretary of State for Scotland (David Cairns): Scotland has the potential to benefit significantly from the Government's energy policy, as set out in the White Paper.

Sir Robert Smith: But as we have seen, the White Paper may lead to a loss of investor confidence. We have lost the carbon capture and storage project in Peterhead. We need clarity from the Government for investors. To that end, will the Minister rule out entirely any liability for nuclear waste or nuclear decommissioning from new generation plant falling on the public sector?

David Cairns: As my right hon. Friend the Secretary of State for Trade and Industry said at the Dispatch Box on Thursday, in response to a question from the hon. Gentleman, I think, we are sorry that BP is not going to continue with the competition, but there are seven other important players in that competition. It was never the case that the Government could simply hand out the necessary awards to one particular company. Even if BP had stayed in with the Peterhead project, there is no guarantee that it would have won the competition in any event. However, the Government's position on new nuclear build was set out comprehensively in the White Paper. It is not for the Government to build nuclear power stations. It is for industry to come forward to Government and say that it would like to build a new nuclear power station. At that point, the discussions can take place.

Mr. Jim Hood (Lanark and Hamilton, East) (Lab): I too pay my tributes to Lord Ewing, who was a good friend and colleague and a great parliamentarian. He will be a loss to both Parliament and Scotland. I send my best wishes to his wife Margaret and his family.

May I press the Minister to accept that, in view of the utterances from the new leadership in the Scottish Parliament, an important issue such as the energy White Paper would be better discussed by the Scottish representatives at Westminster in the Scottish Grand Committee? I cannot think of anything more important to discuss in the Scottish Grand Committee than the energy White Paper.

David Cairns: My hon. Friend's tenacious advocacy of the Scottish Grand Committee reflects well on him. It is a matter for the usual channels and the House authorities to instigate Grand Committees. I point out that since the Grand Committee stopped meeting regularly, it is possible to hold one and a half hour debates on important issues in Westminster Hall, and it is open to my hon. Friend to apply for such a debate.

Mr. Mark Harper (Forest of Dean) (Con): Following on from the discussion of nuclear power in an earlier question, if a company wished to build a new nuclear plant in Scotland, would it be up to the Scottish Executive to make that decision or would it be up to the Department of Trade and Industry?

David Cairns: The situation is crystal clear. The Scottish Executive would have the final say on any application for a new nuclear power station in Scotland or even for any non-nuclear significantly large power generator, both under the Electricity Act 1989 and under planning legislation.

Economic Activity

6. **Mr. Eric Joyce** (Falkirk) (Lab): What assessment he has made of recent trends in macro-economic activity in central Scotland. [140957]

The Parliamentary Under-Secretary of State for Scotland (David Cairns): Central Scotland has benefited from the stability generated by the Government's management of the economy, which has delivered above trend economic growth and the strongest labour market for decades.

Mr. Joyce: May I associate myself with the remarks about Lord Ewing, who represented Falkirk in this place and will be sadly missed here?

My hon. Friend will be aware of the remarkable and historically high levels of employment in the Falkirk area. Does he agree that the future success of the economy of central Scotland, and particularly the Falkirk economy, will be based in large part on our unrivalled communication links and the intelligent use of land?

David Cairns: My hon. Friend is right. Unemployment in his constituency stands at 2.5 per cent., which is below the Scottish average. I am sure that Lord Ewing would have liked to be able to say that during his time representing that constituency, when throughout long periods of the last Conservative Government places such as Falkirk were severely blighted by high unemployment. Falkirk now has a wonderful opportunity to take advantage of the thriving economy in central Scotland, including the thriving financial services sector and the great improvements that are being made in the manufacturing sector. At the heart of that lie the key transport links. I know that for as long as my hon. Friend is a tireless advocate, the future will be very bright for Falkirk.

COMMUNITIES AND LOCAL GOVERNMENT

The Secretary of State was asked—

Affordable Housing

14. **Mr. Andrew Love** (Edmonton) (Lab/Co-op): What plans she has to increase mobility among tenants of affordable rented housing. [141601]

The Secretary of State for Communities and Local Government (Ruth Kelly): John Hills' review of social housing underlined the importance of promoting mobility and tackling worklessness. The report has provoked a wide-ranging debate on the role of social housing in the 21st century. We are carrying out a programme of work to address the issues raised.

Mr. Love: My right hon. Friend will be aware that the Hills report says that of 4 million tenants nation wide, only about 5,000 to 6,000 move in any one year owing to employment-related factors, so existing mobility schemes simply do not work. Yet the number of homeless of people who live in socially rented housing is significantly higher than in any other tenures. That means that something must be done. What indications can she give us that she is considering this, and that action will be taken to help those people to get into employment?

Ruth Kelly: My hon. Friend makes an incredibly important point. More than half of all social tenants of working age are not in work of any form, and enabling mobility to allow them to take up work must be an important part of our response. Of course, increasing the supply of social housing will be vital, and we plan to continue that, but we must also think about how, within our choice-based lettings schemes, at a local authority level and more broadly, we can enable people to move both within their area and across boundaries. I will say more about that later.

Sir George Young (North-West Hampshire) (Con): But following the collapse of Move UK earlier this year, when will social housing tenants in my constituency be able to move to another part of the country using something like the national mobility scheme, which the Government inherited in 1997?

Ruth Kelly: The right hon. Gentleman makes an important point. I know that he used the opportunity of an Adjournment debate to raise this issue recently. Indeed, national mobility schemes are probably an important part of our response, although I point out to him that there have traditionally been far more mutually arranged exchanges than have ever taken place through a national mobility scheme. One way in which we can make this happen more quickly and easily than by resurrecting any of the old schemes—it was right that we took action when we did to correct a contract failure—is to ensure that choice-based lettings work thoroughly and appropriately to enable choice within the local authority area and, as I said to my hon. Friend the Member for Edmonton (Mr. Love), to enable people to move on a sub-regional basis across local authority areas or more widely.

Ms Karen Buck (Regent's Park and Kensington, North) (Lab): According to a recent parliamentary answer to me, mobility has been falling for some time. Last night, I spoke to two tenants in my constituency. One was a single person living in a three double-bedroom flat and seeking to downsize; the other was a family of six living in a one-bedroom flat and hoping to get out of a desperately overcrowded situation. While the match is not exact, as we know, mobility can clearly make a real impact on overcrowding and on homelessness. Will my right hon. Friend commit to a major injection of energy and resources to try to get internal and external mobility back up even to the level that it was at a few years ago?

Ruth Kelly: Yes, I can give my hon. Friend that assurance. My hon. Friend the Minister for Housing and Planning is working with the Greater London authority to ensure, especially in London, that incentives are given for people who want to change home, particularly to downgrade. I understand that so far about £20 million has been invested to that end. However, my hon. Friend is right to say that it is a priority. We must do more, and we are thinking about all the measures that we can take to make it easier for people to move home.

Michael Gove (Surrey Heath) (Con): As the Secretary of State knows, in 1981, my right hon. Friend the Member for North-West Hampshire (Sir George Young), in a Conservative Government, introduced a scheme that allowed social housing tenants to move to new homes anywhere in the United Kingdom and retain their secure tenure. This year, under a Labour Government, the scheme has collapsed, scores of people have lost their jobs and tens of thousands of tenants have been left in the lurch, with no new homes to which to move and no scheme in place to offer support. After the incompetent introduction of home information packs and penal stamp duty, which have made it much more difficult for home owners to move, the Government have now made it much more difficult for social tenants to move. May we have a word of apology?

Ruth Kelly: I clearly regret the failure of Move UK. It was set up to replace an already failing scheme, which did not deliver appropriate moves for tenants throughout the country. As I have already said to the right hon. Member for North-West Hampshire (Sir George Young), far more moves took place under mutually agreed exchanges than any national mobility scheme ever produced. Clearly, the performance of the new scheme was unsatisfactory and I regret that. We must now work urgently to try to develop a choice-based lettings scheme, which is a preferable method of encouraging mobility, especially because most local authority tenants want to move in their area and fairly close to home—perhaps for child care support or employment reasons—and we must then work quickly to expand that scheme so that people have the opportunity to move across the country.

Margaret Moran (Luton, South) (Lab): Will my right hon. Friend also address the issue of enforced mobility in the social housing sector whereby people who live in terribly overcrowded conditions are forced to move away, as she says, from their jobs and homes to find satisfactory accommodation? Will she examine the Housing Corporation-funded scheme that was piloted by Luton community housing association, which enabled social housing to be extended in the same way as we have loft and other extensions in our homes, to enable families to retain their jobs, places at schools and all the links with their communities rather than being forced to move?

Ruth Kelly: My hon. Friend makes an important point. It is right that social tenants have choice just as it is right for people who own their homes to choose

whether to move, build an extension or convert their loft. That is precisely why we are working with the Greater London authority and others in London to give people the opportunity to convert their social homes so that they have more choice about whether to move or stay where they are.

Andrew Stunell (Hazel Grove) (LD): Does the Secretary of State recognise that, if the Government's policies push an extra 500,000 families on to the council house waiting list—as they have done—the pressure will reduce mobility, not increase it? Is not the cure to build more social housing? On balance, does she believe that mobility will be improved or worsened if the housing allocation policy of the Minister for Industry and the Regions, the right hon. Member for Barking (Margaret Hodge), were adopted nationally?

Ruth Kelly: Of course the answer is to build more homes. That is why I am proud that the Labour Government are building more private sector homes as well as increasing the number of homes that are built in the social sector. The hon. Gentleman knows that the number of social sector homes has increased by 50 per cent. in the past two years. It is my priority and that of my Department in the comprehensive spending review to put new-build social housing at the top of our list. We must do more—he is right to acknowledge that. However, as he rightly says, it is a matter of increasing the supply of new housing, affordable housing and social homes.

Jeremy Corbyn (Islington, North) (Lab): Is the Secretary of State aware that 80 per cent. of the population in my constituency have no chance of buying into the private sector and that the only hope of those who are in overcrowded council accommodation is mobility within the borough or nearby? Yet in London, the chronic shortage of council housing means that it is impossible for many families who live in grossly overcrowded accommodation, with teenagers growing up three or four to a room, to have any chance of getting somewhere decent to live. Will the Government please invest a lot of money quickly in building council houses for rent for people in desperate housing need?

Ruth Kelly: My hon. Friend is right to draw attention to a real issue. I hope that he supports the additional investment that the Government have made in increasing the number of homes available at affordable rent. We must continue to make progress on that. We are now building at a rate of around 30,000 homes a year. We must increase that further to tackle the pressures that he rightly outlines.

Home Inspectors

15. **Miss Anne McIntosh** (Vale of York) (Con): What representations she has received from recently qualified home inspectors. [141602]

The Minister for Housing and Planning (Yvette Cooper): We have received a number of representations from home inspectors and domestic energy assessors, and we have held meetings with them and their representatives.

Miss McIntosh: What message would the Minister give to recently qualified home inspectors in Vale of York and across England and Wales who at their own expense have qualified as either energy assessors or home inspectors? They did so in the expectation of earning a living in that capacity from 1 June, but now have no likelihood of earning any money before 1 August and possibly later. What is her message to them and when will she share with the House her definition of a "bedroom" for purposes of the home information pack?

Yvette Cooper: Yesterday, we set out a series of further details, which included an update on implementation and proposals for supporting a number of free energy certificates in advance of August. We are also working with housing associations to bring forward energy certificates for social housing. We have been clear that we want to bring in energy certificates and home information packs as soon as possible. I hope that the hon. Lady told her constituents that her and her party's message is that they want to abolish work for them altogether.

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): When I met representatives of the Milton Keynes home improvement and domestic energy assessors association a week ago, they were very clear that they understood which party in this House had been trying to get energy performance certificates moving forward and which party had been opposing it. They are also extremely keen that the Minister should lay out with even greater clarity the triggers for rolling out the energy performance certificates from four to three-bedroomed houses and then to other housing, and clarify what work will be provided from now until 1 August for those who have no other source of employment.

Yvette Cooper: My hon. Friend makes an important point. As I said, we set out further details yesterday as part of our implementation update and we will provide further regular updates on the website, particularly for energy assessors across the country who want to be able to begin work at the earliest possible opportunity. This is about bringing in changes that will help cut carbon emissions from homes. That is important and we need to get on with it.

Mr. Speaker: I call Brian Binley.

Mr. Brian Binley (Northampton, South) (Con): Thank you, Mr. Speaker. [HON. MEMBERS: "Hear, hear."] I love you!

I too have received correspondence from constituents—Mr. Stuart Little and Mr. Murray Pakes, who trained and invested many hours in becoming domestic energy assessors and home inspectors. They are now disillusioned and completely demotivated by the Government's broken promises to them. What should I tell them about reclaiming their costs? Can they sue the Government, or shall I tell them that they will have to lose that money if, as is likely, they do not wish to proceed?

Yvette Cooper: I presume that it was not me whom the hon. Gentleman said he loved as he stood up! He

should very honestly explain to his constituents his party's policy. His party has been campaigning for the end of energy certificates and for an end to the work to be done by energy assessors. We have set out a programme to bring forward the energy certificates and HIPs at the earliest possible opportunity and we have set out steps to bring forward more energy certificates in advance of 1 August.

Mr. Neil Turner (Wigan) (Lab): The private contractors seem to have failed many of those who wished to train as assessors. Will my hon. Friend consider contracting directly with colleges, such as Wigan and Leigh, in order to provide the training necessary to produce the numbers required?

Yvette Cooper: I would be happy to look at my hon. Friend's proposals. Many energy assessors are now coming through the training and passing their exams, but we know that much of the uncertainty—including around the legal case brought by the Royal Institution of Chartered Surveyors against the energy certificate—deterred people from completing accreditation. Now more than 1,000 people have completed accreditation, but we clearly want more coming through so that we can introduce energy certificates at the earliest opportunity.

John Penrose (Weston-super-Mare) (Con): Does the Minister accept that her reply to the previous two questions about people who have spent £6,000 and more on training to be assessors was completely inadequate? I have a constituent in that situation who has written to the Minister saying that he is

"left in limbo, wondering when a full day's work will ever come his way".

What can the Minister do to make these people understand what they can do to reclaim their costs?

Yvette Cooper: Again, I have to say that we set out further details yesterday and we will update them on the Department's website so that people can be clear where work is already starting in order to start rolling out energy certificates, both in social housing and as part of free energy certificates supported by the Department. The hon. Gentleman must be honest with his constituents about his party's policy. He has been campaigning to prevent the introduction of important measures that will cut carbon emissions from our homes by 1 million tonnes. Those measures are important, and hon. Members should stop contributing to greater uncertainty and making it difficult for energy assessors to start doing their jobs.

Alison Seabeck (Plymouth, Devonport) (Lab): Has my hon. Friend's Department ruled out the option of drawing on organisations that already go into people's homes but which are not yet being allowed to train people to carry out the energy assessment element of the survey? Would their involvement not encourage people to come forward, so as to increase capacity? May I also say that the estate agents in Plymouth to whom I have spoken are very happy with the Government's proposals and keen to roll out the provisions as soon as possible?

Yvette Cooper: My hon. Friend makes an important point. An accreditation system was set up to support those who already had a lot of experience and might have needed only a little updating in order to become accredited. The system was known as the experienced practitioners' route and was designed to ensure that additional energy assessors, often with different kinds of experience, were in place to carry out the work. I am afraid that that accreditation scheme has not yet delivered many people to be trained to be fully accredited. It is run by the Royal Institution of Chartered Surveyors.

Green Belt

16. **Martin Horwood** (Cheltenham) (LD): Whether a positive average annual change in the green belt will be achieved in each region over the period 2002-07. [141603]

The Minister for Housing and Planning (Yvette Cooper): The 2007 figures are not yet available. Between 2003 and 2006, there was an increase of 7,500 hectares in the green belt across the country, excluding the re-designation of the New Forest as a national park. Six regions showed small increases and three showed small decreases in the total amount of green belt land.

Martin Horwood: I thank the Minister for her reply, and I am pleased that she thinks that extensions to the green belt, where appropriate, are welcome. Does she accept, however, that the continuing policy of urban extensions, led by the market, will result in areas that have repeatedly been turned down for development—such as the so-called white land at Leckhampton, near my constituency—being placed under increasing pressure unless the protection of green belt status is extended to them? Will she reconsider the policy of market-led urban extension, which seems to encourage developers to focus on such affluent areas rather than on urban regeneration, social housing and struggling small villages, or on counties such as Cornwall, which need and want the housing more?

Yvette Cooper: We certainly support the continued protection of the green belt, and that protection will need to increase in some parts of the country. It is a matter for regional planning authorities and local councils, however. The hon. Gentleman asked about urban extension and other areas needing additional housing. We all need to recognise that we need to build more homes for the next generation. We are not building enough at the moment. The number has increased substantially over the past few years, but it is still not high enough. It is a matter for local councils to take responsible decisions about where the new homes should be built and where protection is needed, but we cannot run away from these important decisions.

Mr. Clive Betts (Sheffield, Attercliffe) (Lab): I am sure that my hon. Friend will accept that the formulation of a local development framework provides a good opportunity to consider whether any changes should be made to the green belt. In my constituency, the local authority is proposing a couple of sensible changes around Tinsley park, but another

proposed change in the Bridle Stile area and the attractive Moss valley has been withdrawn because, although the council's proposals would allow the land to remain as open space, it believes that putting it into the green belt would trigger a wholesale review of all the green belt in the city, with all the time and cost consequences that that would entail. Will my hon. Friend look into this matter to ascertain whether it is possible to make such marginal and beneficial changes without triggering a comprehensive review, with all the problems that that could create?

Yvette Cooper: I am happy to look at the case that my hon. Friend has raised. He will be aware that we are unable to comment on individual cases, and that there are proper procedures that need to be followed when planning designations need to take place, but I will certainly look further into the case that he has mentioned.

Mrs. Caroline Spelman (Meriden) (Con): Members will have read with interest the reference in *The Times* today to an interview with the hon. Member for Dagenham (Jon Cruddas), in which he talks about scrapping the green belt. Will the Minister take this opportunity publicly to reject his comments and to pledge her continued support for green belt protection? If not, is not the future of the green belt under Labour more uncertain than ever?

Yvette Cooper: That is complete nonsense. We have just published a planning White Paper in which we make it absolutely clear that the green belt protection needs to continue. The green belt is important. However, the hon. Lady often uses the green belt and concern about house building in general to argue against house building. In fact, she said in response to the White Paper that regional assemblies were building too—

Mr. Speaker: Order. The Minister is answering the case for herself. It is not for her to say what the policy is of the shadow Minister.

Andrew Gwynne (Denton and Reddish) (Lab): Of course it is not just about the quantity of green belt, but about the quality and whether it is publicly accessible. One of the positive legacies of the former Greater Manchester council 21 years ago was the transformation of the old industrialised river valleys into pleasant open spaces and country parks. Does my hon. Friend agree that it is important in urbanised areas such as Denton and Reddish that we not only look after and protect these open spaces from unwarranted encroachments by the industrialised and urban areas surrounding them, but look to build on them and extend them further to create more open spaces for my constituents?

Yvette Cooper: My hon. Friend is right. We need to ensure that the quality of the environment is improved. That includes green spaces on the edge of towns and those in towns as well. That is why we have made investing in the environment and green spaces a priority across areas such as the Thames Gateway, because it is important that local communities have access to good quality open space.

Revenue Support Grant (Worcestershire)

17. **Miss Julie Kirkbride** (Bromsgrove) (Con): What assessment she has made of the fairness of the revenue support grant for Worcestershire. [141604]

The Minister for Local Government (Mr. Phil Woolas): The current formula grant distribution system is designed to take into account the individual circumstances of each local authority relative to all others. The Government consider that a fair way of distributing grant to local authorities.

Miss Kirkbride: I find the Minister's answer somewhat disappointing. May I impress on him the situation in Worcester, where in education, for example, the gap 10 years ago in pupil spending per year between us and Birmingham was a matter of a few hundred pounds, which was condemned by Labour candidates at the time? That gap is now in excess of £800 a year and rising. I implore him to go back to his Department, look again at the way in which the figure is calculated and consider whether, for example, Worcestershire should be given area cost adjustment status, which is given to neighbouring Warwickshire, with a similar geographic location and similar demographics. That would at least begin to address some of the appalling unfairness shown to the people who live in Worcestershire.

Mr. Woolas: In comparing the hon. Lady's authority with Birmingham, she fails to point out that the revenue of both has risen substantially. It is only fair to mention that. Of course, the dedicated schools budget is a matter for the Department for Education and Skills. However, I take on board her point about the area cost adjustment. Like the rest of the House, she will have to wait for the formal consultation on the formula grant distribution system, which is especially important this year as we intend to make a three-year grant settlement.

Mr. Eric Pickles (Brentwood and Ongar) (Con): The Minister talks about substantial increases, but one thing that has increased substantially in Worcestershire is the council tax, which in 10 years has gone up by 120 per cent., caused by unfunded burdens and fiddle-funding. Who is responsible for this massive increase in its council tax? Is it 10 years of the current Prime Minister or 10 years of the current Chancellor?

Mr. Woolas: It is neither; it is Worcestershire county council that sets the council tax. Before the hon. Gentleman gets too lost in his soundbites and clichés, let me point out that the grant floor, which he presumably opposes, protects Worcestershire county council to the tune of £2.9 million. I presume that he is not asking me to get rid of that floor.

Anti-Semitism

18. **Mrs. Louise Ellman** (Liverpool, Riverside) (Lab/Co-op): What steps her Department is taking to tackle anti-Semitism; and if she will make a statement. [141605]

The Minister for Local Government (Mr. Phil Woolas): The Government of course welcomed the all-party parliamentary inquiry into anti-Semitism, and published their response in March this year. We have set up a cross-Government working group to act on the all-party group's recommendations. Jewish stakeholders and others have been invited to the first meeting, which will take place on 20 June.

Mrs. Ellman: I congratulate my hon. Friend on the stance he has taken on this issue and on combating extremism, but does he agree that by singling out Israel from all other nations, including Iran, China and Sudan, the proposed boycott of Israel is likely to exacerbate the anti-Semitism identified in the all-party parliamentary report?

Mr. Woolas: As my hon. Friend knows, I strongly condemn that decision. I consider it a terrible decision. I was pleased to learn that the Minister for Higher Education and Lifelong Learning, my hon. Friend the Member for Harlow (Bill Rammell), had travelled to Israel to make that very point. I strongly support what he said there—as, I suspect, does the whole House, including the Opposition parties.

Robert Neill (Bromley and Chislehurst) (Con): May I say how much many of us welcome what the Minister has just said?

One of the key recommendations of the all-party report was that there should be a clearer definition of anti-Semitic offences so that we could do something to improve the appalling conviction rate, which is only about one in 10. What progress has been made in that regard?

Mr. Woolas: Two issues are involved. One is the work of the Crown Prosecution Service, which has taken the matter up as a result of the work of the all-party group—on which I congratulate it again—and the second is the working definition of the European Union, to which, as the hon. Gentleman knows, the United Kingdom has signed up.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Is my hon. Friend aware that the passing of a resolution by the so-called academics is not the first instance of the pursuing of such a course by this particular organisation? Is it not worrying that there is an underlying and pervasive atmosphere which accepts that anti-Semitism is perfectly normal, and should we not be doing all we can to combat that in every conceivable way?

Mr. Woolas: I agree wholeheartedly, and I think it very important for Parliament, as well as Government, to issue that condemnation. I believe we can unite strongly on the issue. I know that Sally Hunt, joint general secretary of the University College Union, is very concerned about it.

On a personal note, as a former leader of the National Union of Students let me say that—again, on a cross-party basis—we have always opposed anti-Semitism, as well as the way in which some people, no doubt deliberately, confuse condemnation of Israel with anti-Semitism.

Impact Assessments

19. **Dr. Vincent Cable** (Twickenham) (LD): If she will make a statement on the role of the proposed impact assessments in speeding up small-scale planning applications. [141606]

The Parliamentary Under-Secretary of State for Communities and Local Government (Angela E. Smith): We are currently consulting on proposed changes to permitted development rights for householders. Developments with no impact beyond the host property would be permitted, and clear limits on size and siting would set out what was allowed. It is estimated that the number of householder planning applications would be reduced by about 85,000.

Dr. Cable: I welcome the proposed impact assessments as a way of strengthening the rights of third parties in planning disputes, but how do the Government intend to reconcile the new protection with their simultaneous commitment to speeding up planning applications?

Angela E. Smith: This is a twofold protection. It not only strengthens the rights of other householders to object, but it strengthens the right of the individual householder to know exactly what is permitted. It is like the old volume allowance, but with clear guidelines. As I have said, we expect the number of planning applications to fall by about 85,000, and that in itself would help to speed up the planning system.

Alan Simpson (Nottingham, South) (Lab): Elsewhere in Europe, local authorities have been able to speed up the planning application process while also speeding up the process of change to a renewable and sustainable energy agenda, because they are allowed to set clear terms and requirements for collection and recycling of water and the incorporation of energy-generating systems in any planning developments. Is the Minister contemplating adopting the same system across the board in the United Kingdom, so that all local authorities can be clear about the change agenda?

Angela E. Smith: My hon. Friend makes a valid point, and we are consulting on making microgeneration much easier for individual households on smaller scale developments. We have to get a balance between ensuring local flexibility and allowing every single local authority to do something completely different, which could then hamper progress towards developing greater take-up of new technologies. It is important, at the same time, that we have a degree of flexibility for local authorities. The key is to ensure that we move as quickly as possible to increasing microgeneration.

Affordable Housing

20. **Laura Moffatt** (Crawley) (Lab): What steps she is taking to ensure an adequate supply of affordable housing. [141607]

The Minister for Housing and Planning (Yvette Cooper): New housing is now at its highest rate for 20 years but we need to go further, given the serious

pressures on affordability. Regional assemblies also need to do more. That is made harder in my hon. Friend's region because of the approach of the South East England regional assembly, which is arguing, unfortunately, for cuts in the level of house building.

Laura Moffatt: Does my hon. Friend have any words for those on the Conservative-dominated regional assembly, who on one hand tell my constituents that the south-east is to be concreted over, and on the other shout about the need for more affordable housing? I find that despicable and unfair; those people should see how desperate some of the hard-working families at our constituency surgeries are for new housing.

Yvette Cooper: My hon. Friend is completely right. We have an ageing and growing population, with more people living alone. We need to go further and build more homes for the next generation; it is not fair on them if we do not. Frankly, the approach of the Conservatives in the south-east is bonkers.

Point of Order

3.31 pm

Mr. Mark Harper (Forest of Dean) (Con): On a point of order, Mr. Speaker. Yesterday I raised with you an issue concerning the Ministry of Defence not answering a named-day question. I thank you for your work in ensuring that I will at least get an answer today. I understand that the Minister of State signed off the answer on his way to Brize Norton last night.

Unfortunately, I have to draw to your attention another lapse by the Ministry of Defence, to which I drew the notice of the Under-Secretary of State for Defence, the hon. Member for Halton (Derek Twigg), this morning. Yesterday, the MOD published a news release about the extension of the medical assessment programme and briefed the media. It was only today that the Under-Secretary thought it appropriate to publish a written statement to Parliament. What can be done to make sure that the Ministry of Defence takes seriously its responsibilities to this House before it publishes information to the media?

Mr. Speaker: I thank the hon. Gentleman for raising the matter. I will have to inquire whether this concerned a new policy. The press can be briefed on an old policy, but I shall find out why the press found out before the hon. Gentleman.

Freedom of Information (Amendment) (No. 2)

3.33 pm

Tom Brake (Carshalton and Wallington) (LD): I beg to move,

That leave be given to bring in a Bill to amend the Freedom of Information Act 2000; to remove the provisions permitting Ministers to overrule decisions of the Information Commissioner and Information Tribunal; to limit the time allowed for public authorities to respond to requests involving consideration of the public interest; to amend the definition of public authorities; and for connected purposes.

Friday 18 May 2007, when Members of this House, aided and abetted by Labour and Conservative Front Benchers, backed the Freedom of Information (Amendment) Bill, will surely go down in history as one of the most dishonourable and embarrassing days in this Parliament. The arguments deployed in favour of the Bill were spurious and specious and collapsed after the most cursory scrutiny.

Members of this House—those who were whipped into voting for the Bill and those who failed to anticipate the skulduggery and subterfuge in which Front Benchers were willing to connive that Friday—have an opportunity to repair some of the damage caused by that capricious and self-serving vote—

Mr. Speaker: Order. Temperate language is always best. Votes and decisions of the House should not be described in that manner. It would help me if the hon. Gentleman tempered his language and made it more moderate.

Tom Brake: Thank you, Mr. Speaker. I will attempt to do what I am being encouraged to do.

In an article headlined "House of Knaves" in *The Daily Telegraph*, the vote was described as "an abysmal decision", with MPs

"acting in a way uncomfortably reminiscent of Communist officials in East Germany".

The *Daily Mail* headline was no more flattering:

"MPs' freedom of information cover-up is a dark day for democracy".

The Sun was characteristically blunt:

"MPs back squalid secrecy Bill".

My Bill—

Mr. Speaker: Order. I dislike doing so, but I must interrupt the hon. Gentleman again. So far, he has commented on something that happened several Fridays ago. He must move on and put the case for the Bill before us.

Tom Brake: Thank you, Mr. Speaker. I am about to do so.

My Bill will demonstrate to our constituents that Members are committed not only to protecting freedom of information legislation, but to reinforcing it. It will strengthen freedom of information powers in three key areas: it will remove the ministerial veto; it will limit the time allowed for public authorities to respond to requests involving consideration of the

public interest; and it will extend the range of bodies covered by freedom of information legislation.

It is, of course, true that the ministerial veto has never been exercised. Members might consider that to be a reason for maintaining it, as Ministers have shown considerable self-restraint in not exercising it. I prefer the contrary argument: if it has not been used, it is because the safeguards work and there is no need for a veto. Furthermore, the fact that the veto has not been used does not mean that Ministers are not actively considering using it. In a letter to Lord Falconer, the Secretary of State for Trade and Industry said he wanted to

"guard more effectively against the incremental harm to the policy development process that must inevitably arise from the disclosure of individually innocuous submissions".

It is not clear to me exactly how individually innocuous submissions become lethal when accumulated. The Secretary of State went on to bemoan the

"discernible trend within the Information Tribunal that decisions on the public interest test have not been falling in the government's favour in key cases."

Most Members will agree that that is good news. However, in response to the tribunal's failing, the Secretary of State is considering exercising the Cabinet Minister veto to annul those decisions. Clearly, therefore, one senior Minister is considering exercising the veto.

As a consequence of yesterday's information tribunal decision that the Deputy Prime Minister must hand over documents relating to Vauxhall towers—a development that the local council and UNESCO opposed—the right hon. Gentleman might also be considering use of the veto. We need to get rid of the veto before Ministers develop a taste for it.

I shall now turn to the subject of time limits within which public authorities must respond to public interest freedom of information requests. In 2006, there were 1,326 requests to central Government Departments, and extensions were taken beyond the 20 working day period in order to consider whether information should be disclosed on public interest grounds. That is allowed as public authorities can use whatever time is "reasonable in the circumstances" to consider the Act's public interest test. Figures from a Ministry of Justice publication show that 211 of those extensions were for between 21 and 30 days, 125 were for between 31 and 40 days, and 370 were for more than 40 days—although for how much longer than 40 days is not known.

If my Bill is passed, all such requests—totalling more than 700 in that year—will receive a response in less than 40 days. Departments such as the Home Office—which set a new record of 18 months for tardiness in answering a Freedom of Information Act request—would no longer be able to use delaying tactics to postpone the release of embarrassing information. Ben Leapman, *The Sunday Telegraph* home affairs correspondent, is familiar with that tactic. He sought information relating to the Soham murderer, Ian Huntley, and security lapses at Woodhill prison, and he had to wait 18 months for a response to the request. The reason for the delay was simple: the Home Office's desire to hold back sensitive—in other words, damaging—information. My Bill would stop freedom of information requests being kicked into the long grass.

Finally, the Bill proposes an extension to the definition of public authorities to include school academies and private contractors. When individual Members of Parliament draft legislation—albeit in this case ably supported by Maurice Frankel of the Campaign for Freedom of Information—the Government can often point to technical flaws in the Bill. However, this Bill highlights the need for a debate about what constitutes public authorities. It is clear in my mind that academies are public authorities. The total capital costs of building 200 academies will be around £5 billion. The 27 opened so far received revenue funding of between £2 million and nearly £9 million in 2005-06. They are funded overwhelmingly from public sources. They teach our children, employ teachers mainly trained in UK institutions and they are monitored by Ofsted: there can be no argument about whether they should be covered by freedom of information legislation; they must be.

The argument about private contractors doing work for public authorities is less clear cut. The Secretary of State does of course have the power to designate private contractors under section 5 of the Act, but has not chosen to do so. This Bill does not seek to include all private contractors working for a public authority within the scope of freedom of information legislation. The self-employed painter and decorator who does occasional painting and decorating jobs for the council should of course not be covered by FOI legislation. The definition in this Bill of a relevant contract—one whose value exceeds £1 million and extends for a period of more than 12 months—would ensure that he was not covered by it.

However, what about Capita and the other huge firms to which local authorities and central Government outsource large chunks of their business? They provide services for some local authorities and Government Departments that, for other areas and Departments, the public authority provides. They are, in effect, quasi-public authorities. They must not be allowed to avoid the scrutiny provided by FOI legislation. They must be covered by the same rules.

I have set out today in this Bill three simple measures that would demonstrate that we in this House are serious about freedom of information legislation. The Bill would strengthen FOI legislation, not emasculate it, and I urge Members to support it.

Question put and agreed to.

Bill ordered to be brought in by Tom Brake, Norman Baker, Mr. Paul Burstow, Mr. Nick Clegg, Tim Farron, Lynne Featherstone, Mr. David Heath, Simon Hughes, Mr. Dan Rogerson, Mr. Richard Shepherd, Andrew Stunell and Mr. Phil Willis.

Freedom of Information (amendment) (no. 2)

Tom Brake accordingly presented a Bill to amend the Freedom of Information Act 2000; to remove the provisions permitting Ministers to overrule decisions of the Information Commissioner and Information Tribunal; to limit the time allowed for public authorities to respond to requests involving consideration of the public interest; to amend the definition of public authorities; and for connected purposes.: And the same was read the First time; and ordered to be read a Second time on Friday 15 June, and to be printed [Bill 121].

Orders of the Day

Serious Crime Bill *[Lords]*

Order for Second Reading read.

3.43 pm

The Minister for Security, Counter Terrorism and Police (Mr. Tony McNulty): I beg to move, That the Bill be now read a Second time.

I turn first to a point that we must collectively understand. Members will know that this Bill has already been through the other place and, as ever, in most regards it is all the better for the scrutiny there. I accept that the Home Office has introduced a relatively large number of legislative measures over the last 10 years, and I do not doubt that that issue will be referred to again today. Legislating, as people know, is not governing, and the Home Office cannot and should not be a legislative sausage machine. So the first question that I ask, as a Minister, is, "Does the Bill in question add to our fight against crime?" In this case the answer must be and surely is a profound yes.

What does this Bill do? It provides a flexible new tool for law enforcement to use in preventing the serious harm caused by criminals, before it can have an impact on individuals and communities. It will improve the sharing of data across the public and private sectors for the purposes of detecting and preventing fraud. It takes forward much of the work done by the Law Commission in plugging the hole in the criminal law on encouraging and assisting crime. It will also enable us to improve the way in which we take away the profits made through the suffering of others through serious crime. The Bill also takes forward the Government's proposals in last year's Green Paper and has already been rigorously scrutinised in the other place. The result is a Bill that delivers what I am sure all of us want, and what all those we represent need. The Government introduced amendments to address concerns expressed in the other place and these have improved the Bill. I am grateful to Opposition Front Benchers for the constructive way in which their parties approached the provisions in the Bill, introduced into the other place.

Mr. Edward Garnier (Harborough) (Con): The Minister suggested that this place should not become a legislative sausage machine. He will know that between 60 and 65 pieces of legislation have emanated from his Department since 1997. Is he aware that of that number 34 have yet to be fully or partly implemented and many contain provisions that have already been repealed by subsequent legislation? The sausage machine is working full-out under his command.

Mr. McNulty: I am fully aware of those points, and they go to my opening remarks. I suggest that the hon. and learned Gentleman get out more, if that is the best he can do for a pastime.

There were, of course, two areas of policy introduced into the Bill in the other place that were not welcomed by the Government—for reasons I will come to—concerning a power to search for firearms and provision to allow intercept to be admissible as evidence. I will return to both topics shortly after I have dealt with the substance of the Bill, as is appropriate on Second Reading.

On serious crime prevention orders, we need to provide law enforcement with a flexible means of preventing the harm caused by serious crime before it can have an impact on our communities. Someone who brings heroin on to our streets must be caught quickly, brought to justice effectively and punished appropriately. However, is it not better to ensure that the heroin does not hit the streets, with the attendant harm, in the first place?

Clause 1 creates such a tool in serious crime prevention orders. The name makes it clear: they will prevent the harm caused by serious crime before it occurs. They are not a punitive measure. They will be used only against those who have been proved to be involved in serious crime.

David T.C. Davies (Monmouth) (Con): Everyone wants to deal with heroin dealers effectively. Is the Minister aware that only two people were given the maximum sentence for dealing in class A drugs, according to the last figures I received about a year ago? Does not he agree that before he introduces new legislation he should use the legislation we already have more effectively to put those people behind bars, where they belong?

Mr. McNulty: The hon. Gentleman will know, because he is an astute Member, that we are talking about subsequent legislation. He makes his usual sweeping assertions, which I accept for the sake of convenience, and I agree that all the powers that we have on the statute book should be used to their fullest extent, but I do not accept his starting premise. It is right and proper to consider any gaps in the legislation alongside the proper utilisation of existing statute. The fact that some of the existing provision is not used as fully or extensively as it might be does not preclude the proper introduction of new legislation where appropriate.

Mr. David Burrowes (Enfield, Southgate) (Con): The Minister mentions heroin reaching our streets. Given that the Serious Organised Crime Agency has prime responsibility for UK drug seizures—there are concerns about its performance in that regard—is now the time to transfer the responsibilities of the Assets Recovery Agency to SOCA, which is struggling with its core responsibilities? There is also widespread concern about SOCA's accountability. Only last month, Lord Justice Sedley described it as

"a region of executive action free of judicial oversight".

Mr. McNulty: Absolutely not. I am tempted to apologise to the House for introducing the issue of heroin, which does not figure in the Bill. I take issue with the hon. Gentleman's assertion that somehow SOCA is struggling with its core duties. That is not the case at all. It is barely a year old and it goes from strength to strength. It is doing fine work. All the elements in the Bill that put the ARA with SOCA were welcomed in the other place. It is in all our interests to ensure that SOCA and the ARA work collectively in the fulfilment of their core activities.

Mr. Greg Knight (East Yorkshire) (Con): We all want effective action against serious crime, but I am rather puzzled by how the Government define that. Why is fishing for salmon with a "prohibited" instrument to be regarded as a serious crime? Will the provision extend to someone poaching farmed salmon? What is the rationale behind it?

Mr. McNulty: The offence merits inclusion as a serious crime under certain circumstances. Neither I nor any other Minister thought the measure up as a means of attacking people who enjoy fishing. It has been included in the Bill because ACPO tells us that salmon poaching is a widespread and serious environmental crime in our countryside. We are not attacking individuals; our intention is to deal with a serious and substantive organised crime. Even if it is aimed principally at salmon farms, who am I to challenge ACPO's expertise in the matter?

Mr. Knight: You are the Minister!

Mr. McNulty: I know, but my expertise in environmental crime is not as comprehensive or detailed as ACPO's, and I dare to suggest that neither is the right hon. Gentleman's.

Mr. Garnier: Will the Minister give way?

Mr. McNulty: I was going to leave the hon. and learned Gentleman alone for a moment but, for the sake of the House's entertainment, I will give way to him.

Mr. Garnier: I can understand that salmon poaching using dynamite would be a serious offence, but legislation already exists to control the use of explosives. Why does schedule 1 make no mention of homicide, serious assault such as grievous bodily harm, or terrorism offences? Will the Bill deal with such matters in another way?

Mr. McNulty: I am afraid that that was not entertaining. Very unusually for a man of the law like the hon. and learned Gentleman, it was obtuse. My answer goes back to the point made by the hon. Member for Monmouth (David T.C. Davies). I think that the House will agree that, in relative terms at least, we are probably well covered for homicide, terrorism and a range of other serious crimes. This Bill is designed to fill the lacunae that exist in the law, and its scope does not extend to every crime that, however remotely, could be construed as serious. As I said earlier, the Bill and schedules have been devised precisely to fill what we perceive to be holes in the existing legislation covering serious and organised crime. An ongoing review of homicide law will report in due course. The hon. and learned Gentleman is esteemed for his knowledge of that legislation: he should point out what he considers to be serious gaps in it to those carrying out the review, and not to me. I am sure that they will be pleased to hear from him, but this debate is not the appropriate location for such observations.

As I was saying, clause 1 proposes serious crime prevention orders. Their name makes it clear that they will prevent the harm caused by serious crime before it occurs. They are not a punitive measure. They will be used only against those who have been proved to have been involved in serious crime.

All hon. Members will have received the briefing from Liberty. In advance of discussion here and in Committee, I must note that—unusually—it contains important inaccuracies. In the main, I have high regard for Liberty briefings, even though I sometimes I disagree with them, but this one is littered with unfounded assertions and important inaccuracies. It seems to belong more to the Paris Hilton school of intellectual rigour, as it does not live up to Liberty's usual standards. The briefing states, for example, that

"the Government may hope that these orders are a way of getting round the presumption of innocence because the applicable standard of proof will be the lowest civil standard of 'on the balance of probabilities'".

That is absolutely wrong. My noble and learned Friend Baroness Scotland stated categorically in the other place that, in keeping with the House of Lords judgment in the case of McCann, we expect that the standard of proof required in relation to the question of whether a person has been involved in serious crime will be the same as in criminal cases, namely "beyond reasonable doubt."

Liberty's assertion is thus entirely unfounded—a bit of a shame. Contrary to the statement in the briefing, the purpose of the orders is not to avoid the full rigours of criminal prosecution; they are aimed at preventing future behaviour, not punishing past behaviour. If a criminal prosecution is possible, it will be brought. As set out in clauses 1 and 6, the orders will contain only conditions that prevent the subject from further involvement in serious crime. That is set out clearly in the Bill and goes against Liberty's assertion that the conditions that can be put in place would amount to criminal sanctions. The conditions will be decided by the High Court, or the Crown Court in the case of an order made immediately on conviction, and can and will act only in a way that is compatible with convention rights.

Robert Neill (Bromley and Chislehurst) (Con): I appreciate that as the Bill provides that the threshold for making the order is reached only in the event of conviction, most people would be satisfied with that as proof that somebody was involved in the commission of serious crime, but there is real concern, which goes beyond the issues raised by Liberty, that people could be caught by other provisions in the Bill for conducting themselves in a way likely to facilitate the commission of a serious offence by themselves or another person. When the extent of the anticipated involvement and the nature of the predicted crime need not be specified, surely the fact that such a provision could produce an extremely restrictive order, with a five-year punishment on breach, should give us real grounds for concern.

Mr. McNulty: I do not agree that the hon. Gentleman's point goes beyond those raised by Liberty, but they will all be better discussed in detail in Committee. I accept that there are concerns around the edges, but my starting point is that Liberty's assertion about a standard other than "beyond reasonable doubt" is factually inaccurate. Dealing with the subsequent details relating to the High Court and

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Crown Court route and the preventive and disruptive powers of the orders is a perfectly fair matter for debate in Committee. We want the orders to work and if what the hon. Gentleman suggests would be a barrier to that, or if there are concerns that they would run counter to compatibility with the convention, those matters can usefully be explored in Committee, but I half take his point—I do not mean that churlishly; I genuinely only half take the point.

The orders must be flexible to be effective, but they will operate within the context of strong legislative and procedural protections for the subject, which relates to the hon. Gentleman's point. We think, however, that they will provide law enforcement with the means to tackle serious crime more comprehensively than has been possible to date.

Clauses 41 to 62 make important changes to the criminal law, which will ensure that those who encourage or assist offences are held accountable for their actions. Those changes were recommended by the Law Commission and broadly agreed by the other place, so I do not particularly want to dwell on them. I am sure Members will have huge fun going into the detail of the Law Commission's recommendations in Committee.

The measures in clauses 63 to 67 will help to combat fraud, by providing public authorities with the tools to better detect and prevent fraud—apologies for the split infinitive. They are in two distinct parts: data sharing and data matching. Every aspect of the sharing and matching of data proposals will be carried out in accordance with the provisions of the Data Protection Act 1998 and will automatically—

Margaret Moran (Luton, South) (Lab): Will my hon. Friend give way?

Mr. McNulty: When I have finished the sentence.

The measures will automatically attract the oversight of the Information Commissioner, with whom we have consulted throughout the development of the policy, in his capacity as independent regulator and guardian of the Data Protection Act.

Margaret Moran: I am sure my hon. Friend will join me in offering our condolences to the family of PC Jon Henry, who died in my constituency. I am sure, too, that he wants to ensure that the valuable measures in the Violent Crime Reduction Act 2006 to tackle knife crime are all enforced, including speeding up the implementation of section 43 on the sale of knives to under-18s. The provisions for data sharing are extremely welcome, but will my hon. Friend clarify whether they will include sharing data across the whole of the Home Office and, in particular, cover the sharing of immigration information if, as we are hearing, the alleged perpetrator in this instance was an immigration overstayer?

Mr. McNulty: I associate myself absolutely with my hon. Friend's remarks about PC Jon Henry and about our fully implementing the Violent Crime Reduction Act 2006 and all the provisions in it that deal with knife crime. This Bill deals with serious crime rather than violent crime, but as I said yesterday at Home Office questions, it is not an abdication of our responsibility to say that the use of knives by young people will not be dealt with just by legislation. As I think the whole House broadly agrees, we have made it clear that education, awareness and a range of other issues must come into play in terms of getting rid of the culture in which it is considered smart or otherwise to carry knives and associated weapons. It would be wrong to stand here as a Home Office Minister or as a Minister of any description and to say that somehow, by magic, legislation will deal with this matter.

As far as we can push the legislative dimension, we have done so. It would also be fair to say that at least some elements of quite how serious we are about knife crime need to be understood a bit more fully by colleagues in the judiciary. I do not mean that in any disrespectful sense, but just to put the point on the record. We will take forward as much as we can all that is in the Violent Crime Reduction Act.

I perfectly understand why my hon. Friend used the interesting hook of the data sharing and data matching provisions in the Bill. Her point about the immigration department and sharing information across government is not in the strictest terms covered by the Bill, because that point should already and does pertain. She will know that we are trying across government, and certainly across the Home Office, to do more and more about the integrity of assorted databases on the immigration side and everywhere else. Data sharing and data matching across government and all law enforcement agencies, and not just in terms of this Bill but far more generally, will be the absolute key to tackling many of these crimes and many of these issues.

My hon. Friend will forgive me if I do not comment on the immigration status or otherwise of the individual of interest to the police in the case of the tragic murder of PC Jon Henry. I simply cannot go down that road, but I take her point none the less.

As I was saying, it will be appropriate for the Committee to debate what we do about data matching and data sharing in the context of serious organised crime, and I think that everyone agrees that, as technology and the use of data develop all the more, data sharing and data matching across government and the law enforcement agencies will be central to the fight against crime, not least the serious and organised crime of the future. That point has already been well made by a range of people far more experienced than I, but it is widely accepted that a Government of whatever party will collectively need to catch up with the use of data across all walks of life.

The Data Protection Act 1998 will cover these measures and the Information Commissioner, in his role as regulator and guardian of the Data Protection Act, will also cover them. The first data protection principle of the Act requires, among other things, that personal data should be processed fairly and lawfully, and all the provisions in the Bill are designed to comply with the Act.

The data sharing provisions in clauses 63 to 66 create a legal gateway through which public authorities may share information for the purposes of preventing fraud. This sharing is to be done through a specified anti-fraud organisation, of which there could be several, and will

enable information to be shared between the public and private sectors in a way that is not always possible now.

There is as yet no specified anti-fraud organisation—and arrangements made by them may vary—but CIFAS, the UK's anti-fraud service, is an example of a body that could be so specified. Members of CIFAS, who are typically financial institutions, keep a database of persons who are suspected of having attempted to commit fraud against them. Other members may then check applications for services against that database to see whether they should have reservations. CIFAS members report having avoided fraud losses of £790 million in 2006. That clearly shows the worth of the database.

During discussions of the provision in another place, Baroness Scotland committed the Government to introducing an amendment requiring the Secretary of State to produce a code of practice that all public authorities sharing the specified anti-fraud organisation must have regard to. Liberty has welcomed our intention to do so, and that will be dealt with in Committee.

The data-matching provisions in clause 67 involve placing the national fraud initiative, a biennial Audit Commission-run exercise, on a statutory footing. The national fraud initiative is a proven tool in the fight against fraud. In the last cycle, more than £111 million of fraud and overpayments were identified. We made a number of amendments in the other place to strengthen the controls and safeguards within the measures and to include statutory involvement of the Information Commissioner.

The Audit Commission will not be able to use the powers to profile individuals and predict who might commit fraud in the future. The provisions are about preventing and detecting the fraud that is happening right now. They create a proportionate regime that complies with the Data Protection Act and the UK's human rights obligations, while preventing and detecting fraud losses suffered by the public purse.

Margaret Moran: I welcome the measures on data sharing and the Minister's assurances that they will not be used for data mining or phishing, which is one of the concerns raised elsewhere. Will he respond to the concerns raised by the Joint Committee on Human Rights, which suggested that any fraud organisation could make disclosures of data collected in this way, not merely those specified by order of the Secretary of State?

Mr. McNulty: It is right and proper to specify in the way that we have. I know of the concerns of the JCHR, but they might be more suitably explored in Committee, where assurances can be given. I take the point. Although I am relatively open on this matter, I probably do not share the concerns of the JCHR. Some of the concerns expressed in the other place were the other way around, in the sense that it was asked why one organisation—CIFAS or whoever else—should have sole rights under specification. So we are trying to make that broader. In the end, for the thing to work, it would be appropriate for any organisation that wants to seek the same status as CIFAS or any other specified organisation to do so. As I said, that can be explored more readily in Committee.

I do not resile from all that I have said about data sharing and data matching being crucial in the fight against crime generally, and even more so in terms of serious and organised crime. However, it is right and proper that we put safeguards in place to prevent data mining and data phishing—a different sort of phishing from the fishing that was referred to earlier.

On the proceeds of crime, law enforcement agencies have used the powers in the Proceeds of Crime Act 2002 to ever-increasing effect. In 2006-07, they recovered a record total of more than £125 million of assets from criminals, representing a fivefold increase over five years. Last month we launched a new asset recovery action plan to double last year's total to £250 million a year by 2009-10. Clauses 68 to 76 bring forward a set of proposals that will contribute to the delivery of this new target.

Jeremy Wright (Rugby and Kenilworth) (Con): Does the Minister accept that one of the reasons why the Assets Recovery Agency has not been as successful as we all might have hoped is that when cases are brought under the Proceeds of Crime Act, they take a long time and are defended to the hilt—often by the use of changes of counsel or the extensive use of the Human Rights Act? It could be argued that that is why those cases have not set the necessary precedents to allow the ARA to recover as much money as it, and we, would like. If that is the case, what confidence can any of us have that the transfer of responsibilities to the Serious Organised Crime Agency will be any more successful?

Mr. McNulty: The hon. Gentleman has got the wrong end of the stick. This year, the Assets Recovery Agency has been more successful than it was in the past. I take in part his point about much of its success being stuck in the courts pipeline. In one sense that is quite proper; it comes down to safeguards, although there are abuses. However, with the greatest respect, that is not a reflection on the success or otherwise of the ARA, either within or outwith the Serious Organised Crime Agency. As he suggests, the current situation owes more to the shenanigans—that is probably the technical term—of assorted defence lawyers who are seeking to defend their clients and prevent the recovery of their assets and ill-gotten gains. I honestly do not think that that charge could be levelled unduly at the ARA, or that the issue would lead to a lack of success on the part of the ARA. Those are matters that the ARA, SOCA and, more generally, the Home Office are looking to take forward with colleagues in the criminal justice system. Although there might be abuses around the edges, people are perfectly entitled to pursue objections to their ill-gotten gains being recovered, and we do not want to throw the proverbial baby out with the bath water.

Jeremy Wright: I agree with the Minister entirely, and I certainly do not suggest that any of the practices to which I referred have been used improperly. My point is that I do not see how we can be confident that the provisions in the Bill will result in SOCA being more likely to recover the proceeds of crime than the ARA was; what I am suggesting to the Minister is that the provisions do not go to the root of the problem of why the ARA has not been successful.

Mr. McNulty: I would say the contrary: I think that they do, but I do not accept that the ARA has not been successful. In terms of getting hold of the readies—to once again use a technical term—I accept that the ARA has been delayed somewhat in the court system. We are working with prosecution authorities and others, based on the experience of the ARA's relative success to date, to bring forward in the Bill particular proposals that we think will go towards addressing the issues to do with recovery through the courts that the hon. Gentleman agrees are problematic. I am sure that that can be explored in much more detail in Committee.

The hon. Gentleman is right in the sense that we think that what is outlined in clauses 68 to 76 will, at the very least, start to go to the heart of the problem to do with recovery orders working their way through the criminal justice and court systems. It may be that colleagues in the other place will come up with many more wonderful ideas; they certainly have not done so yet. The Public Bill Committee will determine that. I am all ears when it comes to proposals to try to do more to unblock the system, while still protecting the perfectly reasonable safeguards that apply to people, whether in respect of criminal matters or other matters. He is right that we can hopefully get more and more through the machine than we have done to date, but I do not think that the issue comes down to a lack of success on the part of SOCA or the ARA.

David T.C. Davies: I am grateful to the Minister for giving way; he is being extremely generous. Given that what he rightly calls legal shenanigans have prevented the ARA from getting its hands on £85 million of the readies to which he referred, has he made any estimates of what the legal costs are likely to be, both to the taxpayer and directly to the Home Office, of challenges to orders that are brought in as a result of the Bill? Presumably the Home Office has made an estimate of those costs; will it share that estimate with us, so that we can be made aware of it?

Mr. McNulty: Well, if that information is to hand—and I do not know whether it is or not off the top of my head—I will certainly make sure that it is available to the hon. Gentleman, but I repeat that we think that elements in the Bill will improve the situation and take it forward, so that it is made far better than it has been, not least for the reasons suggested by the hon. Member for Rugby and Kenilworth (Jeremy Wright).

As we have said, we plan to merge the key functions of the Assets Recovery Agency with the Serious Organised Crime Agency. To return to the point made by the hon. Member for Rugby and Kenilworth, we believe that that will maximise the skills and expertise of both agencies. We have given unequivocal assurances that there will be no reduction in resources or effort on the recovery of criminal assets in Northern Ireland, particularly after the merger.

We are making provision—again, this will help with the hon. Gentleman's point—for the Asset Recovery Agency's powers to pursue the civil recovery of the proceeds of crime in the High Court to be shared between SOCA and the main prosecuting bodies. Extending those powers to prosecutors will enable them to be used more often against more people's assets. The Asset Recovery Agency's responsibilities for the training and accreditation of financial investigators will transfer properly to the National Policing Improvement Agency.

The Bill also further extends powers in the 2002 Act. These include allowing suitably trained and accredited financial investigators to seize and detain suspect cash and to execute search warrants. Financial investigators will also be given investigation powers to help prepare their cases for the forfeiture of detained cash before the courts.

To improve asset recovery performance and processes further, we aim to table in Committee some additional amendments to the Proceeds of Crime Act. We propose to give the main prosecuting agencies investigatory powers in civil recovery proceedings. We will also enable prosecutors to represent the police and Her Majesty's Revenue and Customs in cash forfeiture proceedings in the magistrates courts. To protect the value of a defendant's assets under restraint, we propose to amend the provisions on the appointment of management and enforcement receivers. Finally, we need to make some amendments to the Serious Organised Crime and Police Act 2005 to support the transfer of the Assets Recovery Agency's functions to SOCA and the prosecuting bodies. All those measures will improve asset recovery as a result of the merger.

Clause 77 makes certain surveillance powers that are currently available to Her Majesty's Revenue and Customs for investigations into serious crime involving ex-Customs and Excise matters also available to HMRC for investigations into serious crime involving ex-Inland Revenue matters. That is a consequence of the merger of the two organisations.

The Under-Secretary of State for Northern Ireland, my hon. Friend the Member for Wythenshawe and Sale, East (Paul Goggins), has made clear the desire to provide Her Majesty's Revenue and Customs with statutory authority to disclose its information to relevant bodies for civil enforcement purposes connected with the recovery of proceeds of crime. HMRC would then be allowed to share information with the Criminal Assets Bureau that operates in the Republic of Ireland. The result would be better progression of cases where we are seeking to restrain or freeze assets belonging to individuals suspected of being involved in organised crime, both in Northern Ireland and more widely across the UK.

That is an outline of the substance of the Bill. I said at the start that I wanted to deal with two aspects that were imposed on the Government in the other place and which, for reasons that I shall set out, we shall resist.

Rob Marris (Wolverhampton, South-West) (Lab): I am grateful to my hon. Friend for his generosity. Under schedule 1, one of the offences defined as a serious crime is people trafficking. There are also certain prostitution offences that come under the rubric of serious crime. The United Kingdom is a signatory to European convention against people trafficking, but has not yet ratified and implemented that convention. Can my hon. Friend tell us what the timetable is for the United Kingdom to act seriously and promptly on that important convention?

Mr. McNulty: As my hon. Friend knows, we have already taken various steps—including taking forward the UK action plan on human trafficking and, during our presidency a couple of years ago, pushing the European action plan on trafficking. To be fair, the police, through the Association of Chief Police Officers and by other means, have shown over the past couple of years that they are taking the matter extremely seriously. All that is to the good and we will push on in those matters. As and when ratifying, rather than just signing, the convention means something substantial for the development of public policy, we will do so. It is important to get all the assorted building blocks in place through the action plans and in other ways prior to ratification.

My hon. Friend knows—I cannot remember the details—that a range of other nations have signed, but the last time I looked at the matter, Moldova had managed to ratify and that was it. I am not sure if that is still the case. A few more states may have ratified—*[Interruption.]* My hon. Friend helpfully heckles from a sedentary position. It is important, through European channels and more generally, to push people to take action on human trafficking under the law and by policing, rather than only on one level—the entry-level gesture of ratification—without substance in terms of development behind it.

Dr. Evan Harris (Oxford, West and Abingdon) (LD): Before the Minister moves on to the two issues that he intends to raise, can I take him back to the part 1 issue of serious crime prevention orders and the Liberty briefing? He will be aware that the Joint Committee on Human Rights shared concerns not only about legal certainty and the equivalence to a determination of criminal charge, but reference to a civil standard of proof. The Government maintain that that is a flexible standard that can be raised as high as that of beyond reasonable doubt. However, if, for issues relating to clauses 1 and 2, the standard will always be that of beyond reasonable doubt, would it not be a good idea to make that clear in the Bill for reasons of understanding our law and what the Government are about, and to avoid allegations relating to Paris Hilton, which the Minister mentioned earlier?

Mr. McNulty: The hon. Gentleman will know that there is a hierarchy involved. As my noble and learned Friend Baroness Scotland made clear in terms of McCann, we expect that the standard of proof required on the question of whether a person is involved in serious crime will be the same as that in criminal cases, but there may well be different standards in terms of prevention. I do not resile from what I said about the Liberty briefing and what I thought were rather poor assertions, but, as I said to the hon. Member for Bromley and Chislehurst (Robert Neill), that dimension and the nature of that hierarchy can be properly explored more fully in Committee.

The last two points raised in the other House—not with the support of the Government—were those of intercept evidence and the power to search for firearms. I shall deal with the latter issue first. Clause 78 was introduced into the Bill by amendment. The fact remains that there is already sufficient legislation in place to search for firearms. Section 47 of the Firearms Act 1968 gives powers to detain and search, and a constable may enter any place to conduct the search. Powers to seal off an area are provided by section 60 of the Criminal Justice and Public Order Act 1994, but under strict safeguards. ACPO has confirmed its very strong view that it is fully satisfied with its powers in that area and is concerned about the wide extension of powers that the amendment provides. Liberty has also expressed its concerns, agreeing with the Government's position on the total lack of safeguards in this clause. *[Interruption.]* Well, to be fair and as I said at the beginning, what Liberty said about the orders earlier on in the Bill was unusually sloppy, lacked intellectual rigour and was assertion rather than fact, and I meant "unusually" as well as all the other words. I take very seriously what Liberty says, which is why I am all the more disappointed when I have cause to be.

Under the power to which I referred, any constable could decide to seal off an area with no requirement for referral to a senior officer, no indication of the extent of that area and with no time limits specified. On balance, that is a reckless provision that would disproportionately affect our communities and potentially result in public disorder, and it is not terribly well thought out. Appropriate, proportionate, intelligence-led policing, such as that conducted by Operation Trident in the Metropolitan area, has proved to be successful in tackling gun crime. Stigmatising certain communities by cordoning off areas in the way provided for in the clause would not achieve that goal, advance what is already on the statute book in terms of searching for firearms, or help in any way to develop community cohesion. For those reasons, as the House has probably already worked out, we intend to remove the clause from the Bill in Committee.

Let us consider intercept as evidence. The amendment, which was inserted in the Bill on Report in another place, is simple. It would alter the Regulation of Investigatory Powers Act 2000 to allow the prosecution to apply to the court for permission to use intercept as evidence in terrorism or serious crime cases. Unless or until an application was made, the current ban on intercept as evidence would stand. The amendment assumes that if a decision were made to offer intercept as evidence, regular public interest immunity provisions would be sufficient to protect sensitive material from disclosure. We believe that that is a rash assumption.

The Government opposed the amendment because we believe it to be unworkable and deficient. It is unworkable because it provides none of the safeguards—beyond public interest immunity—that the intelligence, law enforcement and communications agencies have told us are essential to protect capabilities, techniques and resources from disclosure if intercept were used evidentially. I believe that even those who support the thrust of such an amendment accept that there is probably a need and a desire to go beyond the current public interest immunity provisions to allay those concerns.

We believe that the amendment is deficient because the way in which the provision could be operated in the cases at which it is aimed—terrorism and serious crime—without falling foul of the European convention on human rights is far from clear. It is argued that the proposal is "permissive" and that we do not have to use it, but that is no excuse for bad

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legislation, especially when it fundamentally undermines the existing regime and the "equality of arms" principle that underpins it. That would undermine our ability to protect what we do.

Successive Governments have wrestled with how to ensure that a legal model could be simultaneously fair to the defendant, robust in the protection of sensitive material and practical enough to operate without diverting vital front-line security resources into servicing disproportionate administrative requirements. The Government's position is well established. We support changing the law to permit intercept as evidence—but only if the necessary safeguards can be put in place and the potential benefits outweigh the risks. However, experience so far during the Bill's passage has taught us that we need to be more open in our determination to find a workable solution.

Two years ago, when a substantive review previously took place—I appreciate that, even then, the world was slightly different in terms of terrorism—it was believed that there were no cases of serious crime or terrorism whose outcome would have been affected by the use of intercept as evidence. It is right and proper to make progress on that work. I believe that it is right and proper to work the matter through to a conclusion. We have therefore agreed to set up an independent review of the subject on Privy Councillor terms. Not only are we convinced that the politicians should come together on matters of national security, but we want to ensure that we work together to solve the difficulties of that highly complex matter, and not try to pretend that they do not exist.

We are sure that the use of intercept as evidence, as suggested by Lord Lloyd's amendment in another place, is unworkable and deficient and we will try to get the relevant provision thrown out in Committee. We are not offering a Privy Council review in the context of the autumn's proposed terrorism Bill as a ruse simply to get through the Committee stage of the measure that we are considering. However, the Lloyd amendment is substantially lacking in thought and rigour in offering a way forward for intercept as evidence. We hope that that view commands the support of the House.

The two main parties are conducting work on the matter as we speak. I am not entirely sure of the extent to which the Liberal Democrats have been drawn into that partner process; we have engaged with them up to now. I hope that we can reach a position whereby progress can be made on the matter or it can be set aside, whatever the review's conclusion and the Government's response to it, rather than tackling it in a slipshod and deficient manner in the Bill.

I therefore hope that, when we debate the current amendment, we can agree that that is not the way forward. By the time the issue returns to the House, we will all be better informed by the outcome of the review. We are trying to take things forward through announcements on the review, as in last week's announcement, and I suspect that that will happen before the Bill goes into Committee, let alone its Report stage.

Mr. Nick Clegg (Sheffield, Hallam) (LD): Will the Minister further clarify his understanding of the mandate of the review mechanism to which he alluded and which will be held on Privy Council terms? Is it his understanding that the review mechanism would have as its objective making the proposition of the admissibility of intercept evidence in court a workable one—in other words, that the mandate is to make that mechanism work by overcoming the legal and other technical objectives—or does he have a looser view of whether it is either desirable or possible in the first place?

Mr. McNulty: As I understand it and as the hon. Gentleman will know, that stems from initial discussions between the Prime Minister and the Leader of the Opposition and subsequent discussions, albeit cursory, with the hon. Gentleman himself, with the right hon. Member for Haltemprice and Howden (David Davis) who speaks for the Conservatives, the Home Secretary and me. The answer is both. Clearly, the first mandate—an interesting word, but let me put that to one side—relates to whether there is a substantial and viable case, which would have to include the safeguards and other elements that are part of the debate, for taking forward intercepted evidence within an appropriate legal framework. Clearly, if the answer to that is yes, the substance of the hon. Gentleman's point becomes the second part of such a review. If at that stage the answer, given the concerns of the security services, the police and others, is no, at least it takes the issue to termination—for want of a better phrase.

I think that that is a two-stage element—although they almost run together, so it is not really two stages. Is there a way to take these matters forward and use intercept as evidence in a way that probably goes beyond public interest immunity to what amounts to PII plus, plus or whatever? Some work has been done on that already. If the answer is yes, we should proceed as the hon. Member for Sheffield, Hallam (Mr. Clegg) suggests. If the answer is no, and everyone is convinced that it is no, that clearly brings the matter to an end.

I know that the Government's view is sometimes characterised as being utterly against using intercept evidence, but in official terms at least our position has always been that we can look at such evidence if the framework that the hon. Gentleman suggested can be laid out. I have to say that from what I have seen I am not convinced that it can be, but the matter is worth exploring further and in more detail through such a vehicle as a review across party lines on Privy Council terms. I think that that is the way to take things forward.

That aside, my starting premise would certainly be that Lord Lloyd's amendment to the Bill is not the right way to take the issue forward. A Public Bill Committee would not be the place—almost on the hoof—to determine, get in place and correct the deficiencies in the Lloyd amendment. Therefore, we are very clear that we want to take the matter further in the terms that I have suggested. As my right hon. Friend the Home Secretary outlined last week in respect of other provisions for a potential terrorism Bill, which will not be introduced until at least the autumn, it is appropriate to secure a cross-party basis for taking this forward. We thus have the time and scope for such a review, alongside all the other elements that go to the terrorism part—rather than serious and organised

crime part—of the Government's agenda. I hope that that, and not this Bill, will be viewed as the most appropriate context for dealing with something as important as intercepted evidence.

Rob Marris: I welcome the review on intercept evidence and I quite understand my hon. Friend's reservations about the way in which the Lloyd amendment has been put forward. If possible, we should look very seriously into allowing intercept evidence, but with the appropriate safeguards to which my hon. Friend referred. May I draw him to another point before he closes his remarks about this Serious Crime Bill? What thought have the Government given to the Bill allowing post-charge questioning—I believe that it should—in relation to serious crimes?

Mr. McNulty: That is an entirely fair point. My hon. Friend will know that we are going down that route in the proposed terrorism Bill in the autumn. Rather than introducing such a measure for serious and organised crime in a knee-jerk fashion, it would be better to explore the possibility in the future. For completeness, in public policy terms I would rather see how effective such a measure was in terrorism cases and, as it were, work backwards to determine whether it might be appropriate for serious and organised crime. It is certainly a matter worthy of subsequent exploration.

I am sorry that my speech has been inordinately long, but I hope that the House will acknowledge that I have taken a great many interventions—I almost said "interceptions"—as is right and proper at the opening of a Second Reading debate. I am sure that whoever works on the Bill—who knows what is going to happen in the next couple of weeks?—will enjoy themselves enormously. It will have profound implications for taking forward our fight against serious crime. Other than for the amendments on searching for guns and on intercept evidence, both of which we shall seek to overturn, I commend the Bill to the House.

4.36 pm

Nick Herbert (Arundel and South Downs) (Con): The whole House will acknowledge the need to deal with serious crime, the economic and social costs of which are estimated to be between £20 billion and £40 billion a year. The assets derived from crime represent about 2 per cent. of the UK's gross domestic product. Let us not forget the human suffering caused by the violence and fear that organised crime breeds. These are not victimless crimes; the fact that the misuse of class A drugs is estimated to cost £13 billion a year is evidence of that.

The question is whether the Bill will be effective in dealing with these problems. We must ask why there is another Home Office Bill and how thought through it is. It is only two years since the passing of the Serious Organised Crime and Police Act 2005. It has been pointed out that the Government are focusing on legislative solutions. The Home Office has introduced 62 pieces of legislation since 1997, including six Bills in the most recent Queen's Speech, not all of which we have seen. Twenty-three of those pieces of legislation have subsequently been repealed, either wholly or in part. In the same period, more than 3,000 new offences have been created, 430 of them by the Home Office. The creation of 3,000 new offences works out at a new offence for almost every day that Labour has been in power, and it is twice the rate seen under the two previous Conservative Administrations. The Government have not yet worked out that the effectiveness of the law enforcement agencies and police forces is at least as important as the legislation that they seek to pass, often in haste. When legislation is necessary, however, it is important that it should be proportionate and effective. That is the yardstick against which we will judge the Bill.

Part 1 of the Bill immediately gives us a problem in that regard. The Government tell us that the proposed serious crime prevention orders are aimed at the Mr. Bigs—the 400 major crime bosses in the UK who have amassed a criminal wealth of approximately £440 million. The orders are a new type of civil order, similar to antisocial behaviour orders. Indeed, they have been nicknamed "gangster ASBOs" or "GASBOs". They will be made by the High Court, which could impose a broad range of prohibitions, restrictions or requirements on an individual or business. They could last for up to five years, and could be renewed indefinitely. Breach of an order would be a criminal offence carrying a sentence of up to five years' imprisonment. They appear to be a hybrid of control orders and ASBOs. As such, they are hardly likely to recommend themselves to Conservative Members.

We have two principal concerns about the proposals. First, how effective will they be? After all, we know that more than half of all ASBOs are breached. Some 35 per cent. are breached more than five times and 79 per cent. of those who receive them have previous convictions. The Youth Justice Board report described ASBOs as being worn by youths like a

"'badge of honour', rather than addressing the causes of"

bad behaviour.

Most seriously, MORI research shows a lack of public confidence in ASBOs. An Ipsos MORI poll published in June last year, six months after the launch of the respect action plan, found that nearly half the public do not think that ASBOs are effective in stopping antisocial behaviour. Nearly a third of people subject to control orders have absconded. Since the beginning of 2006, 19 people have been subject to control orders, six of whom have absconded and all of whom remain at large. Given the record of ASBOs and control orders, we view the prospect of a new fusion of the two with a certain amount of concern about their effectiveness.

Our second concern is about the underlying principles governing the orders. They are predicated on the notion that at some future point in time, a person will commit an unspecified criminal offence and needs to be prevented from doing so. Hon. Members might have seen the film "Minority Report", in which the system of punishing someone with imprisonment after a crime has been committed has been replaced with pre-crime, which operates before a crime takes place in an attempt to prevent it from happening. It is no longer fanciful to say that that concept of pre-crime is being introduced into our legal system today. The only difference is that Tom Cruise relied on mutants who foresaw the future, whereas the Minister and his proposals will rely on hearsay evidence to back up the new gangster ASBOs.

Rob Marris: I think that I am following the hon. Gentleman's argument carefully and that I understand it, but he said that there will be reliance on hearsay evidence. Will he point me to where in the Bill it says that hearsay evidence—or GASBOs, or whatever they are called—will be relied on?

Nick Herbert: The hon. Gentleman does not seem to understand that it is a civil process and that is exactly the kind of evidence that could be relied on in the operation of such orders.

Mr. Garnier: The hon. Member for Wolverhampton, South-West (Rob Marris) might also care to note that provision is made in the Criminal Justice Act 2003 to allow the admission of hearsay evidence even within criminal proceedings. It is not a new breach of the original system of admitting evidence into quasi-criminal-type proceedings. He needs to read one of the 64 Bills that have been passed before this one.

Nick Herbert: I am grateful to my hon. and learned Friend for his assistance.

The concerns about the measures, which blur the boundary between the civil and the criminal law, enabling criminal sanctions to follow from doing something that is not in itself a crime, have not just been expressed by the civil liberties organisation Liberty, the advice of which the Minister sought to discredit. They have also been expressed by the Law Society, which said:

> "We fear the proposed orders are a measure of expediency to deal with cases where a prosecution is not possible because there is insufficient evidence".

The Minister made great play of the fact that the measures are not punitive, but as the House will know, it has become common for ASBOs to be used as an easier alternative to criminal prosecution, because it is more straightforward to collect and rely on hearsay evidence than to assemble the necessary evidence to secure a criminal conviction.

Mr. Geoffrey Cox (Torridge and West Devon) (Con): Can my hon. Friend think of a reason why the Serious Organised Crime Agency might wish to prosecute? Under the Bill, criminals' assets can be seized, they can be labelled with the stigma of guilt of serious crime on the balance of probabilities, and they can be subject to the most onerous restrictions on their liberty. Why would anyone want to go to the trouble of lengthy criminal proceedings if all that could be done on the balance of evidence in an ex parte hearing on affidavit?

Nick Herbert: My hon. and learned Friend makes a good point. Just as the Government make great play of their desire to take cases out of the courts in developing their summary justice programme, of which they regard ASBOs as being a part, there is no doubt that in this instance they seek an alternative means of dealing with serious criminals. That may mean that the proper avenues of court procedures will not be followed, and that no safeguards or checks will enable the House to monitor or assess on an ongoing basis the extent to which these provisions are being used for their proper purposes.

Despite Government concessions in the House of Lords, the raft of restrictions that GASBOs could impose is extensive. They include restrictions on those with whom a person can communicate and on where a person can live, work or travel. They may also include requirements to answer questions, provide information or produce documents. The Government say that the High Court will provide oversight, but as Mr. Justice Sullivan said in the context of control orders, to which these measures bear some relation, judicial involvement in the making of such orders can be no more than a "thin veneer of legality" which "cannot disguise the reality". As was pointed out earlier, the definition of serious crime includes

> "fishing for salmon, trout or freshwater fish with prohibited implements".

We thought that the Bill was designed to deal with the untouchables, the modern-day Al Capones; now it seems that it could be used to target Pop Larkin.

The Secretary of State can also modify the list by order, which the Conservatives consider unacceptable. If there is to be an extension of the crimes to which these measures can apply, given the supposed serious nature of those crimes, it should be made by primary legislation. We will pursue that point if the Bill reaches Committee.

As a former deputy chief constable, John Stalker, said,

> "criminals should be dealt with under the criminal law...super-ASBOs, as these are being called, are not the answer to heavyweight criminals. They may be OK for hoodies on the street"—

but, he said, they were not appropriate for more serious criminals.

These are the key questions. Where are the safeguards to ensure regular review of the orders? They do not exist in the Bill. On what basis will the effectiveness or reasonableness of the orders be judged? In Committee, we will consider measures to ensure that such safeguards are placed in the Bill.

In its report on the Bill, the Joint Committee on Human Rights commented:

> "In our recent work on counter-terrorism policy and human rights we have drawn attention to the unsustainability in the long term of resort to methods of control which are outside of the criminal process and which avoid the application of criminal standards of due process. We are concerned that the introduction of SCPOs represents a similar step in relation to serious crime generally. In our view, the human rights compatible way to combat serious crime in the long run is not to sidestep criminal due process, but rather to work to remove the various unnecessary obstacles to prosecution, for example by relaxing the current prohibition on the admissibility of intercept material".

That leads me to clause 4 and to schedule 13, which was inserted in another place against the Government's wishes. Both provisions relate to the use of intercept evidence. There are already a range of practical measures that would strengthen our ability to bring terrorists to justice, and we believe that the introduction of intercept evidence in court is the single most effective step that the Government could take today to make the country safer.

The Home Secretary says that intercept evidence is not a silver bullet. Of course; there are no silver bullets when it comes to dealing with terrorism. But why is the UK one of only two countries in the democratic world

that does not use intercept evidence? Many arguments have been put against the use of such evidence. They include the argument that terrorists will cotton on to what is happening and that the means of the intercept will be revealed. But as Andy Hayman, the assistant commissioner of the Metropolitan police in charge of counter-terrorism, told the Home Affairs Committee:

"I think that this is now well and truly worn-out because I think most people are aware of that. It does not stop them still talking but they are aware of the methodology so that is a lightweight argument."

Mr. McNulty: He is showing his ignorance.

Nick Herbert: From a sedentary position, the Minister says that the assistant commissioner of the Metropolitan police, who is in charge of counter-terrorism, is showing his ignorance by making those comments.

Mr. McNulty: With the greatest respect, I am saying that the hon. Gentleman is showing his ignorance by saying that such an argument about interception techniques and how criminals and terrorists attempt to resist them is now lightweight. That simply shows that he does not understand the range of intercept techniques that now exist, any number of which, to be fair—I am more than willing for the hon. Gentleman to have the appropriate briefings—are not common knowledge to the terrorists and serious criminals but would be were we to go down this road, without being covered in the ways that I have suggested.

Nick Herbert: Quite clearly, the Minister was seeking to dismiss the comments of the assistant commissioner, who told the Home Affairs Committee that he had changed his view and concluded that the time had come to review the use of intercept evidence.

The assistant commissioner also helped to knock down a number of the other arguments against the use of intercept evidence. Another common one is that it would impose an undue burden on the police and intelligence agencies. The assistant commissioner said that this was

"a fairly moot point now, given that you can be very selective about the things you are going to transcribe if you are very precise on your investigation and focused."

The fact is that the arguments for using intercept evidence are increasingly accepted by a large range of people, including the Attorney-General, the Director of Public Prosecutions and even the Government's terrorism adviser, Lord Carlile, who has accepted that the issue needs to be reviewed.

Robert Neill: To reinforce my hon. Friend's argument and to close down, I hope, the suggestion that the assistant commissioner's remarks were somehow off the cuff, Assistant Commissioner Hayman's remarks were specifically endorsed by the Metropolitan Police Commissioner, Sir Ian Blair, who reported recently to the Metropolitan Police Authority in exactly the same terms. I am sure that my hon. Friend is also aware that there is an increasing feeling among the police and other agencies that a sensible approach to the public interest immunity regime would be an adequate means of dealing with the safeguards. I appreciate that my hon. Friend may want to look at this issue in Committee, but does he agree that, increasingly, the leaders in British policing recognise that this is an appropriate way forward?

Nick Herbert: I am grateful to my hon. Friend. Andy Hayman concluded by saying that the fact that we did not allow the use of intercept evidence made us

"look a little bit foolish that everywhere else in the world was using it to good effect."

His views on the matter were quite clear.

As I mentioned, almost every other major country uses intercept evidence to some effect. In the United States, it is used in nearly all counter-terrorism and organised crime prosecutions and is often the decisive evidence in relation to prosecutions.

The Government have not had a coherent view on this issue. In his statement on control orders last month, the Home Secretary said that the Government had been looking at allowing the use of intercept evidence in court for a considerable time but that

"both Opposition Front-Bench teams know that the disadvantages so far outweigh the advantages that what they are suggesting meets with complete opposition from our security and intelligence services. They are the front line, charged with the national security of this country. Consistently, time after time, they have made it clear...that they are opposed to that approach."—[*Official Report*, 24 May 2007; Vol. 460, c. 1432.]

The Chancellor, however, has recently briefed journalists that he favours the use of intercept evidence. Judging by the Minister's comments—and his remarks from a sedentary position—I wonder how open minded the review that the Prime Minister has conceded following the request of my right hon. Friend the Member for Witney (Mr. Cameron) will be about the use of such evidence. Therefore, we must examine the premise of the review.

We are grateful that the Government have now accepted the proposal on Privy Council terms. The committee of Privy Councillors that looks at this issue should be a cross-party committee and it should be balanced—there should be no overall control by one party. No one serving in Government should be on the committee; its members should be Privy Councillors with expertise in the issue. The committee must report well before November, in advance of First Reading of the new counter-terrorism Bill, to allow time for provisions to be incorporated in it, if necessary. Crucially, there must be a presumption that the Government will accept the recommendations the committee makes once it has examined all the evidence and arguments and taken account of any concerns that those in the intelligence services might continue to have. If the committee finds that the use of intercept evidence is necessary, the Government should accept that. We want to be sure that the Prime Minister, having accepted the proposal, will set up a committee that looks objectively at the evidence. That is why I view the Minister's remarks and the Home Secretary's previous remarks on this issue with some concern.

In view of that, we should not give up the provisions on the use of intercept evidence that Lord Lloyd added in Committee. We need at the very least to have reassurances on how the Privy Council examination of the use of intercept evidence will be conducted and on its terms of reference before we can allow the view of the other place to be overturned.

Mr. McNulty: It is my understanding that discussions between the Prime Minister and the Leader of the Opposition are continuing and that matters such as those raised by the hon. Gentleman will be resolved, at least in outline, by the time we are in Committee. If that is not the case, I will write to the hon. Gentleman to make that clear. However, I am sure that discussions are ongoing, and that they address precisely the matters the hon. Gentleman mentions, such as the committee's composition. It is right and proper that such issues are cleared up before the Committee stage, although how the hon. Gentleman approaches particular clauses in Committee is up to him. I am just trying to be helpful, as ever.

Nick Herbert: The Minister is, of course, being helpful, as ever, and I am grateful for his clarification. However, he will understand that we will reserve a decision until we have seen how the Privy Council review is conducted. It might be more appropriate for Lord Lloyd's amendment to be considered on Report, when all Members can contribute.

Robert Neill: I entirely agree with my hon. Friend about the Privy Council committee and its composition, and perhaps through him I might invite the Minister to consider the following point. Does my hon. Friend accept that it would also strengthen the committee if we made sure that among its members were not only Privy Councillors but members of the senior judiciary, some of whom are Privy Councillors? They have experience in criminal matters, particularly the operation in practice of public interest immunity applications.

Nick Herbert: That is a very interesting suggestion. The crucial criteria should be that members of that Committee have experience and expertise, and that the Committee be balanced; it should not be capable of being controlled in any way by the Government. We await the Prime Minister's proposal.

Part 2 of the Bill deals the reform of the law relating to inchoate offences and follows Law Commission advice. In the main, it seems to us to be sensible, and we will examine proposals relating to incitement, for example, in Committee.

Part 3 begins with provisions on information sharing within the public sector and between the private and public sectors, with the purpose of preventing fraud. The Government claim that this is a narrow and targeted provision to prevent fraud. However, we are concerned that extensive powers are being taken that could allow for the first time widespread data sharing between the private and public sectors, which would overturn the basic data protection principle that personal information provided to a Government Department for one purpose should not, in general, be used for another. Instead, the principle appears now to be that information will normally be shared in the public sector, provided it is in the public interest. The Bill therefore clears the way for a large-scale data-matching exercise, even though a Home Office consultation paper published last year acknowledged that many public bodies feared that such operations could be seen as fishing expeditions. We believe that such procedures can be justified only on a crime-by-crime basis. As the former chief constable of the west midlands, Lord Dear, said in another place, there is

"no problem with exchanging data on a target organisation or person",

but

"To go on a data-sharing fishing expedition infringing the privacy of millions on the off-chance of catching a few, admittedly quite big, fish would be a step too far."—[*Official Report, House of Lords*, 7 February 2007; Vol. 689, c. 757.]

The Joint Committee on Human Rights has warned that, as drafted, the power of public authorities to share information with anti-fraud organisations could breach article 8 of the European convention on human rights, relating to the right to respect for private life. The Committee was also concerned about the absence of strong safeguards to ensure the proportionate use of data sharing. It proposed two limits on the powers, the first of which was to limit the width of the power, for example by specifying the information that could be disclosed and the categories of people to whom it could be disclosed, in place of the open-ended authorisation of disclosure to any person to whom disclosure happens to be permitted by the arrangements of a particular anti-fraud organisation. The Committee's second proposed limit was to introduce additional safeguards in the Bill such as defining the threshold for reporting information on suspected fraud, limiting disclosure so that only information on those suspected of fraud would be shared.

In Committee, we will need to consider these proposals and the question of the appropriate limits, to examine the code of practice that the Government promised in another place but which they have now told us will be published when we are in Committee, and to examine the extent to which the code of practice will allay concerns and mean that limits need not be placed on the operation of these provisions.

Rob Marris: I thank the hon. Gentleman for his generosity in giving way. On his understandable concern about data fishing—not with a "ph" but with an "f", to stay with the fishing theme and our earlier discussion involving salmon fishing—would that not be covered by schedule 7? It states:

"A data matching exercise may not be used to identify patterns and trends in an individual's characteristics or behaviour which suggest nothing more than his potential to commit fraud in the future."

Nick Herbert: That was not the view of the Joint Committee. I am open-minded about whether the Government can reassure us that that provision will prevent fishing. Our concern is to ensure that fishing is not allowed. The provisions should be able to be used only to identify existing patterns of criminal activity. We will examine those detailed issues in Committee.

We understand the purpose of the provisions and their potential value, but the human rights considerations are serious and need to be addressed, not least because clause 66 suggests that not only relatively innocuous personal data, but sensitive data could be shared. That includes information on racial or ethnic origins, political opinions, religious beliefs, physical or mental health and sexual life. Indeed, the Bill specifically amends the data protection legislation to achieve that widened definition of data that may be shared. What is the justification for widening the definition to include sensitive personal data that do not immediately appear to relate to fraudulent activity? We

will seek reassurances from the Government on those points and, if necessary, amendments to the Bill. The Minister may be able to give us those reassurances when he winds up or, more likely, when we examine the detail of the Bill in Committee.

We are mindful of the Information Commissioner's warning that we are sleepwalking into a surveillance society. The House has to be careful before passing wide ranging powers that could allow considerable intrusion into people's private lives and the data that are held on them in breach of the principle of the data protection legislation. It is right that we should consider these proposals very carefully.

Chapter 2 of part 3 relates to the proceeds of crime and the abolition of the Assets Recovery Agency. As an example of the Government's legislative frenzy, the ARA was set up only in 2002 and has since been subject to various changes through legislation. Five years later, it is to be abolished, but that is perhaps not surprising given the National Audit Office's report in February, which pointed out that the ARA had recovered £23 million against costs of £65 million. The Minister will have to explain how simply dismantling the agency and reconstituting it within SOCA will make it more effective. The deckchairs are often moved around the deck of a sinking ship, but we want to know how the proposals will improve performance in assets recovery. We will also seek reassurances about the effect on Northern Ireland, where the agency has been more successful and is valued by the Police Service of Northern Ireland.

We have cause to be concerned about the placing of the ARA into SOCA. The former has been in operation for just over a year and we are concerned about its accountability. It has a budget of nearly £400 million, capital funding of £43 million and 4,500 full-time equivalent staff. However, the House has had no opportunity to debate the effectiveness of the agency since it was established or since it has reported. The ARA is meant to be accountable to Parliament.

I concede that it is too early to assess SOCA's effectiveness properly, and that we can take some positives from its first annual report, such as the volume of drugs that it has seized and the stronger international co-operation that it has fostered. Concerns remain, however: the agency has prosecuted fewer cases in the UK courts than its predecessor, and it has missed its targets for seizing criminal assets. Reportedly, it has suffered from poor morale, too much bureaucracy and staff problems. Questions have been asked about its cost-effectiveness too as, so far, it has achieved fewer convictions of organised criminals than its precursor, even though it has more than twice the budget.

Perhaps SOCA can answer all those questions, but it is very important that the House should have an opportunity to assess its effectiveness, especially before we accept a proposal to place within it the already not very successful ARA. We shall have to look at all those matters more closely as the Bill makes its way through the House.

Finally, clause 78—part 3, chapter 4—provides a new power to seal off an area and search it for firearms. The Minister said that this was another measure that had been imposed on the Government against their will, but it is pretty rich of the Government to say that ACPO did not ask for it. The Minister told us that ACPO had said that the power was unnecessary, but what about the idea for a new stop-and-question power that he floated in the press? It was dropped unceremoniously a few weeks later, but did the Government take ACPO's view into account then? No, of course not. The Government are happy to pray in aid ACPO's opinion when it suits them, but they are equally happy to float a proposal and gain a good headline without even having the courtesy to talk to ACPO beforehand.

We need to examine the new power on its merits. The Minister described it as a "reckless" provision, but we will have the opportunity in Committee to hear his explanation of why he believes that the existing powers are sufficient, and to look at the issue in a rather more sober manner.

The Bill is typical of the Government's piecemeal approach to dealing with crime. The promised Criminal Justice Bill has not yet emerged, even though *The Sunday Times* promised us in January that it was to be the Prime Minister's final assault on Britain's thug culture. We have had a series of Home Office Bills that have been badly thought through and incomplete, when what we need is more effective action by the agencies concerned, and more thought about the proposals brought before the House.

Despite the scrutiny of the Bill undertaken in another place, some serious questions remain, such as the implications for civil liberties of data sharing and the justification for, and the reach of, the serious crime prevention orders. In addition, we will need to debate the use of intercept evidence until we can be sure that the Privy Council committee is looking at the matter.

Those are all issues on which the Opposition want reassurance. We understand the purpose of the Bill and share its aims, so we shall not divide the House, but we reserve our position on crucial issues, especially those relating to civil liberties. The Bill's progress will depend on what the Government have to say to us in Committee and on Report.

5.15 pm

Mr. Jeremy Browne (Taunton) (LD): It was a pleasure to hear what may have been the farewell speech of the Minister for Security, Counter Terrorism and Police in his current capacity, with only 15 days to go until Gordon judgment day—G-day. Perhaps the hon. Gentleman will face ministerial oblivion, or perhaps he will be elevated to a greater role—we await news of his fate with interest. He gave a typically robust performance this afternoon.

It is important to tackle serious crime; offences covered by the Bill include people trafficking and child sex crimes, which have a devastating impact on communities, families and, most important, the victims. I am sure the House would agree that, whether in the media or in one's community, it is infuriating to see people behaving as though they were immune from prosecution and above the law—the so-called Mr. Bigs. I understand why the Government share the public's frustration about such people.

Over the past 10 years there has been an explosion in many categories of serious crime. Gun crime has gone up markedly since 1997. Knife crime has risen substantially over the past 10 years; yesterday, we were

[Mr. Jeremy Browne]

given a terrible reminder of the devastating effects of people carrying knives. People trafficking has gone up substantially over the past decade. There is no doubt about the problem of serious crime; the question is whether the Bill addresses it as effectively as it could.

Before I get down to the nitty-gritty of the Bill, I shall make three broad observations about what may have informed the Government's thinking about it. First, it is fair to say that they are hopelessly addicted to what the Prime Minister famously described as "eye-catching initiatives" on crime. I shall briefly revisit the e-mail from "TB" of 29 April 2000, in which he said:

"On crime, we need to highlight the tough measures...we are lacking a tough public message...we should think now of an initiative, eg locking up street muggers. Something tough, with immediate bite which sends a message through the system."

At that point, obviously thrashing around for a few more examples of what might send out the right media message, he went on:

"Maybe, the driving licence penalty for young offenders"—

after seven years, we have still not seen that one—

"but this should be done soon and I, personally, should be associated with it."

The reason why I quoted the e-mail so extensively is that the Bill exhibits the same traits. We are being invited to bring into our vocabulary new expressions such as the "serious crime prevention order"—the SCPO, or perhaps there is another way of describing it. Perhaps Ministers did not think that was catchy enough so they came up with "gangster ASBOs" to capture with greater force the essence of the legislation.

It is worth recalling the words of Louise Casey, the Government's co-ordinator for respect—I did not make up that title. Recently, she was reported as saying that she "punched the air" when she heard the word "ASBO" on EastEnders. That, in a way, sums up very well what the Government regard as the test of their eye-catching initiatives. Do they get mentioned on prime time TV? Do they enter the popular vocabulary? It is not necessarily to do with whether they are as effective as they might be in tackling crime and in passing the test of scrutiny in the House. No matter that in some parts of the country three quarters of ASBOs are now breached. As long as the co-ordinator for respect can punch the air because people watching "EastEnders" know what ASBOs are and regard the action taken by the Government as sufficiently tough, the initiatives will have achieved their objective. This is the era of soundbite and spin—I hope it will last for precisely one more fortnight, but I suspect that it will not—and the Bill has to be seen in that context.

My second observation has been touched on earlier and it is that the Government are hopelessly addicted not only to eye-catching initiatives but to legislation. It is worth stepping back and looking at what the Government have put through the House in this broad field since 1997. Labour has created more than 3,000 new criminal offences, passed 115,000 pages of legislation and introduced more than 50 Bills, including 24 criminal justice measures. In the 60 years between 1925 and 1985, Governments of different colours managed to get by with only six criminal justice Acts, an average of one every decade. This Labour Government have been getting through them at the rate of more than two a year.

If I list the measures in this broad area that have been put before the House in just this Session, you will, Madam Deputy Speaker, get a sense of the legislative frenzy within which the Bill sits. The list contains the Fraud (Trials without a Jury) Bill, the Legal Services Bill, a criminal justice Bill, an asylum and immigration Bill, the Offender Management Bill, a counter-terrorism Bill, the Tribunals, Courts and Enforcement Bill and this, the Serious Crime Bill. It is no wonder that Ministers have little time to run their Departments effectively. They are so busy trying to make a splash with legislation in the House.

My third observation is how hopelessly cavalier the Government are with the foundations of our criminal justice system. What am I talking about? I refer to the very essence of our criminal justice system and the features that, as children growing up in the United Kingdom, one learned to value and regard as important. Those features include trial by jury, the presumption of innocence and the right to a fair trial before an independent court. These are not niceties and added extras, but fundamental protections for the individual citizen from the excessive power of the state and they have been developed over many centuries. We have to be extremely cautious about regarding them lightly and disregarding them quickly in the House.

I shall concentrate my specific comments primarily on part 1 and to a lesser extent on part 3. The big issue that we need to consider today and in the Bill's remaining stages is that part 1 seeks to restrict the liberties of people who may never have been convicted of any criminal offence. The whole notion of a person being innocent until proven guilty—as I have said, I was always given to understand that it is the fundamental right of every British citizen to start with that assumption made about their guilt or otherwise—has been stood on its head. Instead, the High Court merely has to be "satisfied" or have "reasonable grounds" to issue a serious crime prevention order. That is a considerably lower threshold than innocent until proven guilty and the other safeguards that I have touched upon. That is why the Liberal Democrats tabled an amendment in the House of Lords that would add after the word "satisfied" the phrase "beyond reasonable doubt". That was rejected in the other place, but we intend to revisit the matter in Committee if the Bill is given a Second Reading.

The Minister in the other place, Baroness Scotland, admitted that what I have described is indeed the case. Let me take the House briefly through the relevant passage of her speech. In exchanges between Conservative Front-Bench Members and the Minister for Security, Counter Terrorism and Police, we were told that the safeguards were rigorous and that there was not as much need for concern as I have claimed. However, Baroness Scotland said:

"These are civil orders, so this involvement will have to be proved to a civil standard. But I know that many of your Lordships will be only too aware—so I hope that noble Lords will forgive me if I emphasise it—that where serious assertions are made, the civil standard can be virtually the same on certain issues as the criminal standard."

Members should note that she said "virtually the same", not "the same", and "on certain issues", not "all issues". She went on to say:

"Recent case law has stated clearly that in proceedings like these the court will look at the civil standard as a sliding scale, with the likely standard of proof for these orders being very close"—

just "very close"—

"to the criminal standard of 'beyond reasonable doubt'." —[*Official Report, House of Lords*, 7 February 2007; Vol. 689, c. 729.]

That statement is full of caveats: "virtually the same", "on certain issues", "the likely standard", and "very close". That falls a long way short of the reassurance that the Minister for Security, Counter Terrorism and Police sought to provide this afternoon.

As an example of the low threshold, clause 2(1) states:

"For the purposes of this Part, a person has been involved in serious crime in England and Wales if he...has conducted himself in a way that was likely to facilitate the commission by himself or another person of a serious offence in England and Wales (whether or not such an offence was committed)."

Again the word "likely" is used and the offence itself does not even need to be committed.

We talked earlier about the amendment from Lord Lloyd of Berwick, which I will come to in due course. When speaking on Second Reading in the other place, he got to the nub of how muddy these parts of the legislative waters are. He said:

"I could understand and sympathise with prevention orders in the case of those who have been convicted of a serious crime as part of the sentence imposed by the court. I could understand prevention orders in the case of those convicted of serious crimes by a foreign court, assuming we can ever find out who they are. That all makes perfectly good sense to me, but I simply cannot understand how one can justify prevention orders in the case of a man who has committed no crime—indeed, who may have done nothing more than facilitate the commission of the crime by others, even though he did not intend to facilitate the crime and even though in fact the crime has not been facilitated, but only made more likely, however one is going to decide that and whatever it may mean."—[*Official Report, House of Lords*, 7 February 2007; Vol. 689, c. 741-42.]

We find ourselves in a pretty difficult position when we are trying to legislate on such shifting sands and put in place a legal framework that can stand the test of time and which individual citizens can feel confident about.

Some serious sanctions exist and can be applied. People's finances and work arrangements, and even their ability to travel internally within the United Kingdom, can be restricted. A wide range of offences are involved, as was touched on earlier. Most people would regard arms trafficking or child sex offences as serious crimes, but the definition of a serious crime is loosely drawn. As has been said many times in the other place and here this afternoon, it includes salmon fishing. I do not doubt that somebody who owned salmon and did not wish it to be fished would be greatly upset by that, but it is hardly in the same category as arms trafficking and child sex offences.

Other acts that are fraudulent and certainly criminal, such as the pirating of DVDs, appear to fall under the scope of the Bill, too. "Serious crime" is very widely drawn indeed; it includes crimes that some people will feel ought to be punished, but that perhaps ought not to fall within the scope of the Bill. Of course, if people fall foul of the sanctions that have been put in place with respect to their internal travel arrangements or work arrangements, and breach their serious crime prevention order, they can go to prison, so a civil offence can lead directly to a criminal sanction.

There is also concern that the measures will be seen by many as a soft alternative to prosecution, and that people who ought appropriately to be convicted, after evidence has been collected and a court case has ensued, will not go through that full, rigorous process. The thinking appears to be, "We know who is causing the problems, and we are keen to get them, one way or another; if we cannot get them through conventional means, we had better devise some other means of catching them." That is a difficult basis on which to put together criminal justice legislation, and it also means that some serious offenders who ought to feel the full effects of the law may well end up getting away with far softer punishments than they would otherwise have had.

Part 3 of the Bill concentrates on fraud and data sharing. Like everyone else in the House, I deplore fraud, and I accept the arguments often made to say that it is certainly not a victimless crime; all of us can, collectively, be victims of it in many different ways. There are occasions when I wish that the Government, in putting in place schemes such as tax credits, would ensure that they were sufficiently tightly administered and were not so prone to fraud, but leaving that to one side, I think that we could all agree that measures to tackle fraud have desirable objectives. However, I and others are extremely concerned about confidentiality, and we are alive to the dangers of the surveillance state. I am pleased that the Select Committee on Home Affairs has decided to make it its business to consider the surveillance state and the degree to which people who justifiably want their security enhanced and strengthened, using modern surveillance techniques, need to be reassured about their privacy and the protection of their liberties. That is the balance that we need to strike in a state such as ours.

Of course, the presumption in the past has been that when a citizen has provided his or her details to the state for a specific purpose, the details would be held only for that purpose. I accept that that is a difficult area, inasmuch as it is important that the Government be efficient in their use of data. People may on occasion be frustrated or exasperated to find that a piece of information that they gave to one Government agency has not found its way to another, as they assumed that it would, and when that would have made their interaction with the Government much more efficient, effective and smooth, so I appreciate that we are not talking about absolutes. None the less, my concern, and the concern of many other Members, is that as soon as data are shared widely across Government, and by Departments for which the data were not intended, there is a serious risk that they will be used inappropriately, whether for phishing expeditions, as was said earlier, or for any other reason.

I am concerned that the Audit Commission has been given a role in respect of data. I always thought that the Audit Commission, set up by Mrs. Thatcher, was designed to try to ensure that we received higher quality public services that were better value for money. We could have a separate debate about whether it achieved, or continues to achieve, that; after all,

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millions of pounds of taxpayers' money are spent on it. However, I had never realised that the Audit Commission was intended to snoop on individual citizens to make sure that our data were being matched in a way that was desirable for the Government.

It is interesting that as far as I am aware—the Minister may correct me—no estimates have been given of the potential financial savings resulting from the proposal. It is legitimate to examine this aspect. If we are to extend the power and scope of the state in such a way that the privacy of individuals may be compromised, it would be useful to know what the up side is in terms of revenue savings. If we do not know that, it is hard to make a value judgment. There are many, myself included, who will feel that the amount of money is immaterial because there are issues of principle at stake to do with the liberties of the individual citizen, but others may regard that as a reasonable quid pro quo, assuming that the amount of revenue saved is considerable. At present we are not in a position to make that judgment.

I am also concerned by the ability of the public sector and the private sector to share data. That was confirmed by the Minister, Baroness Scotland, in the other place when she said:

> "The provisions of this Bill will enable the public sector to share information with the private sector, and vice versa."—[*Official Report, House of Lords*, 7 February 2007; Vol. 689, c. 731.]

That is quite clear.

Last week at the Home Affairs Committee, the witnesses included a representative of Tesco and a representative of the company that makes Nectar loyalty cards for Sainsbury's and others. They were cross-examined by the Committee in detail. People who were present would have been surprised, and some may even have been shocked, by what they heard. Of course, when one stops and thinks about it, it seems obvious. If people visit one of those stores and choose to have one of their cards—I accept that that is a choice; it is not compulsory, but millions of people make that decision—the time and location of their purchase is logged. In other words, each time they use the card, the firm knows where in the country they are. The contents of their purchase are also logged, including items that may be confidential or embarrassing—medication, for example.

People might not wish to have such information widely shared. It was confirmed by the witnesses at the Committee sitting that that information can already, in some circumstances, be shared with the police. So there is an individual, thinking that all they are doing is collecting credit points in order to buy another few bottles of wine or another few chocolate bars, but if the circumstances are such that it is deemed necessary, the state can use that information to track the whereabouts of that citizen. There may be occasions when that is useful and perhaps even desirable, but it is worth while scrutinising in some detail, because many people will have anxieties about that.

It is interesting that we in the United Kingdom seem to have no compunction about giving a great deal of information to the private sector, but we have some reservations about giving it to the state. As soon as the distinction is blurred, people may regard the issue differently.

The amendment in the other place that attracted most attention was that of Lord Lloyd of Berwick, which was passed by 182 votes to 121, on the use of intercept evidence. I read in one of the Sunday newspapers that the idea of Members of this place considering the use of intercept evidence was a brilliant and original scheme devised by the right hon. Member for Witney (Mr. Cameron), which came as news to me because I had heard Liberal Democrat Members putting forward exactly such a proposal many years before it appeared to come to the attention of the leader of the Conservative party. None the less, I welcome the growing consensus in this House on the use of intercept evidence in some court cases where it is deemed to be necessary and appropriate—although that consensus seems only to be making a certain amount of progress on the Government Front Bench.

When I recently asked the Home Secretary whether intercept evidence would be a useful measure to tackle terrorism and, by extension, some serious categories of crime, he said:

> "Let me deal first with the question of intercept evidence in court. We have been looking at that for a considerable time, and both Opposition Front-Bench teams know that the disadvantages so far outweigh the advantages that what they are suggesting meets with complete opposition from our security and intelligence services. They are the front line, charged with the national security of this country. Consistently, time after time, they have made it clear to both Opposition Front-Bench teams that they are opposed to that approach. When those who speak for the Opposition parties make that proposal, they should admit that they are disagreeing with those who are primarily charged with the nation's security."—[*Official Report*, 24 May 2007; Vol. 460, c. 1432.]

I did not properly capture the force with which the Home Secretary made those comments. He was full of scorn and derision for the people who had made that suggestion. At the same time, the Leader of the House, a former Home Secretary himself, was sitting next to the Home Secretary gesturing in a way that suggested that he was extremely supportive of the Home Secretary's view that intercept evidence should not be used in court cases. Then the Prime Minister in waiting, the current Chancellor of the Exchequer, suddenly conveyed a greater interest in seeking to establish a consensus and the goal posts appeared to have moved. If that is the case, we welcome it. It is not necessarily a way of conducting good government, but perhaps once this has been considered at length by right hon. and hon. Members on both sides of the House, the outcome will nevertheless be the desirable one.

Everyone wants serious action to be taken on serious crime. Serious crime has exploded under this Government, but we should not always assume that the legislation that is brought before us has the intended consequences that Ministers claim for it here. Today, I received a written answer from the Under-Secretary, the hon. Member for Gedling (Mr. Coaker), who will be familiar with it, having crafted it in detail and provided it for me. My question was fairly straightforward. On the basis that the Criminal Justice Act 2003 put in place a mandatory five-year sentence for people carrying an illegal firearm, I asked how many of those who have been convicted of carrying an illegal firearm since then have been sent to

prison for five years. One would assume that the answer was 100 per cent., because that is what a mandatory sentence would imply. However, as the Minister will know from the answer that he gave me, the actual figure is 37.9 per cent. In fact, people who have been convicted of carrying an illegal firearm are given, on average, sentences of less than four years, despite the mandatory five-year sentence.

I give that example because such items of legislation keep being put before us, and Opposition parties keep being told that if they do not endorse them in their entirety we are somehow failing in our duty to the citizens of this country. Such is the frenzy, the fury and the volume of legislation that when we return to it a few years later to see whether it had the desired effect that Ministers claimed on the Floor of the House, we tend to find that in reality the story is very different. It is therefore only right to consider the measure in that light and realise that tough talk and eye-catching initiatives but lack of follow-through have made many people in this country cynical about the Government and their ability to tackle crime.

We want action on fraud and serious crime and a Government who respect historic British liberties. We will scrutinise the Bill in detail in Committee, but at this stage, most people who are trying to achieve that balance believe that the measure fails the test.

5.45 pm

Mr. Geoffrey Cox (Torridge and West Devon) (Con): As I listened to the debate, I became increasingly concerned by a thought that has been bearing down on me with ever greater force. Our ancestors would have gone to the stake before they allowed such a measure to pass through the House. In itself and cumulatively with other measures, it represents the most massive extension of the state's powers that we have experienced for many years.

If the Bill receives a Second—let alone a Third—Reading, the fundamental safeguards of admissibility of evidence and the protections against the state bringing abusive allegations based on flimsy evidence that are inherent in a criminal trial will be set aside, and a man or women could be found liable for the most serious crimes solely on the basis of written evidence, submitted even in the defendant's absence, that he is guilty of a serious crime and is likely still to be committing serious crimes. The burden of proof will not be the criminal standard—namely, that a jury should be sure beyond reasonable doubt—but that a judge is satisfied that the defendant is probably guilty: that, on the balance of the evidence, it is likely that the defendant was involved, as the Serious Fraud Office or the Director of Public Prosecutions contends.

Several hundred years have gone by during which the right to a fair trial in this country was hard fought for and dearly achieved, not only by Conservative and Liberal Members, but Members who sat on the Government side, as it now is. The trade unions and those who fought against the Executive and abuse of power by the Executive struggled for the due process through which the state had to pass to produce a conviction.

The Bill raises fundamental questions of principle. How many of the consequences of conviction is it reasonable to impose on an individual without providing the evidence that can make a jury sure of guilt? Let us postulate that an individual is the subject of an application by the Director of Public Prosecutions. The Proceeds of Crime Act 2002 provides that his assets can be seized by civil process, provided that it is deemed or proved, on the balance of probabilities, that they are likely to have been acquired by criminal activity.

Lord Commissioner of Her Majesty's Treasury (Kevin Brennan): Quite right too.

Mr. Cox: I do not say that, in itself, such a provision is not right. However, we must ask ourselves whether we have cumulatively reached the point at which so many of the consequences of a conviction are imposed on an individual without trial that we are essentially bypassing the due process that has been achieved through hundreds of years of sacrifice, effort and often blood by our ancestors.

The consequences of the Bill for the individual involve the seizure of his property and the stigma of guilt, because on this sort of evidence he would have to be found liable—and finding someone liable means that he would have to be found liable for having committed serious crimes. On the back of that finding by the judge, presumably on written evidence alone, the individual might be able to make representations, but he would not be able to call a fully fledged trial or give his own evidence in oral testimony, as no provision appears to exist for that.

The individual would be liable to have his liberty restricted in ways unprecedented in common law. The provisions—these are only non-exhaustive examples—allow the court to make an order placing prohibitions and restrictions and all sorts of requirements on his holding of property; his business dealings; his enjoyment of his property; his working arrangements and even the way he communicates with his associates; on the premises to which he has access; on where he lives and on his travel. Short of imprisoning him, what more on earth could be done to restrict liberty without the evidence on which convictions would ordinarily follow, but merely on the balance of probabilities?

With the greatest of respect to the Minister, this Bill imposes on an individual almost all the consequences of a conviction, short of imprisonment. It allows the judge to say where the individual should live, whom he should meet, with whom he should communicate, where he should work and what he should do. Where is the difference in fundamentals—save for the iron bars placed across the window—between that and imprisonment? What procedure will be adopted for that? Affidavits will be submitted in secret to a judge, often on information that would never be seen in a criminal court, and based on flimsy second or even third-hand hearsay.

It is not surprising that we should become aware of the voices whom the Government so often treat with disdain and contempt—the "shenanigans" of defence lawyers was how they were referred to by the Minister for Security, Counter Terrorism and Police, but I refer to them as voices of liberty and justice—and to the voices of the Law Society and the Bar Council. All those voices are raised in protest, concern and anxiety about a Bill that would remove fundamental principles from our public life. Of course they are concerned—if we place a weapon of that nature in the hands of the

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Executive, its power will inevitably be used in circumstances not contemplated by us. We will have no control over it. We will have no say in how it is implemented. It will be handed to the Director of Public Prosecutions, the director of Revenue and Customs and the director of the Serious Fraud Office and they will decide who is targeted as the subject of these applications.

My hon. Friend the Member for Arundel and South Downs (Nick Herbert) referred from the Front Bench to the Government's intention to ensure that the legislation hits only those describable as "Mr. Big", but that is not so. Let us look at the 2006 consultation paper, which makes it as clear as a bell that the Government view this as an alternative to prosecution. I ask the Minister either now or in his summing up to clarify the circumstances in which such a power will be used.

Let us analyse some of the circumstances envisaged in the consultation paper:

"circumstances in which civil orders could play a role where prosecution is not feasible, alongside prosecution or as an alternative to prosecution."

It provided examples, referring to

"significant numbers of individuals at the fringes who cannot be pursued in the main trial, and for whom a separate trial is not thought worthwhile."

What we are contemplating is the use of those draconian powers to restrict people's liberty without any admissible evidence, simply because of the expense and inconvenience of bringing them to trial. That is what the consultation paper says. It refers to "case management reasons" for objecting to "over-large trials", saying that it might be preferable to deal with those who are marginally involved by bringing one of these orders rather than prosecuting to trial.

I ask right hon. and hon. Members to reflect for a moment on the significance of that proposition. No longer does evidence have to be brought. No longer do the hard graft of investigation, the assembling of a case and its bringing to court have to be gone through. All that is necessary is to pop along to a High Court judge on the strength of a number of affidavits and get an order against someone. The consequence is that the inconvenience and tedium of bringing through to a trial and persuading 12 ordinary people in a jury box that a man is guilty can simply be circumvented by that device. A man can be virtually imprisoned, his assets stripped, his name and reputation taken away, yet there is no need to bring him to trial.

We are not talking about Mr. Bigs. These are people described in the words of the Government's own consultation paper as "essentially peripheral players" who might

"step up to leadership in the organised crime group".

On that basis, although they are peripheral an order will be made against them. In my respectful and urgent submission, the House needs to reflect very carefully about whether, if they truly are peripheral players, so heavy and blunt an instrument should be placed in the hands of the Executive on so slender a basis.

What did the consultation paper say about the Mr. Bigs? It was suggested that they might be subjected to these orders where there is sufficient evidence to justify an order to a civil standard, but insufficient for a conviction. That goes directly against what the Minister for Security, Counter Terrorism and Police told us in opening the debate today—that in essence the burden or standard of proof would be the criminal standard of beyond reasonable doubt. If that is right, what is the need for the provision? If it has to be established beyond reasonable doubt, that is essentially recreating a criminal trial in a civil court. Of course, the consultation paper did not say that and nobody really believes—not even, I suspect, the Minister—that the criminal standard of proof can conceivably apply in those circumstances. It will be a civil standard of proof and merely a question of probabilities, not of reasonable certainties. What does the consultation paper say about that? It explains why a Mr. Big, instead of being prosecuted, properly convicted and sentenced by a judge, should simply be subject to this summary-type of procedure based on written evidence and no trial. It says that it can be justified because of the quantity of the evidence or because some of it is in a form not admissible in criminal proceedings, but that can be used in civil cases—namely, hearsay.

It was argued earlier that, since the Criminal Justice Act 2003, the admissibility of hearsay in a criminal trial has now become so relaxed that there is in fact not a very significant difference between genuinely probative hearsay and its admissibility in a criminal trial, and genuinely probative hearsay and its admissibility in a civil trial. Be that as it may, what the consultation paper is essentially saying is, "We don't have the evidence against this person. We can't prove that they are involved in serious crime. We haven't got the necessary foundation to deprive this man of his liberty, to strip him of his assets, to take away his good name and to impose restrictions on him that would have a substantial effect on his family." The orders in the Bill would have just such effects.

Let us make no bones about this: the House is being asked to accept that a truncated, abbreviated kangaroo procedure should be adopted to visit upon an individual the consequences of a conviction because the state does not have sufficient evidence to convict him. I ask Members on both sides of the House to reflect on whether we ought to admit that as a principle in this House. It is in this House that so much sweat, toil and effort has been put into the cause of freedom and liberty. Should we, on a quiet Tuesday afternoon, allow so fundamental a principle to pass without at least a voice of protest being raised or critical and constructive opposition being mounted? Our ancestors would have gone to the stake before permitting the Executive to restrict an individual's liberty in this draconian way.

Let us look at some of the other bases on which an order could be made. In another place, Baroness Scotland outlined the circumstances in which a manufacturer or business man was making items that could facilitate crime. She gave as an example the production of cargo storage containers with false bottoms, saying that such equipment would plainly be manufactured with little else in mind but a criminal purpose. The orders might therefore be used to prevent such items being manufactured. We might also think of those who manufacture speed camera detection equipment. Those are machines that people have in

their cars to tell them when they are approaching a speed camera. I do not have one; I do not know whether the Minister does.

The Parliamentary Under-Secretary of State for the Home Department (Mr. Vernon Coaker) *indicated dissent.*

Mr. Cox: The Minister is shaking his head, so we can all rejoice at that.

It is lawful to produce that type of equipment—it is not a criminal offence—yet the manufacturer could be the subject of one of these orders. I ask the House to reflect on that. Producing such items is a perfectly lawful, admissible activity, but the House is being asked to make it unlawful through legislation, rather than a proper criminal offence being brought on the basis of aiding and abetting—or, under this Bill, assisting and encouraging. Such people would be eminently chargeable under the new provisions with assisting and encouraging an offence, and one of those orders would be made. That would criminalise lawful conduct without reference to the House. It would visit upon the individual the consequences of a conviction and of engaging in unlawful activity without having made the activity unlawful.

The Minister's opening speech was conspicuous for its paucity of justification for the orders, other than bland platitudes about the gravity of organised crime, with which I completely agree. Every time we look at the specific justifications for the use of these orders as set out in the consultation paper, they melt under scrutiny. The consultation paper also invites us to accept, as a basis for passing the Bill, that orders could be an

"additional option in the run up to a criminal prosecution".

Let us analyse that one, if we may. Let us imagine that the Serious Fraud Office, the Director of Public Prosecutions or the Serious Organised Crime Agency had a potential criminal under investigation. It would investigate him in the normal ways open to it, no doubt including surveillance, covert interception and all the other paraphernalia available to the law enforcement authorities. Under the proposals, the Director of Public Prosecutions, for example, could pop along to a High Court judge and say, "Now look, we're investigating this chap." The judge would say, "Well, haven't you got to serve a notice on the person you're investigating?" The director would have to say, "Yes, the Act requires it." He would be faced with the bizarre situation of having to tell the serious criminal that he was investigating him, because he would have to seek an order in the High Court and serve notice on the criminal to prevent him from engaging in any further activity.

I ask the House to reflect on whether those two things are compatible. If we are seeking a civil order restricting a person's liberty and stripping him of his rights as a free individual, we are inherently telling him that we are investigating him and that he is a target of a law enforcement agency. There would then be no point in getting one of these civil orders, unless the evidence was already in the bag—in which case, why not just prosecute him?

I hope that the Minister will clarify that point. I find it hard to understand how such an order could be a useful

"additional option in the run up to a criminal prosecution, imposed to restrict the harm the subject can do while the case is being prepared".

It is a long time since I was in a magistrates court, but I recollect that magistrates have pretty wide powers on bail. If there were a real fear of the subject reoffending, the magistrate would be under a duty to put him in the nick. It is one of the bases of the Bail Act 1976 that if there is a real perceived risk of someone reoffending, or of continuing to offend, he should be imprisoned. He should not be on the outside with an expensive civil order being sought from a High Court judge. I do not understand that, and I ask the Minister to clear up my confusion. If an order is to be imposed to

"restrict the harm the subject can do while the case is being prepared, in cases where the subject is aware of law enforcement interest already",

what is wrong with bail, with the conditions attachable to bail or with the fundamental power of the court to withdraw bail if there is a risk of reoffending?

I find it almost impossible to understand where this power will fit in. If it is not obvious straight away that it is vital to the fight against crime, I ask the House to reflect on whether we should be giving it to the Executive at all. If it is so hard to discern the basis on which the orders will be made, and exactly where the provisions will fit into the criminal justice system, why are we taking a step that is fraught with such grave consequences to the principles of liberty for which the House has always stood? Is it surprising that people in the judiciary and the wider society are saying that they can no longer trust the House of Commons to stand up for their liberties, and that that must be done by the judiciary? That argument is always used to justify the power of judges to take away from the House its role as the vigilant defender of human rights and liberties. I respectfully submit that we must exercise the greatest of care over such an important issue of trust.

It is not only the Bill itself that gives me concern, but the place that it occupies in a growing trend that the Government have evinced for a number of years. Others have spoken about the avalanche of legislation that has overwhelmed our criminal justice system. That is a true observation. Speaking for myself, I have never seen such a tide of legislation exposed to such withering criticism in the courts, and some of it has not even been brought into force, as my hon. Friend the Member for Arundel and South Downs (Nick Herbert) mentioned. We had 340 sections and 37 schedules to the Criminal Justice Act 2003, and 179 sections and 17 schedules to the Serious Organised Crime and Police Act 2005. Now, we have the Serious Crime Bill, with 85 clauses and 15 schedules. Some countries' whole criminal codes have fewer provisions than that.

Mr. Garnier: I hesitate to interrupt my hon. and learned Friend because he is making a powerful speech, but the 2003 Act underscores his very point. Four of its sections and two of its schedules have been repealed in whole or in part, and approximately 50 sections and 17 schedules are not yet in force. That was the flagship Act that this benighted Government forced on us and it is exposed by his argument as being wholly deficient.

Mr. Cox: My hon. and learned Friend is right. I was about to cite one example. Barely two years after the

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money laundering offences were enacted in the 2003 Act, they were rewritten in the 2005 Act. What on earth happened between the time when the 2003 provisions became effective and the 2005 Act was drafted to make it necessary to rewrite all the money laundering provisions in that earlier Act? As my hon. and learned Friend said, perhaps the truth is that legislation is not receiving the quality of attention that should. If these fundamental principles are not simply being tinkered with in a lightweight spirit, that does no credit to this Government or the systems of government in which we are engaged.

The Bill must be seen against the background of a Government who wish to introduce identity cards and ensure that the citizen must do the bidding of the state at appropriate times in his life so that his biological data can be recorded. Under those proposals, a citizen would be obliged to go to a particular place under the direction of the state to give up his personal details. Under the Bill's provisions, the consequences of almost all convictions, and certainly all of them that matter, will be visited on that individual without due process and without trial.

In my respectful submission, there is no reason for us not to criticise, not constructively to inquire and not to probe the Minister for a better justification than he has given to date. I am certain that he and his colleagues are motivated by a desire to combat serious crime. We should make no bones about that and, frankly, I concede it. However, I ask the Minister to reflect on the idea that what is at stake is not trivial or light; it is a tradition and principle of liberty for which his political ancestors as well as mine have fought for hundreds of years and which was always considered to be, and I believe still is, one of the most valuable inheritances to which all of us, on both sides of the House, have the privilege of acceding. That is why I ask him to reflect very carefully, before the Bill is allowed to pass through the House, on the real justification for it, on the logical bases put forward in the consultation paper, and on whether or not it does not amount to a very significant invasion of our liberty and one that the House should not pass.

6.15 pm

Mr. Edward Garnier (Harborough) (Con): I congratulate my hon. and learned Friend the Member for Torridge and West Devon (Mr. Cox) on the most devastating and destructive piece of argumentation in response to part 1. All that he said is something that the Government should have thought about beforehand. The quietly sceptical way in which my hon. Friend the Member for Arundel and South Downs (Nick Herbert) referred to part 1 was very much of a piece—if different in character—with the way in which my hon. and learned Friend advanced his case.

Having listened to the nearly hour-long speech from the Minister for Security, Counter Terrorism and Police, who introduced the Bill, I do not think that even two sentences of what my hon. and learned Friend said had ever occurred to the Minister before he got to his feet. That is not surprising. I am not sure whether he is about to be reshuffled, but the hon. Member for Taunton (Mr. Browne) said that he was heading for ministerial oblivion. I do not know what the Minister's future is over the next few days, but there were moments during the course of his speech when I thought that he was going to talk his way right through the reshuffle to prevent his being available to be spoken to on the telephone.

I can be briefer than I intended because of the speeches by my hon. and learned Friend and my hon. Friend. I want to place the Bill, and part 1 in particular, in the context of the avalanche or tidal wave—call it what you will, Mr. Deputy Speaker—of criminal justice legislation since 1997. My hon. Friend identified the catalogue of criminal legislation that we have had and the huge number of additional offences that the Government have created in the past 10 years. However, it does no harm—in fact, I think it does some good—to remind the House of something, because it is often forgotten. I can remind only part of the House, of course, because despite introducing the Serious Crime Bill, the Government have failed to persuade a single Labour Back Bencher to come and support the measure. I appreciate that not everyone who is elected as a Member of Parliament can be here all the time. I appreciate that not every Member of Parliament is in the least bit interested in legislation. I would have thought, however, that at least one Labour Back Bencher would have had the nous to read the Bill, to have some thoughts about it and to speak gleefully on behalf of the Government in its favour, or even just to read out a Whips' brief—

Mr. Jeremy Browne: Or to speak against it.

Mr. Garnier: Possibly that, too. Perhaps Labour Back Benchers have legislation fatigue. I mentioned in an intervention that 34 Home Office Bills had been repealed, repealed in part or not fully implemented. That is bad enough, but let us consider the sort of Bills they are. I am not going to recite all of the 34 out of the 64 Bills for which the Home Office has been responsible since 1997, but I will give just a few examples. The Crime and Disorder Act 1998 contains 43 sections and two schedules that have been repealed in whole or in part. The Criminal Justice and Court Services Act 2000 contains 15 sections and one schedule that have been repealed in whole or in part. Half a dozen of its sections and schedules are not yet in force, and it was passed seven years ago. The Criminal Justice and Police Act 2001 has 21 sections and two schedules that have been repealed in whole or in part, and an equivalent number of sections from the Police Reform Act 2002 have not been brought into effect or have been repealed in whole or in part. The Criminal Justice Act 2003, about which my hon. and learned Friend and I had a brief discussion, contains four sections and two schedules that have been repealed in whole or in part, and approximately 50 sections and 17 schedules that are not in force.

What is the point of the Government's coming to the House to tell us that legislation is essential to the public good, ramming it through and not allowing Public Bill Committees to discuss it? Bills are guillotined, the work has to be done in the other place, and in the end the legislation does not come into force.

I shall speak briefly about part 1, although the brevity of my remarks should not be interpreted as a sign of any lack of enthusiasm for my arguments. What

we are discussing is a form of civil injunction to prevent a crime. It seems that things have changed, but I was always taught that it was not possible to obtain an injunction from a High Court judge to prevent an anticipated crime, because the criminal law was sufficient injunction in itself. That was the deterrent: that was the way in which our behaviour was regulated in relation to criminal activity. It would not be possible to go to court and say to the judge, "I want an injunction to prevent the defendant, or respondent, from committing an anticipated burglary, an anticipated murder, or some other anticipated crime." The judge would simply say "The law is on the statute book. Common law already exists. That will do."

Equally, I was always led to believe that the criminal law was not part of contractual law. A person could not commit a crime on the understanding that he could do it as long as he paid the fine or did the time; the criminal law did not work in that way. Now, however, we are watching the Government quietly—I say quietly because no Labour Back Benchers are here to listen to this, or to listen to the Government's justification of their intention—move huge chunks of criminal law and procedure into the civil jurisdiction.

As my hon. and learned Friend pointed out, the consequences of such action will not be slight. I fully understand the political reasons for it: it must be cheaper, I presume it must be quicker, and it must be assumed that it will have some deterrent effect. Nevertheless, as my hon. and learned Friend said, it will have deleterious and damaging consequences for our constitution and the balance between the state and the individual, and I find that somewhat worrying.

My hon. Friend the Member for Arundel and South Downs was entirely right to give the Bill only a conditional welcome. The fact that we will not divide the House this evening does not mean that aspects of the Bill—this aspect in particular, I hope—will not receive the closest examination in Committee. I note that my hon. Friend the Member for Arundel and South Downs and my hon. Friend the Member for Hornchurch (James Brokenshire) are nodding in assent.

We must be extremely careful. As I have said, we are providing for a form of injunction against crime when the criminal law already exists. I do not suggest that that is a wholly novel concept—people are bound over in the courts not to commit offences, and we have observed the somewhat troubled system of control orders, so the wall has been breached to some extent—but this is a mighty step, and a huge leap over that wall.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): The hon. and learned Gentleman rightly referred to the civil concept in the criminal courts. People in court undertook to keep the peace as long ago as the 13th century, but that was by consent. This provision is quite different: it is being thrust on people.

Mr. Garnier: for the purposes of my argument, I think I must accept that the principle against which I am arguing has been breached to some extent. The hon. Gentleman is right, however: the quality of the breach is entirely different in the case of bindovers.

I am deeply concerned by clause 1(3), which permits the court or the applicant a very wide ambit. It states:

"An order under this section may contain—

(a) such prohibitions, restrictions or requirements; and

(b) such other terms;

as the court considers appropriate for the purpose of protecting the public by preventing, restricting or disrupting involvement by the person concerned in serious crime in England and Wales or (as the case may be) Northern Ireland."

Clause 2(1) states:

"For the purposes of this Part, a person has been involved in serious crime in England and Wales if he—

(a) has committed a serious offence in England and Wales;

(b) has facilitated the commission by another person of a serious offence in England and Wales; or

(c) has conducted himself in a way that was likely to facilitate the commission by himself or another person of a serious offence in England and Wales (whether or not such an offence was committed).

The court need not have within its grasp evidence that a serious criminal offence has been committed; it need merely be persuaded that it is likely to be committed. A facilitator, however, is quite likely to be caught by the clause, even if he did not know about the offence and even if he did not intend to facilitate its commission.

Clause 5(2) states:

"In deciding for the purposes of this Part whether a person...facilitates the commission by another person of a serious offence, the court must ignore...his intentions, or any other aspect of his mental state, at the time."

I accept that there are absolute offences, but it seems to me that a serious criminal offence, or the facilitation of a serious criminal offence, ought at least to be in the mind of the respondent to the application. Otherwise he could well be penalised—subjected to a five-year term of imprisonment—despite his innocence. Five years is a long time for breaching an injunction. Even the Contempt of Court Act 1981 provides for a limit of two years for that form of breach, and I think that my hon. Friends will need to examine that provision very carefully in Committee.

We had a degree of fun over the definition of "serious crime". I think that most people could understand the concept without its having to be defined in a schedule, but at least there is a definition in the Bill for the benefit of those who are likely to be caught, those who may wish to make applications, and Members of Parliament who may come upon *Hansard* by accident and read the speeches of those who spoke before me.

Part 1 of schedule 1 defines serious offences as drug trafficking, people trafficking, arms trafficking, prostitution and child sex, money laundering, fraud, corruption and bribery, counterfeiting, blackmail, and offences relating to intellectual property—the hon. Member for Taunton had some fun with those—and the environment. It seems to me at least possible that the Minister for Security, Counter Terrorism and Police, who introduced the Bill, has not read the underlying legislation to which the schedule refers. The clue is that the Minister tends to resort to abuse rather than argument when faced with a difficult question. I am not suggesting that we are discussing the possibility of people being caught by prevention orders for fishing with a spinner during the fly season, but I do think the Minister ought to come here with his work done before

[Mr. Garnier]

trying to explain what the Bill is about. I doubt very much that he has any idea what it is about.

The Minister chided me, telling me that I ought to get out more. I would get out more if I were not having to keep the Government under a watchful eye, but there are some interesting gaps in the schedule. For instance, homicide, grievous bodily harm, offences of robbery and indeed terrorist offences are not included in part 1 of the schedule. Perhaps the Government let them slip. I worry that the Ministers in charge of this Bill have not been giving it their proper attention.

One other issue about which the House ought to be concerned is clause 5(4), which yet again provides an example of this Government requiring this Parliament to give this Government executive powers to amend the criminal law without resort to Parliament. Clause 5(4) says, in the most disarming way:

"The Secretary of State may by order amend Schedule 1."

I really do not think it appropriate to allow any Home Secretary—certainly not the catalogue of Home Secretaries we have had to put up with since 1997—to get anywhere near amending any Act of Parliament by expanding, or even reducing, the list of criminal offences that are affected by the Bill without proper parliamentary scrutiny on the Floor of the House; not tucked away in some Committee Room upstairs but down here where all of us can scrutinise it. If one wants to change the principles or detail of primary criminal law, one should do it by primary legislation.

What will these orders be able to cover? My hon. and learned Friend the Member for Torridge and West Devon has been through those. These are fundamental restrictions on liberty, on where you can work, to whom you can talk, where you can go, who you can meet, what you can do with your money and matters of that nature. They apply to individuals, to partnerships, to unincorporated associations and to corporations. Most extraordinarily, we have these examples, which as my hon. and learned Friend pointed out, are merely examples of requirements that may be imposed:

"a requirement on a person to answer questions, or provide information, specified or described in an order…at a time, within a period or at a frequency…at a place…in a form and manner; and…to a law enforcement officer or description of law enforcement officer…notified to the person by a law enforcement officer specified or described in the order."

It would be amusing, were it not so serious; even when serving the order, the authorities are entitled to break into your house to see if you are there to receive it. It strikes me as deeply worrying and concerning that the Government thought it appropriate to pass such legislation without more ado.

I will not delay the passage of the Bill this evening; I simply cannot. But I urge all of us—I know that my hon. Friends on the Front Bench are aware of this—to study the implications of the Bill, to think hard about the consequences of its passage, to test some of these ideas, to destruction if necessary, in Committee and to permit only what is necessary and only what can be justified to the public to become part of our criminal law.

The Minister said that it is a civil procedure or a civil matter; I have also heard the Under-Secretary of State for the Home Department, the hon. Member for Gedling (Mr. Coaker), say that from a sedentary position. It is not a civil matter, except by description from the Government. In terms of the European convention on human rights, which the Government have domesticated into our jurisdiction and jurisprudence, we are talking about the imposition of savage penalties—five-year prison sentences—for breaching a civil order. That is a penalty in anyone's book. If the Minister thinks that simply by mouthing the word "civil" in front of every piece of criminal procedure or criminal law that he brings into this House, he makes it actually a civil penalty, he is in a greater state of unknowing than I had previously thought that he and his colleagues might be.

I do not want to use the same sort of language as the Minister used in his speech but, with equal vehemence, I urge the House to be careful.

6.34 pm

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): Having heard two very powerful speeches, I can be rather briefer than I intended.

The hon. and learned Member for Harborough (Mr. Garnier) made some telling points and said that he would truncate his remarks after his hon. and learned Friend the Member for Torridge and West Devon (Mr. Cox) made a powerful speech, which showed a lot of understanding of the procedures that should inform these debates but frequently does not.

It was unfortunate that in opening the Minister referred to the "shenanigans" of lawyers. I confess to defending and prosecuting asset recovery cases, and I do not recognise the word "shenanigans." It is always unfortunate when Ministers see fit to insult lawyers, and the Minister of State, although he was goaded from this side, concurred with that description. Let us remember that many thousands of people each year are acquitted of offences with which they have been charged; they are innocent people. Without the "shenanigans" of lawyers, heaven knows where they would end up. *[Interruption.]* "Even the odd Minister," according to the hon. Member for Hornchurch (James Brokenshire). I am sure that that was not meant in any way to be personal about the Under-Secretary.

I was concerned that the Minister stressed that we are not talking about the civil standard of proof—that is to say, on the balance of probability—but about something nearer the criminal standard. He was relying on the case of McCann, in which the House of Lords suggested that, in many cases, there would be a civil standard but that, in some, it might move up to somewhere near the criminal standard. That does not satisfy me at all; even if the learned judges had said that in every case that would be so—I know that they were talking about a previous Bill, but the issue is the same—I would not be at all persuaded. Who decides to apply something nearer the criminal standard? When does that kick in? When is it appropriate to rely only on the civil standard? These are fundamental matters, especially when one deals with the draconian measures that may be introduced in lieu of these orders.

The Minister says that the civil standard of proof certainly will not apply. Clause 34 says:

"Proceedings before the High Court in relation to serious crime prevention orders are civil proceedings…One consequence of this is that the standard of proof to be applied by the court in such proceedings is the civil standard of proof."

Clause 35, "Proceedings in the Crown Court", says the same:

"Proceedings before the Crown Court arising by virtue of section 20, 21 or 22 are civil proceedings...One consequence of this is that standard of proof to be applied by the court in such proceedings is the civil standard of proof."

The Minister, in what can only be said to have been rather intemperate language, said this, that and the next thing about organisations such as Liberty, which has said that the Government have got it wrong. When one reads the Bill, one cannot conclude otherwise. The only thing on which the Minister could fall back was to blurt out the McCann case; McCann says that the standard of proof could be the civil standard or almost, maybe, at times, something approaching the criminal standard. That is no good at all. Liberty is right in what it says, and I do not accept what the Minister says at all.

Everybody in this House is keen to make sure that we stem the rise of organised crime. Nobody would argue against that being a priority, but we must not throw away our civil protection—the protection that has been woven into the judicial process over many centuries—in an urgent rush to do something about organised crime.

This Government introduced antisocial behaviour orders, and they want to limit the right to jury trial and spend less on legal aid. We find the same steps being taken in every area we consider. I served on the Committee that considered the civil contingencies legislation. It is difficult to believe, but it is true, that a Government Whip can decide to declare an emergency. A Government Whip can also decide not to enter someone's house to look for evidence, but to knock their house down, and the householder does not have a right to sue for damages. That is in the Bill. That might be thought of as small potatoes when compared with some other measures, but it does not make me feel any better.

There is a consistent drift—a constant attack on civil liberties and on the judicial process. The fact that the Minister prays in aid the thoughts of the judiciary in the McCann case shows that the Government are on the ropes. There is a certain frisson in the relationship between the Government and the judiciary at present, so it appears that the Minister was clutching at straws in trying to justify the Bill.

I am unhappy with the Bill. There are many examples of what might happen to people. It is unacceptable to condemn a person to house arrest without their having the opportunity to be tried properly on the accusation giving rise to the order. There are also restrictions on travel, on the use of a private dwelling, and on meeting and making arrangements with associates. All such restrictions are perfectly proper if a proper degree of proof has been established through the courts, but without that they are utterly unacceptable as they then amount almost to house arrest.

A breach of the conditions can give rise to a five-year prison sentence. Equally insidiously, the order can be renewed indefinitely. We should think about that. Does anyone fancy being under house arrest indefinitely? I would not like that. It is all very well saying that an appeal will lie somewhere or other, but I do not know where it will lie because presumably in the initial event a High Court judge will have imposed the order—and an appeal might well be difficult to mount in any case. These are serious matters. The Bill is rightly called the Serious Crime Bill—it jolly well is a serious crime Bill from my point of view.

Why does Parliament have a Joint Committee on Human Rights? On 25 April, the Committee reported serious misgivings about the serious crime prevention orders in part 1 of the Bill. It considered that the SCPO provisions raised three significant human rights issues: first,

"whether SCPOs amount to the determination of a criminal charge for the purposes of the right to a fair trial in Article 6(1) of the"

European convention on human rights; secondly,

"whether the standard of proof in proceedings for an SCPO should be the civil or the criminal standard";

and thirdly,

"whether the power to make SCPOs is defined with sufficient precision to satisfy the requirement that interferences with Convention rights should be 'in accordance with the law' or 'prescribed by law'".

The Committee also says in its report:

"The Government argues that SCPOs do not involve the determination of a criminal charge and therefore do not attract the full panoply of fair trial protections contained in Article 6".

The Committee strongly disagrees. It goes on to mention that the Bill expressly provides that proceedings for those orders are civil proceedings and the standard of proof to be applied is the civil standard. It adds that it follows from the Committee's view

"that SCPOs amount to the determination of a criminal charge",

and

"that the standard of proof should be the criminal standard not the civil standard."

Reference has been made to McCann, and I shall do not do so again. Suffice it to say that grave concerns are felt by a range of organisations, including the Bar Council, the Law Society, Liberty and Justice. I would not argue with the Government if what they were asking the House to sanction was intended to be imposed after a thorough examination of the evidence, where on a proven basis a person was convicted or found to require this kind of order. I would still be unhappy about the indefinite imposition of those conditions, but I could not reasonably argue about the imposition of an order. However, the measure in its current form is an attack on our criminal justice system. It is an attack on the presumption of innocence, the equality of arms and, crucially, the right to a fair trail before an independent court. Almost every aspect of the system is being attacked.

I hope that the Government will think again about the orders in Committee. We in this place far too often use the word "draconian". *[Interruption.]* The Minister says, "hear, hear." However, in this instance it is fitting and proper for that word to be used. The far-reaching matters I have referred to should be looked at properly, and these orders should not be established in their current form.

Liberty has sent a full document setting out numerous reasons why it feels strongly about this latest incursion into our basic human rights. All the points it makes are salient, but I shall briefly refer to a couple that have not hitherto been addressed. Liberty is concerned about SCPOs because they are civil orders and they continue the trend of undermining the criminal justice system—the hon. and learned Member

[Mr. Elfyn Llwyd]

for Harborough mentioned that. It is also concerned about the introduction of the SCPO because it avoids

"the rigour of a criminal trial by using the civil standard of proof".

Another concern is that:

"Because breach of the order is a criminal offence, this blurs the boundary between civil and criminal law".

As a breach is a criminal offence, it

"can act as a short cut into the Criminal Justice System".

That is one of the reasons we are discussing this matter. The hon. and learned Member for Torridge and West Devon eloquently addressed it. There is a cumbersomeness about the criminal justice system in respect of acquiring evidence, putting it before the court, and in proving the case—but so there should be. We are talking about people's reputations and liberty. If we are not careful—cumbersome—about such things, where are we headed? These orders might well be a short cut to get the ultimate result without the necessary standard of proof and the necessary court process. This runs a cart and horses through the Human Rights Act 1998.

Justice feels strongly, too. It says that the SCPOs

"should not be used as a substitute for criminal proceedings";

that they

"cannot provide sufficient protection for the public in very serious cases";

that they

"can be imposed in too wide a range of circumstances, compromising legal certainty";

and that the

"controls that can be imposed on the recipient could be so severe as to amount to a criminal penalty; in these circumstances, the civil standard of proof is inappropriate".

Those worrying remarks were echoed in previous speeches. These people are used to the criminal justice process, and before anyone says that they are lawyers who are special pleading for themselves, I should point out that there is nothing in this for lawyers. This is not special pleading. Rather, we are pleading on behalf of our constituents and, ultimately, for their constitutional rights—the all-important and ancient rights of our citizens, which are being chipped away at in one Bill after another.

I remember asking the Prime Minister last year how many new crimes had been put on to the statute book. I suggested that while he was thinking about it he might like to leave an aide-mémoire in the Library each week, so that we could be reminded of how many we have created. As the hon. and learned Member for Harborough never goes out, because he is always making sure that he holds this Government to account, even he does not know the exact number, and neither do I. I doubt whether anybody does. *[Interruption.]* Indeed—nor do the Government. So it might help us all if we had a decent, honest aide-mémoire each week in the Library.

On a serious point, the orders in part 1 are insidious and will be dangerous in the wrong hands. I am not overstating the case. I hope that in Committee, the Government will see the good sense in many of the arguments that have been put this evening and previously by concerned organisations. We cannot all be wrong.

6.52 pm

Mr. Richard Benyon (Newbury) (Con): Much of what I was going to say has been said, so Members will be relieved to know that I will be blissfully brief. It is wise to treat any new Government law and order legislation with a degree of scepticism. We have heard already of the 3,000 or so offences that have come on to the statute book in the last 10 years, and of legislation such as the Criminal Justice Act 2003, of which large parts—constituting nearly a third, I believe—have never been brought into force or repealed. It is time to say to the Government that the effectiveness of an anti-crime strategy should be measured not by how much legislation they pass and put on to the statute book, but by how effective that strategy is in convicting criminals, and by the perception and reality of crime in our communities and constituencies.

This is a very significant Bill that to an extent redefines the balance between giving new powers to the state—to the Executive, as my hon. and learned Friend the Member for Harborough (Mr. Garnier) said—and the erosion of civil liberties. Let us be clear: the introduction of a civil order is a significant shift in power from the individual to the state. The chief concern of many is the eroding of civil liberties. It goes without saying that, like everyone in this House, I want to see serious criminals arrested, charged and convicted, but my worry is that if these orders become law, investigations into such criminals will go so far, and then the path of least resistance will be taken. Too often, the path of least resistance will be to apply to the High Court for a serious crime prevention order. The Government assure us that these orders are just another arrow in the quiver of their law enforcement provision. My concern is that instead of being an add-on, they will be used as an alternative to proper judicial process.

I am conscious that I am standing here surrounded by colleagues who are learned in the law, so I will be going down a difficult path in briefly examining the detail of the legalities of what the Government are trying to do. The Bill is still very loose in the parameters it sets. It contains a requirement that

"a person has been involved in a serious crime",

which suggests to us, in line with a common law definition, that an individual has to have been convicted of a crime before such an order can be sought. However, we know that that is not the case. The Bill in fact says that

"a person has been involved in a serious crime...if he...has committed a serious offence"

or

"has facilitated the commission by another person of a serious offence",

or, as my hon. Friend the Member for Bromley and Chislehurst (Robert Neill) said earlier,

"has conducted himself in a way that was likely to facilitate the commission by himself or another person of a serious offence",

whether or not such an offence has been committed. We do not know the precise meaning of the phrase

"that was likely to facilitate the commission...of a serious offence".

That is a matter for the courts. It is clear that the legislation allows for circumstances where no crime has been, or is likely to be, committed.

There is a further worry regarding the intent of an individual and the possibility that they had no knowledge that they were operating in a way that facilitated a serious crime. I shall not go through the Bill's definition of serious crime—my hon. and learned Friend the Member for Harborough has done so—but there are gradations of such offences, and some are more serious than others. I do not intend, either, to go into the salmon fishing, trout poaching scenario that the Minister talked about earlier, not least because I would probably have to declare an interest. However, we cannot be satisfied with the extent of that definition in the Bill.

It seems that the Government view law and order legislation as being roughly on the right track if it enrages the legal establishment. I do not consider the approval of organisations such as the Law Society and the Criminal Bar Association as always necessary, but it is at least desirable to have their seal of approval; after all, these people do know what they are talking about. If the Government had listened at an earlier stage to such organisations and to the Select Committee, there would have been less need for a whole raft of amendments in another place. I will not repeat what the Law Society said about this provision, but is worth getting on the record what the Criminal Bar Association said:

"there can be no public policy that necessitates such a draconian course which rides roughshod over the legal principles upon which our criminal justice is based".

Those are serious words.

People are right to say that the use of a civil process to impose a criminal liability is criminal justice by the back door. There are already such provisions on the statute book—we are starting to get used to this process—although I am not seeking to repeal them or to trash them this evening. Company directors' disqualification legislation, football banning orders and the Proceeds of Crime Act 2002 were all civil orders leading to a criminal liability; however, little of such legislation is on the scale of this Bill.

The role of civil process is to provide a mechanism for resolving private wrongs where the public element of the wrong is absent. These orders are introduced as civil injunction orders, which means that the Government are taking us down a much more treacherous path. They are predicated on the notion that at some time in the future, a person will commit an unspecified criminal offence and needs to be prevented from doing so. That is entirely different from someone actually committing an offence, or encouraging, assisting or inciting another to do so.

I want to touch briefly on the amendment in the House of Lords concerning gun crime, which the Minister swept aside as though it did not matter at all. The hon. Member for Taunton (Mr. Browne) and I are members of the Home Affairs Committee, and we have heard recent evidence about appalling situations in challenging communities where gun crime is an all too present danger. This is a really serious issue, yet the Minister swept it aside with a quote from the Association of Chief Police Officers saying that such legislation is unnecessary. Initially, I was amazed to discover that the amendment by Lord Marlesford was necessary; I thought that a provision in law already existed enabling the searching of people for guns. The amendment is about using technology against gangs and groups of young people to search them for firearms, which is a sensible option. If the police were concerned about it, I would take that into consideration, but when Lord Marlesford proposed the amendment he said:

"I particularly noted the enthusiasm of Assistant Commissioner Tariq Ghaffur of the Metropolitan Police, who has particular responsibility for safety on London streets."—[*Official Report, House of Lords*, 30 April 2007; Vol. 691, c. 918.]

I hope that the Minister will consider that point. I am prepared to accept that the amendment may require more safeguards, as it is only a short provision.

Despite grave concerns, I wish to give the Minister the opportunity to prove that the orders can operate without undermining our system of justice. It took 20 years to achieve the recent conviction of a Mr. Big, and I note that he was convicted, Al Capone style, of a fairly minor offence compared with some of the offences that people felt he might have been convicted of. We cannot treat this matter lightly, because there are some serious criminals out there whom we want to stop, and we must provide the police with all the means of doing that. But we cannot ride roughshod over the freedoms and liberties that have been fought for so hard and for so long.

Today, some of my constituents visited the Palace and, like many visitors, they commented on the small size of the Chamber. People are always surprised that it is so small. I always remind them that Winston Churchill used to refer to this place as a "little room". He did not mean that pejoratively, but as a term of endearment. As he pointed out, this little room is the shrine to our liberties. He really understood that the liberties we guard in this place were hard fought for and should be protected. While we support any action that bears down on the most appalling criminals in our society, we do not do so at the expense of those liberties.

7.2 pm

Robert Neill (Bromley and Chislehurst) (Con): Given the powerful and persuasive speeches made by Members—solely on this side of the Chamber, I might observe—my remarks will be brief, but seriously meant. It is often said that the road to hell is paved with good intentions, but so too is the road to authoritarianism. I use that word deliberately, because this Bill is an example of mission creep. Each individual proposal that appears reasonable in relation to criminal justice legislation runs the risk, even in a mature democracy, of going down that road. The Bill is another example of that.

It is also said that men can sit on the fence so long that the iron enters their soul. In the case of the Government, they have sat on those Benches so long that expediency has entered their soul. Expediency can also lead us towards authoritarianism, and I suspect that that is what underlies these proposals.

Before I became a Member of Parliament, I spent the better part of 30 years practising almost exclusively in

[Robert Neill]

the criminal courts, defending and, in latter years, mostly prosecuting. Like some of my hon. and learned Friends, I dealt with serious criminal offences and I was conscious, when I presented a case on behalf of the prosecution, that if I were to secure the conviction of an individual I had to ensure that the case I made would be subject to a high burden of proof. I had to jump through certain hoops to prove the prosecution case. Those who investigated the case—the police officers and the Crown Prosecution Service—also had to jump through various hoops to bring the case home. That was right and proper, because of the gravity of imposing a criminal sanction on someone, be they a minor criminal or a Mr. Big. That is a fundamental principle.

In the last few years I was in practice, I was concerned by the repeated complaint from experienced detectives involved in the investigation of serious crime that they were often obliged to curtail the extent of their investigations. As a prosecuting lawyer, I might suggest that they needed to obtain further information to tie up the loose ends, but they sometimes could not do so because of budgetary constraints. That is a real problem for police forces.

Against that background, my great fear is that instead of ensuring that a case is watertight and will end in a conviction, police officers and prosecuting officers will be tempted to look at this Bill and say, "No, we will take the expedient route and use the civil sanction". It is because it is expedient that we should be very wary of it.

The specific points have already been well made by hon. Members in the course of the debate, but I accept that there are times when the use of the civil standard of proof can be appropriate in criminal proceedings. However, the key test is that those occasions should be exceptions to the rule and very specifically defined. Many of us will have been involved in confiscation proceedings, under the Proceeds of Crime Act 2002 and, before that, the drugs trafficking provisions. The point of those provisions is that they are specifically limited to kicking in only when there has been a criminal conviction to the proper, high standard. That is a very different scenario from the pre-emptive measure envisaged in the Bill. It is the lack of specificity that is a real flaw in part 1.

That view is shared by many outside organisations, especially Justice, which is no mere local lobby group. It is the UK section of the International Commission of Jurists and speaks with some authority. I would be saddened if our criminal justice system, which is often held up as a beacon, were to become tarnished in the eyes of the international legal community.

Of particular concern, as has already been mentioned, are the definitions in clause 3. It expressly removes the requirement that a person must have actually intended to facilitate a serious criminal offence or even to believe that his actions would do so. There is an interesting contrast between the vagueness of the definitions in part 1 and the much more specific definitions in part 2, which follows on from the Law Commission's proposals and is altogether more useful.

Justice points out that any number of third parties could be caught by clause 3 as unwittingly facilitating the commission of a serious offence. For example, is the taxi driver who drives passengers to a destination where they carry out a serious offence facilitating that offence? If a computer retailer sells equipment to someone who uses it for drug dealing or human trafficking, would he be caught by the provision? If a landlord rents premises to a tenant who uses them for the manufacture and storage of drugs, would he be caught? That will be a risk for businesses, especially those that have no legal obligation—or indeed right—to inquire about the use of otherwise legitimate equipment. It is also a risk for the small person, who may not sensibly be in a position to make such inquiries.

It may be argued that the definitions in clause 5 will oblige the court to disregard activity that the defendant shows to be reasonable, but that is pretty vague. Moreover, that in effect puts the defendant in the frame, according to the civil standard of proof—like the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd), I am not at all satisfied that such matters will be dealt with according to the criminal standard—and the result is that a reverse burden of proof is placed on the defendant who chooses to assert his innocence and demonstrate that what he did was reasonable.

That is wholly unacceptable. The scope of the provision is too wide, and Justice has pointed out that it mixes ASBOs with some aspects of control orders issued under the prevention of terrorism Act. The UK courts have found that ASBOs are civil rather than criminal in character, but the status of control orders has not yet been fully determined. The House of Lords has yet to decide the matter, and it seems inappropriate for the Government to be creating the sort of hybrid that I have described while we still await clarity in respect of control orders from the highest court in the land. That determination may very well affect the interpretation of the orders proposed in the Bill.

As has been observed, the Government domesticated the European convention on human rights in our law, and most informed observers consider that it is most uncertain that the European Court of Human Rights will agree that SCPOs are civil in character. Indeed, there are some doubts about whether it considers ASBOs to be civil in character, but the proposed orders are more draconian and so are more likely to be regarded as criminal.

The Government are going down a most dangerous route with this Bill, and we must be very wary. I know that the fact that the Opposition do not intend to vote against the Bill will not be taken as an indication that we believe that all is well with it. The Minister said that we should look in Committee at the use of intercept evidence, and the Bill's proposals in that respect are good. My experience leads me to believe that they are worthy of sensible consideration, but I hope that he will be open minded about the much more troubling elements of part 1. We need to examine them very carefully before we commit ourselves to anything.

7.12 pm

James Brokenshire (Hornchurch) (Con): There is little doubt that the threat to this country from organised crime remains high. In its annual plan for 2007-08, SOCA notes that broad estimates put the economic and social costs of serious organised crime, including the costs of combating it, at more than £20 billion a year.

Increasingly, serious organised criminals have exploited advances in technology to develop new crimes and to transform older ones. A recent report for ACPO's economic crime portfolio on the nature, extent and economic impact of fraud in the UK said that the known costs of fraud, and of dealing with it, amounted to at least £13.9 billion in 2005, and possibly more. Of that, fraud against private individuals amounted to £2.75 billion, and public sector fraud losses were estimated at £6.34 billion.

Against that backdrop, it is right that we examine carefully the powers available to law enforcement agencies, and the measures intended to assist in the fight against serious and organised crime. However, today's debate has highlighted starkly the questions of whether the powers proposed in the Bill are appropriate, proportionate and reasonable, and whether they will achieve the Home Secretary's stated desire when he set the measures out. Then, he said that he wanted

"to bear down on the people actively engaged in organised criminal activity in the UK"

and

"help bring them to justice faster and more effectively."

Today's debate has raised some considerable doubts about that. Particular questions have been asked about whether the Bill will make a difference, as well as about its scope and proportionality. It is a pity that no Government Back Benchers thought the issue serious enough to merit making a contribution to the debate.

Many of the comments made in the debate centred on part 1 of the Bill, and the proposal for SCPOs. In his extraordinarily powerful speech, my hon. and learned Friend the Member for Torridge and West Devon (Mr. Cox) highlighted many serious concerns about the import of the Bill, including what he described as the bypassing of the criminal justice system. He also asked whether the Bill was aimed at the Mr. Bigs, or the peripheral players on the outside.

My hon. and learned Friend the Member for Torridge and West Devon also examined the fundamental issue of the burden of proof and the need for jury trial, and asked whether paper evidence would be submitted before a criminal trial that might have an impact on subsequent criminal proceedings.

My hon. and learned Friend the Member for Harborough (Mr. Garnier) highlighted the legislative fatigue suffered by the House, and said that 34 Bills had been repealed, repealed in part or not fully implemented. That point was also made by the Opposition Front-Bench spokesman, my hon. Friend the hon. Member for Arundel and South Downs (Nick Herbert), and by the hon. Member for Taunton (Mr. Browne), who speaks for the Liberal Democrats.

My hon. and learned Friend the Member for Harborough also looked at the definition of serious crime and the potential extension by order of the list of offences. He suggested that the definition of the extent and scope of serious crime, which the Opposition will contest, offered some certainty, but I wish the matter was that simple. I draw his attention to clause 2(2), which states that the court itself will be able to determine whether something is

"sufficiently serious to be treated for the purposes of an application"

under the Bill. That tells me that further uncertainty remains, and that the Bill's elliptical definition leaves a real doubt as to the Bill's scope and the extent of its application.

The hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd) made an important point about the standard of proof needed when an SCPO is applied for, and I shall say more about that later in my remarks. He asked about the justice and appropriateness of an ability to create a virtual house arrest for ever and a day. Those are very serious matters in the context of the human rights issues that he highlighted, and we shall need to examine them closely and carefully as scrutiny of the Bill continues in Committee.

My hon. Friend the Member for Newbury (Mr. Benyon) spoke of the potential shift in the balance between the individual and the state, and about the implications of the Bill's ambiguous and uncertain language. He also drew on his experience as a member of the Home Affairs Committee in respect of the gun crime amendment agreed in the other place, and we will examine that provision closely to see whether what the Minister said about its necessity and scope was correct. We will look at that matter in detail to determine whether it should remain in the Bill, subject to appropriate amendment and consideration.

Finally, my hon. Friend the Member for Bromley and Chislehurst (Robert Neill) asked whether the Bill was to some extent motivated by expediency, and he also pointed to its lack of specificity. There is little doubt about the concerns that have been expressed, but the Minister in the other place, Baroness Scotland, portrayed the SCPOs as a practical way to stop crime happening. On Second Reading there, she said:

"These orders are not about punishing people without proof; they are not punitive. Rather they are proposed to be preventative."—[*Official Report, House of Lords*, 7 February 2007; Vol. 689, c. 729.]

However, if prevention is the key, as she suggests, recent history indicates that the new orders are unlikely to fare well.

As we have heard, SCPOs have been described as hybrid of ASBOs and control orders. Yet breaches of ASBOs are running at around 60 per cent., and there have been obvious examples of the failure of control orders—a third of them have been breached, and six people remain at large. In that context, when the Under-Secretary of State for the Home Department, the hon. Member for Gedling (Mr. Coaker), winds up, will he indicate to the House what measures will be implemented to monitor compliance with the orders, and what degree of compliance will be expected? Alternatively, is it expected that the orders will in fact be breached—as has been suggested—and that their whole purpose is to secure a custodial sentence? Is the deliberate aim of the measures to find a way round the criminal justice system? When the Minister opened the debate he was at pains to stress that that was not the case, but those issues need careful and close examination to ensure that the fears expressed with some passion from the Opposition Benches are not borne out and that if appropriate protections are still required they are included in the Bill.

There is a more general question about whether the orders are the right way to proceed. The Law Society briefing for the debate notes:

[James Brokenshire]

"Where there is evidence that a person is engaged in criminal activity, that evidence should be gathered with a view to prosecuting them. We fear the proposed orders are a measure of expediency to deal with cases where a prosecution is not possible because there is insufficient evidence."

It is interesting that the Bill contains no provision for consideration of whether a prosecution is possible before application for an SCPO. The Prevention of Terrorism Act 2005 incorporates such protection in relation to control orders and requires that the possibility of prosecution be kept under review for the duration of the order, yet the Bill does not. The Minister needs to explain why not.

The Minister may suggest that the orders are intended to be targeted only at Mr. Bigs and that only a relatively small number will be sought, but there is nothing to stop prosecutors applying for them as a matter of course if they are not confident that they have enough admissible evidence to obtain a conviction from a jury. The position is made more complex by the likely interpretation of the orders by the courts—a point made eloquently by my hon. and learned Friend the Member for Torridge and West Devon and also by the hon. Member for Meirionnydd Nant Conwy. The McCann case in the House of Lords was highlighted in the context of antisocial behaviour orders; it was suggested that in certain circumstances, for fairness, something close to the criminal standard would be applied, yet clauses 34 and 35 show clearly the intention that the civil standard should apply. We need clear legal analysis of the impact of those provisions. If the House, in full knowledge of the McCann judgment, decides that it wants to include that provision in the Bill, is it open to the courts to say that is what would happen? I hear what the Minister has said and I note the comments of Baroness Scotland in the other place, but there is room for uncertainty. We should always aim for certainty in legislation, so we should consider including a provision in the Bill so that the matter is put beyond doubt.

The Bill provides for the admissibility of intercept evidence in cases involving serious crime. For the reasons outlined by my hon. Friend the Member for Arundel and South Downs, we are reserving our position on those provisions until the basis of the Government's approach to the Privy Council review is clear.

The Bill includes provisions to facilitate greater data sharing and data mining in the fight against fraud. It is entirely appropriate that we make the best use of data systems to detect and prevent fraud, but the measures must be proportionate and balanced against the need for general personal privacy. The Bill introduces wide-ranging powers that could allow, for the first time, widespread data sharing between the public and private sectors. It could overturn the basic data protection principle that personal information provided to a Department for one purpose should not in general be used for another. Instead, information will normally be shared in the public sector, provided it is in the public interest.

Although the Audit Commission's national fraud initiative, on which the Bill's data-mining provisions are based, is important, it is essential that protections be clear and robust. As Members have said, random computerised phishing exercises into our personal data would not be acceptable. In the other place Baroness Scotland gave assurances about the data-sharing provisions. She said that the Government

"will ensure that the provisions are used to target suspected fraudsters rather than simply those who are potential fraudsters".

The Minister made the same point when he opened the debate. Baroness Scotland also said that the Government would ensure that

"the arrangements are transparent and command public confidence, are proportionate and are subject to periodic review".—[*Official Report, House of Lords*, 7 February 2007; Vol. 689, c. 732.]

The role of the Information Commissioner will be an essential part of ensuring that the Bill's provisions are appropriate, and it may need strengthening in that context. We shall examine that point in greater detail in Committee. We look forward to the detailed proposals for a code of practice—a promise made in the other place and reconfirmed today. Some progress was made on the issue in the other place and I pay particular tribute to the work of my noble Friend, Baroness Anelay, but there is more work to be done.

The Information Commissioner has warned of the steady drift to a surveillance society, which the provisions in part 3 could indicate in terms of the Government's approach to taking, retaining, sharing and searching our personal information. Protections may exist under the Data Protection Act 1998 and the Human Rights Act 1998, but the House must be satisfied that the Bill's provisions are sufficiently focused on tackling crime and that appropriate protections are afforded to ensure that the general rights of ordinary members of the public are not compromised by wide-ranging snooping powers justified on the basis that something useful "might come up" from the information obtained.

The Bill will transfer the Assets Recovery Agency to the Serious Organised Crime Agency. Despite what the Minister for Security, Counter Terrorism and Police says, the ARA has been a failure. The Chairman of the Public Accounts Committee, my hon. Friend the Member for Gainsborough (Mr. Leigh), recently summed up its performance by pointing out that it had spent £65 million but recovered only £23 million; has no complete record of the cases referred to it; has worked on more than 700 cases but managed to recover assets in a mere 52; and that 90 per cent. of the financial investigators trained by it have not even completed the necessary courses. As my hon. Friend said,

"the criminal fraternity are laughing at us, are they not?"

It is thus hardly surprising that the Government felt compelled to take action, which is why the Bill proposes to transfer the assets recovery functions of the agency to SOCA and its training functions to the National Policing Improvement Agency. However, the National Audit Office report on the ARA made various recommendations that will apply equally to the new bodies responsible for its current functions; case management was highlighted as a particular weakness. In assessing the provisions for transferring the operations of the ARA we will need to be satisfied that there will be appropriate measures to address the evident performance failures and the issues highlighted by the NAO report.

Transparency is needed, particularly in the future performance of SOCA, which has not been subject to detailed public scrutiny to date. In evidence to the Public Accounts Committee, the Comptroller and Auditor General gave an assurance that it would continue to be possible to assess whether the costs of the asset recovery function of the SOCA exceed or are less than the assets it recovers, confirming that a proper system of management accounts will be put in place. For the House to have confidence in the arrangements proposed in the Bill, mechanisms for proper, robust, external scrutiny of SOCA are essential. After the failure of one agency, it is important that the House can review the performance of its replacement and that the information can be made public.

We welcome the inchoate offences provisions, which build on the excellent work of the Law Commission. In the other place, the Government set out some of the rationale for their divergence from some of the Law Commission's original proposals, but we will use opportunities in Committee to probe the detail of their proposals to ensure that the appropriate balance has been struck. We shall also examine carefully the extended powers being granted to Her Majesty's Revenue and Customs.

There is a shared desire on both sides of the House to ensure that those involved in serious crime—crime that harms this country and damages the lives of those it touches—are brought to justice, that the law enforcement agencies are given appropriate powers to disrupt the activities of organised criminal gangs, and that the Government and other agencies are able to use information in a constructive way to facilitate the fight against fraud. However, serious questions remain as to whether the provisions of the Bill will advance this cause and whether, by virtue of the breadth of the Bill's scope and the practical operation of its provisions, it may undermine some of the fundamental values and freedoms that the House should be seeking to uphold and protect. That is where Conservative Members will maintain our focus and will challenge the Government robustly when we believe that they fall short.

7.30 pm

The Parliamentary Under-Secretary of State for the Home Department (Mr. Vernon Coaker): I start by saying a couple of things about the general tenor of the debate. I welcome very much the thoughtful and passionate contributions that hon. Members have made. I thank the hon. Members for Arundel and South Downs (Nick Herbert), for Hornchurch (James Brokenshire), for Taunton (Mr. Browne), the hon. and learned Member for Torridge and West Devon (Mr. Cox) the hon. Member for Bromley and Chislehurst (Robert Neill), who has apologised for having to leave early, the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd), the hon. and learned Member for Harborough (Mr. Garnier) and the hon. Member for Newbury (Mr. Benyon) for their contributions to the debate. If I do not answer all their questions in my remarks, I hope that we will, as they have suggested, return to many of them in Committee.

I accept absolutely that all Members on both sides of the House are determined in their efforts to tackle serious crime. I say that because it is an important point to make. There may well be differences, debates and arguments about some of the proposals before us, but I do not ignore the fact that all Members are dedicated to working towards the same aim.

I have listened with interest to the debate and some hon. Members have referred to centuries of tradition. The hon. Member for Taunton said that I had answered a parliamentary question today, which I have, about mandatory minimum sentences of five years for the possession of a handgun. He pointed out that although Parliament had passed the provision, the judiciary, in determining the appropriate sentence, had not in all cases given the five-year sentence. That is because the legislation gives the judiciary the opportunity to take account of exceptional or extenuating circumstances—I cannot remember the exact phrase in the law. The hon. Gentleman cannot castigate me for being responsible for legislation that does not result in the judiciary automatically giving a five-year sentence and then, two minutes later, castigate me, my hon. Friend the Minister for Security, Counter Terrorism and Police and the Government for undermining centuries of tradition if we are not able to dictate to that same judiciary that it should have no independence and that it should automatically and without any reference to extenuating circumstances apply the five-year sentence.

I make that point because it is fundamental to this debate. We cannot pick and choose with respect to constitutional principles. The hon. Gentleman chose to have a go at me and the Government about the minimum five-year sentence and will no doubt suggest that the Government are failing on gun crime because it is not being applied, but he then said that the Bill was a wicked erosion—I paraphrase—of centuries of tradition in this country since the Magna Carta.

Mr. Jeremy Browne *rose—*

Mr. Coaker: It will be interesting to hear whether the hon. Gentleman supports the independence of the judiciary, or perhaps has another explanation.

Mr. Browne: I did not wish to cause the Minister personal offence. The point that I was trying to make was that when there was an outbreak of public concern about gun crime and the Prime Minister called a "gun summit" at No. 10 Downing street, and legislation on gun crime went through the House in various criminal justice Bills to put in place a mandatory five-year sentence, the overall effect of that range of activity was to convey to the public that the Government were tough on crime and, by implication, that the other parties in the House were less tough on crime. I was making the point that legislation is not always brought before the House with the intention of trying to make the laws of the land more effective; it is there for presentational purposes and to have an "eye-catching" approach, as the Prime Minister put it. Quite often, it does not actually work in practice.

Mr. Coaker: With respect to the hon. Gentleman, the point that I was making, as I think every other hon. Member appreciates, was that one of the problems of an independent judiciary is that it sometimes makes decisions or interprets the law in a way that he and others find difficult. The hon. and learned Member for Torridge and West Devon said that centuries of tradition were in danger of being swept away, but all that I was saying is that people sometimes see centuries of tradition being swept away when they disagree with

[Mr. Coaker]

something that the Government propose. As with all things, we need to reach a compromise.

I am grateful to everyone for contributing to the debate and will now turn to some of the points that have been made. On serious crime prevention orders, I emphasise the potential usefulness of a flexible measure against those who engage in insidious crimes with intelligence and adaptability. The orders can be made only, as McCann stated, when it can be proved beyond a reasonable doubt that the subject has been involved in serious crime. The conditions contained in the orders will only be preventive, not punitive, and will be entirely in accordance with the European convention on human rights.

Two categories of points seem to have been made in the debate: those about principle and those about practice. On principle, the main points were about whether the orders would be a means of circumventing the criminal process. One particular point made by Opposition Members was why we would want to prosecute when we can seize assets and impose major restrictions on liberty on the basis of an ex parte hearing. Those who made that point were wrong. It will not be possible to seek these orders on an ex parte basis and the interpretation of the way in which the orders work is a complete misunderstanding of the Government's intention. The orders will not be an easy option to be used in place of criminal prosecution—their purpose is completely different. Prosecution is about punishing previous actions, whereas these orders are about preventing future involvement in serious crime.

In addition, to assert that the orders are an easy option is to misunderstand and underestimate the role and expertise of the High Court. The applicant authority will have to convince the High Court, to a standard that we expect to be close to beyond reasonable doubt, that the proposed subject of an order has been involved in serious crime. That will be no simple task. As we may recognise, High Court judges do not fall over themselves to agree necessarily with the Government's view. The court is a public authority for the purposes of the Human Rights Act 1998 and so will only make an order that is reasonable, proportionate and compatible with convention rights.

Mr. Cox: The Minister says that the orders will be dealt with on the basis of reasonable doubt, and I have every respect for those who are briefing him. I am sure that they know a great deal. However, the reality is that the consultation document that his Government produced made it clear that one of the main reasons for introducing the orders is that, in some circumstances, they would not be able to acquit themselves of the reasonable doubt standard. In cases in which evidence fell below that standard, there would be a justification for the order. The Minister is making a good speech and I applaud and commend the tenor of it, but with respect, he cannot have it both ways. If the reasonable standard test is too high, the civil standard of proof will be used, not reasonable doubt.

Mr. Coaker: The remarks that I am about to make will answer the hon. and learned Gentleman's question, at least in my eyes if not in his. Clauses 34 and 35 set out that the civil standard will be applicable. However, we accept that that standard is flexible and that, in the light of the House of Lords judgment in the case of McCann, the court will probably expect the heightened civil standard of beyond reasonable doubt to apply when deciding whether a person has been involved in serious crime. If the hon. and learned Gentleman reads the McCann judgment, he will see that it makes it clear that there is a flexible standard that can be applied to civil orders and that, in respect of involvement in serious crime, the expectation would be that the level of evidence required, if not identical to the criminal standard, would be nearly identical to it. He may disagree with the House of Lords judgment, as the hon. Member for Meirionnydd Nant Conwy did, but—

Mr. Llwyd: I did not disagree with the House of Lords judgment. I said that the judgment allows for a civil standard or almost a criminal standard. That is not to say that that will be applied anywhere else.

Mr. Coaker: I apologise if I unfortunately made it appear that a barrister was somehow at odds with the judgment of the House of Lords.

Mr. Llwyd: Perish the thought.

Mr. Coaker: Perish the thought, as the hon. Gentleman says. I did not mean to do that at all. All that I was trying to do was point out that we think that the McCann judgment is very relevant to the application of evidence when it comes to serious crime prevention orders.

Mr. Garnier: I do not want to add more confusion where there is plenty already, but in my experience, in a civil proceeding that may involve criminal allegations, the court, in order to be persuaded of those allegations, will still apply the civil standard, but it will slide up the civil standard. If there is an allegation of murder, the court will require to be better persuaded than if there is an allegation that somebody parked on a double yellow line. That is simply a flexible application of the civil standard. The Minister should not persuade himself that the Bill—*[Interruption.]* The Minister can take the advice of the Leader of the House or my advice—I think that I have practised a little longer than the right hon. Gentleman. The Minister is making a false argument if he is relying on McCann to demonstrate a point that plainly is not the case.

Mr. Coaker: I am not making a false argument. The argument that I am using is the argument used by the House of Lords in its judgment with respect to McCann. The application of that judgment to serious crime prevention orders will be particularly useful.

In schedule 1, we have laid out a list of the offences that we regard as serious. As hon. Members have pointed out, the list is not exhaustive, but we think that it will be an important guide as to what we mean when we talk about serious crime.

Moving on from serious crime prevention orders, a number of issues will obviously be debated in Committee. We expect there to be a full debate and, following that debate, we will have an extremely useful additional tool to combat serious crime. The data

sharing and data matching proposals will make a significant difference in detecting and preventing fraud. We are involved in close discussions. As hon. Members will know, because we have set up meetings between all hon. Members and the Information Commissioner, the Information Commission is broadly satisfied with the proposals in the Bill. We will continue to consult with the Information Commissioner to make sure that that continues to be the case.

Many of our constituents will be surprised that some of the data sharing that the Bill allows—to prevent and detect fraud—is not already allowed. Rather than be concerned about the implications of the measures, as some hon. Members are, they will wonder why those measures have taken so long to come about. Of course, we have to have the appropriate safeguards, but this is about using information technology and the various means at our disposal to deal with serious crime.

Hon. Members have mentioned the merger of ARA and SOCA. Many of the current clients—if I can put it that way—of the Assets Recovery Agency are people who are involved with serious crime. The synthesis and merger of those two agencies will benefit law enforcement when it comes to taking assets from criminals, whether through the civil recovery route or the enhanced powers that we intend to give others through changes to the Proceeds of Crime Act 2002. Many of our constituents would want us to continue the improvements in practice when it comes to taking ill-gotten gains from criminals.

My hon. Friend the Minister for Security, Counter Terrorism and Police dealt with the question of the use of intercept as evidence. No doubt that will be the subject of further debate in Committee.

We intend to remove from the Bill Lord Marlesford's amendment on guns, which we regard as disproportionate. The Association of Chief Police Officers supports the Government's position. Lord Marlesford's amendment is unnecessary. Hon. Members who are concerned about the Government's attitude to civil liberties should note that we believe that what Lord Marlesford's amendment does—it allows a police constable, on his own, to designate an area, unspecified in size, in which to stop and search and/or question anybody—is disproportionate and an infringement of our civil liberties. I ask hon. Members who have talked about civil liberties to look carefully at that amendment.

I have rattled through my speech, under pressure to be as succinct as possible, but I do not want to disguise the fact that this is an extremely important Bill that will make a serious and significant difference to our ability to tackle serious crime, which is something on which we can all agree. I look forward to the debate in Committee as we seek to improve the Bill still further.

Question put and agreed to.

Bill accordingly read a Second time.

Serious Crime Bill [*Lords*] (Programme)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(7) (Programme motions),

That the following provisions shall apply to the Serious Crime Bill [Lords]:

Committal

1. The Bill shall be committed to a Public Bill Committee.

Proceedings in Public Bill Committee

2. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Tuesday 10th July 2007.

3. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of any message from the Lords) may be programmed.—*[Steve McCabe.]*

Question agreed to.

SERIOUS CRIME BILL [*LORDS*] [*MONEY*]

Queen's recommendation having been signified—

Motion made, and Question put forthwith, pursuant to Standing Order No. 52 (Money resolutions and ways and means resolutions in connection with bills),

That, for the purposes of any Act resulting from the Serious Crime Bill [Lords], it is expedient to authorise—

(1) the payment out of money provided by Parliament of—

(a) any expenditure incurred under the Act by a Minister of the Crown or government department, and

(b) any increase attributable to the Act in the sums payable under any other Act out of money so provided, and

(2) the payment of sums into the Consolidated Fund.—*[Steve McCabe.]*

Question agreed to.

IMPROVING FACILITIES FOR EDUCATIONAL VISITORS TO PARLIAMENT

Resolved,

That this House approves the First Report of the Administration Committee, on Improving Facilities for Educational Visitors to Parliament (House of Commons Paper No. 434); and endorses the Committee's proposals, including a dedicated space for educational visitors to be provided on or off the Estate complemented by engagement with those who do not visit Westminster.—*[Mr. Straw.]*

Carbon Dioxide Reduction Target

Motion made, and Question proposed, That this House do now adjourn.—*[Steve McCabe.]*

7.48 pm

Colin Challen (Morley and Rothwell) (Lab): I am grateful for the opportunity to hold this Adjournment debate today, not least because it is my birthday. I thank Mr. Speaker for allowing me to hold the debate on such a momentous day. It is also the last day for submissions to the consultation on the draft Climate Change Bill. I hope that my hon. Friend the Minister for Climate Change and the Environment will take on board my contribution—I will, of course, buy him a drink afterwards.

This is the first debate in the House on climate change since last week's G8 summit, which made some important progress, albeit from a very low threshold. I want to make it plain at the start that I support the Government's initiative to launch the draft Climate Change Bill. It is a world first and, for that reason, I hope that we get it right. I support the rationale behind the Bill, which states:

> "The Climate Change Bill is necessary to provide a clear, credible and long term domestic framework for tackling climate change, whilst at the same time allowing the UK to demonstrate strong international leadership, which is key to helping achieve multilateral agreements."

That is what I want to focus on—the quality of leadership.

I sought this debate not because I am a pedant obsessed with figures, although some might disagree with that assessment, but because I believe that if we are to tackle climate change effectively, we should do our best to be aware of what the figures provided by bodies such as the intergovernmental panel on climate change, and in our own 2005 climate change conference, actually mean. We could set any target we liked, but we should be honest and tell people the likely consequences of whatever target we choose. We could say, as some still do at the international level, that we do not want any targets at all. Of course, if we did that, we would be inviting mammoth damages to our economic prospects, and death and destruction on a massive scale, as Nick Stern indicated. We would not be able to insulate ourselves from the consequences.

That is the most irresponsible position imaginable, but there are a host of positions on dealing with the problem, on a sliding scale of enthusiasm. At the other end of the scale, we could don a painful hair shirt and make immediate heavy cuts in emissions—something that no Government appear willing to do, for understandable short-term reasons. We have chosen the target of a 60 per cent. cut in emissions by 2050—a reasonably high figure, by most other countries' standards. That is the figure in the draft Climate Change Bill, although I realise that the Bill refers to a cut of "at least 60 per cent." I can see why we would use the phrase "at least" in the Bill, but it has no legal meaning whatever. If I told you, Mr. Deputy Speaker, that you had to pay a fine of at least £60, well, £60 would do. Indeed, more often than not, the Bill's target of at least 60 per cent. is referred to in official documentation as simply 60 per cent. In Downing street, at the Department of Trade and Industry, and in the Secretary of State's speech to the United Nations last week, the prefix "at least" has been in the habit of disappearing.

That might appear a trite point, but it is actually very serious. To understand why, we should study how we alighted on the 60 per cent. figure. As the Government acknowledged, it originated in the Royal Commission on Environmental Pollution report entitled "Energy—the Changing Climate", published in 2000. The 60 per cent. figure was derived from a calculation that suggested that a CO_2 concentration in the atmosphere of 550 parts per million may be an acceptable limit allowing us to contain global warming at a reasonable level, but no country can calculate its own target for greenhouse gas emission reductions from a greenhouse gas stabilisation level without factoring in the share that it must bear of global emission reductions. It would be worse than pointless to pretend that we could ignore the distribution of responsibility among countries. Of course, the United Nations framework convention on climate change recognises that fact.

As my hon. Friend the Minister knows only too well, the formula that our 60 per cent. calculation relies on is called contraction and convergence, and the RCEP report used that framework, coupled with an upper limit of 550 parts per million, to arrive at the 60 per cent. target. Sadly, as our understanding has progressed, and in light of more recent reports—notably Stern—we have realised that that target will, more likely than not, lead us into "a very dangerous place", as Stern says. I therefore cannot see why we do not run the contraction and convergence formula that the RCEP used seven years ago again to get a more up-to-date figure.

There are things that we need to factor into the calculation that were not, to a great extent, factored in seven years ago—things such as positive feedbacks. Examples include permafrost melting and releasing methane; the albedo effect of the Arctic icecap being lost as that icecap melts, and the seas therefore absorbing more sunshine; and the possibility of the rain forest dying. We talk about sink failures; more recently, we have heard about the acidity levels of the southern ocean reaching dangerous levels, and its therefore not being able to absorb as much CO_2 as we originally thought that it might.

I can imagine several political reasons why the Government fight shy of acknowledging the intellectual basis of the 60 per cent. target, but it simply cannot be concealed any longer. I say that because I want the Climate Change Bill to become the gold standard of climate change legislation, and I want it to be emulated by other countries. For that to happen, it is essential that we heed the response that my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs gave to my hon. Friend the Member for Edinburgh, North and Leith (Mark Lazarowicz) at the Environmental Audit Committee last week. The Secretary of State said that we must not pluck figures out of thin air. I do not think that my hon. Friend the Member for Edinburgh, North and Leith wanted to pluck anything out of thin air, but he did want a scientific and logical justification for the 60 per cent. target.

When we are not prepared to admit that a figure is problematic, our explanations of it become problematic. That was amply demonstrated by the Government's chief scientific adviser in evidence to the Joint Committee on the Draft Climate Change Bill the day after the

Environmental Audit Committee met. He simply could not make things match up. Frankly, he tied himself up in knots. That approach is categorically not good enough. I have said recently that the reasoning behind the current figure lacks intellectual rigour, and I say so again. We have to decide whether we want to seek a safe and sustainable stabilisation of greenhouse gases in the atmosphere or not, and if the answer is "not" we should prepare accordingly, which means spending a lot more on adaptation, and we should make plain to people what we think the consequences will be. However, if we want to achieve that safe and sustainable level—and I know that the Government do—we should calculate what effort is required in the time scale available. From that figure we can backcast all the things that we need to do to achieve it; it does not work the other way round.

There is no serious, scientific study that tells us that the chance of containing a temperature increase to 2° C on the basis of a 60 per cent. cut in emissions by 2050 is more than evens. I know it, the Government know it, and anyone who takes climate change seriously knows it, so why do we persist with the 60 per cent. figure, even if the phrase "at least" 60 per cent. is used? Clearly, the politics is having difficulty keeping up with the science. The spectacle of George Bush apparently agreeing to a 50 per cent. target last week tells us what is going on—not frightening the horses is what is going on. I do not believe for one moment that Bush has any intention of honouring his alleged pledge, not least because he will not be President when the time comes to sign on the dotted line. That shows how difficult it is to get any movement at all at the top level, and to get others to follow us, but does that mean that we have to gut the science and make it bend to our notion of realpolitik? Do the experiences of King Canute not teach us something about that?

The question is where we go from here. We should state firmly and categorically what we intend to do with our Bill. It is being introduced because we want to make our contribution to achieving a safe and sustainable level of greenhouse gases in the atmosphere. We should state explicitly and firmly how we have formulated our targets—in other words, we should demonstrate that we have not plucked them from thin air—and we should firmly and explicitly state that the formula that we have used is considered to be fair and reasonable; surely we would not have used it if it was not.

To do those things is not to bind ourselves to an international agreement based on contraction and convergence. We should always be open to the possibility that somebody out there has devised something better, and is willing to have that idea examined and tested. It seems to me an absurdity for the Government to obfuscate the origins of our national target, as if by some freak of fate nobody could discover what those origins were. We are begging to be found out, and if we are, what will that do for our credibility? It is a strategy that invites the proposing of weaker and more fragmented frameworks. I recognise that there are many critics of contraction and convergence, and mostly those criticisms are levelled not at the need to achieve a safe and sustainable concentration level, but at the means of achieving it. As Stern found, there are great difficulties in determining what constitutes equity, and for many, the idea of a per capita share allocation is a step too far.

I find it frustrating that although these criticisms are happily thrown at contraction and convergence, rarely is an alternative proposal put forward. Instead, we hear much about fairness and justice, with abundant references to the fact that the poorest, who did least to create the problem, will be the ones to suffer most from it, but these words remain frozen in air, never to be given substance or converted into hard, practical solutions.

It is ironic that Ministers are reluctant to talk openly about contraction and convergence. We have a de facto contraction and convergence Bill, whose antecedents are easily traceable, and at the same time we are not proposing any other framework, at least as far as I know. The Prime Minister has single-mindedly driven the twin agendas of climate change and Africa to the top of the international agenda, but we shy away from acknowledging a widely accepted framework that is supported in many places precisely for its coherence in addressing these twin issues. It is time to see such coherence coming from the Government, too. They must propose a coherent link between these issues.

What is the alternative? The G8 agreed that we should have a Kyoto replacement ready by 2009, which would allow time for its ratification by 2012. We have two years for something concrete to emerge, which is inclusive of all, seeks to solve the problem faster than we are creating it, and is coherent and fair—two concepts which, I admit, are not always found in international treaties.

I assume that in the coming months and years, we will be telling others about our Climate Change Bill. We will want to display our initiative as a model, just as last week the Secretary of State told the United Nations about it. True, some people may find our proposals too difficult for them, especially if vested interests appear to be threatened, but are we then necessarily obliged to start from a lower base and hope that somehow we can make up lost ground later?

That, in truth, has always been our hope—that if we do the right things, the result may be greater than the sum of its parts. The trouble is that we face a challenge that has no precedent in history, and our old way of stitching things together is hopelessly inadequate. The effort needed is immense, even if Nick Stern's quoted cost of 1 per cent. of GDP seems so slight. Let us remember that almost 40 years ago the UN set a target for developed countries of giving 0.7 per cent. of GDP in aid, and so far only three countries have managed it. We can break the psychology that has made for failed commitments in the past by adopting a rigorous and coherent framework now.

The World Resources Institute in its 2005 report "Navigating the Numbers" stated that

"international agreements predicated on equal per capita emission entitlements are unlikely to garner consensus",

on the grounds that countries would not accept similar obligations if they felt they would be

"significantly burdened"

with responsibility. The report nevertheless concluded:

"Considering that over the long term net emissions must fall to zero, convergence is a corollary of climate protection."

If that is so, we must ask ourselves whether it is merely an accidental corollary or something we should plan for. If it is not something we should plan for, perhaps we could convince the developing world to shout

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"Accidental equity is our right" and see how quickly it signs up to some climate change framework involving equity by osmosis.

I hope I have convinced my hon. Friend the Minister that I take the Bill very seriously. I very much welcome it, and I recognise that the Government want to go beyond the 60 per cent. target emission rate that they set in statute. So that I am not misinterpreted, I conclude by saying that the challenge is not just for the Government. It is for all parties in the House. There is no escape clause from the necessity of achieving a solution that solves the problem faster than we are creating it. The evidence is abundant that that is beyond 60 per cent. I believe the Government agree. I hope the Opposition parties also agree and do not try to make party capital out of the 60 per cent. figure. If they do try that, they are binding themselves to a higher figure, and they will have to say what that figure is and what the framework is that supports it. I look forward to my hon. Friend's response.

8.5 pm

Mr. Robert Goodwill (Scarborough and Whitby) (Con): I congratulate the hon. Member for Morley and Rothwell (Colin Challen) on securing the debate. I am surprised at the early closure of business, which gives me the opportunity to deliver a few hastily prepared words—as will no doubt become apparent in the course of my speech.

I was interested to hear the hon. Gentleman's points, which reflect the thought he has given to the subject. Thankfully, right hon. and hon. Members to whom I have spoken have a thoughtful and scientifically based perspective on the matter. Sadly, the media all too often try to grab the headlines. The recent Channel 4 so-called documentary—it should perhaps have been classed as fiction—which snatched one scientist who disagreed with the vast majority of the rest and tried to make his opinion appear mainstream does not help the debate out in the country. We need a cross-party approach.

The hon. Gentleman touched on the subject of mitigation. Politicians in many countries are pinning their hopes on achieving the targets, reducing CO_2 in the atmosphere and turning back the clock to overcome the problems that will be visited on this and future generations. I was interested to meet the Danish scientist, Bjørn Lomborg, who says that although he understands that global warming is happening and, linked to that, CO_2 is rising in the atmosphere, we should do more to try to reduce the threat that rising sea levels and other associated climatic problems would have on our economy—for example, by not building on flood plains, by making sure that important strategic developments are not sited in areas that could be under threat, and by studying the migration that may well result from changes in climate.

In Warminster last month I spoke to Ministry of Defence long-term planners, who were considering problems associated with vast numbers of people migrating from north Africa to southern Europe because of climate change and the effects of that on agriculture. Climate change would have beneficial effects on our agriculture and that of the Russian Federation, for example, as the climate warms up.

The UK has a good story to tell, as I am sure the Minister will say. We are on track to meet our Kyoto targets, not least because of the dash for gas. Our old, dirty coal-fired stations were phased out as the gas stations came in. Germany has met its obligations because of the closure of large sections of heavy industry in east Germany. For the same reason, much of the former Soviet Union is also meeting its obligations, so it is puzzling why the Russian Federation did not sign up sooner to the Kyoto agreement.

The UK has grasped the nettle of nuclear build, for which I praise the Government: it was a decision that had to be made. Notwithstanding the alternatives, the renewables and all the steps that we can take to reduce the amount of fuel that we burn by making our homes more fuel efficient, driving smaller cars and so on, we must get on with building nuclear power stations, which not only contribute to reductions in CO_2, but will improve the United Kingdom's energy security.

I am sure we all share the goals and objectives of the Climate Change Bill. Targets of a 26 to 32 per cent. reduction in emissions by 2020, and the 60 per cent. target by 2050 to which the hon. Member for Morley and Rothwell referred, are indeed ambitious. Although the Bill will aim to address that, will the Minister address the concerns that have been raised with me by people who say that this is not justiciable—that the Government cannot control it? The reductions in CO_2 are being achieved not by the Government but by heavy industry, consumers, motorists and the rest. Those concerns have been raised during the pre-legislative scrutiny of the Bill. Many people think that it will not get off the ground. What would happen if we failed to meet our targets and legal action was taken by Greenpeace or Friends of the Earth? Could it be made to stick in court, given that the emissions are not directly within the Government's control? Yes, the Government can put structures in place and participate in the European emissions trading scheme, but can they be held to account in that respect?

In a previous life I was a Member of the European Parliament and deputy co-ordinator for the EPP-ED group in the Environment Committee, where we took the European emissions trading scheme issue very seriously. What would happen if, for example, the UK succeeded in developing new clean technologies in the aluminium industry or other metallurgical industries such as steel smelting and the rest? What if we were so successful that such industries were developed here and closed down in other parts of the European Union? Who knows, by 2050 the large complexes in the Donetsk region of Ukraine could be closing because we could do it more efficiently here. UK emissions would therefore increase in terms of our participation in the trading scheme. In other words, we would miss our target but the global situation would improve. That occurred to me immediately. If the UK were to go it alone, would we then be precluded from trading in emissions within Europe, which would increase UK emissions but reduce total EU emissions?

What would happen when we went to the table for the next stage of EU negotiations in terms of our emissions trading or in a wider international context? The other states would say, "We can't negotiate with you—you're already locked into this." We could not make a trade-off with them that we would be more

ambitious if they did not want to go along with us. Are we likely to be in a weaker position in EU and international negotiations?

Mr. David Drew (Stroud) (Lab/Co-op): I apologise for missing the remarks of my hon. Friend the Member for Morley and Rothwell (Colin Challen).

The hon. Member for Scarborough and Whitby (Mr. Goodwill) is right to point out the weaknesses of the emissions trading scheme, but it surely behoves individual states to recognise that it is their prime responsibility to ensure that they do not damage the living opportunities of the following generation. That is why it is vital that we have a strong Bill and therefore rely less on ideas such as emissions trading.

Mr. Goodwill: I can see the point that the hon. Gentleman is trying to make. However, my concern is that in recent years heavy industry has gone east to countries where emissions standards are not so tight, or not so tightly policed, and where labour is cheaper. We need to claw those industries back to western Europe, where we have clean technologies. The European emissions trading scheme is a good mechanism for that, but if we set ourselves a target that would be jeopardised by such trading, that could be counterproductive.

The UK needs to take some tough decisions. We all subscribe to the wish to reduce emissions by 60 per cent. by 2050—or to reduce emissions as much as we can, because we know that in other parts of the world similar ambitions are not held with the same strength. Many developing countries feel that they should catch up with us before they make any cuts at all. Perhaps the Government should try to focus on things that they can do—for example, on the tax tools that they hold. In recent years, under this Government, the total tax take from environmental taxes has been falling. Perhaps they should address that. Constituents sometimes write to me saying, "We hear there's a marvellous Government scheme to insulate our houses.". However, they then find that the money has all gone because no sooner is it announced than it is snapped up by housing associations, among others, who are geared up and ready to go for those subsidies, but not by individual householders, who may be a little slow off the mark. Perhaps more money should go into research and development, which will result in better technologies. And what a shame that the plug has been pulled on the carbon sequestration scheme that was due to go ahead in Scotland. There are areas that the Government need to be considering. They should not just think that because they can set these targets in stone the rest of us will have to comply and that they will be held to account if we do not.

We should give more consideration to biofuels. As a farmer, I declare an interest. Ten per cent. of the land in this country is not doing anything at all. At the moment, the real emphasis on biofuels is in the developing world in places such as Brazil, where biodiesel—some call it deforestation diesel—is being produced. Let us try to bring that closer to home and encourage farmers in this country to produce biodiesel. Funnily enough, I am producing biodiesel on my farm, but through an offset scheme with German farmers who are accessing subsidies in Germany. It seems bizarre that because the system in Germany is geared up for farmers to take advantage of biofuels schemes, UK farmers are having, in effect, to participate in a German scheme to follow that through.

Chris Huhne (Eastleigh) (LD): Is not the hon. Gentleman concerned about some of the international evidence on biofuels—for example, that they are beginning to displace land used for food crops? For example, in the US there has been a rise in the price of corn from about $2 to $4 a bushel, and one of the side effects has been riots about the price of tortillas in Mexico.

Mr. Goodwill: My former colleague in the European Parliament is absolutely right. In recent years, we have been fortunate in that when there is famine somewhere in the world there are stocks of food to send. What would be the reaction in this country if, faced with famine in Africa, we were told, "Sorry, we don't have any wheat to send because we've turned it all into ethanol and we're burning it in our cars"? We have seen this around the world—not only in Brazil but in the far east where the habitat of the orang-utan is under threat because of oil production to go into biodiesel. Perhaps we should look closer to home for better incentives for biodiesel production. Farmers are crying out for new crops to grow, and that would be a good initiative to catch up with what is going on in other EU countries.

Once again, I congratulate the hon. Member for Morley and Rothwell on putting this subject on the agenda so that we can kick it around a little bit. I just hope that the Government will not find themselves kicked around when the Climate Change Bill is introduced. Many of us, not only people on the environmental side but lawyers, are seriously concerned about whether it will be made to work. Can the Government legislate on something that is not directly within their control? If it fails and the Government are taken to court and fined, who will pay the fine? Presumably the Government will have to pay the fine to the Treasury, which will then put the money back into the system again. It seems somewhat flawed—or that is the point that has been made to me, anyway.

I look forward to the Minister's winding-up speech and hope that he will allay my concerns about whether the Bill will fly. If he is worried that it is going to be an absolute minefield, then perhaps the Government should push the marine Bill a little further up the agenda and we could do that first. The marine Bill is very close to my heart, and there is strong support for it on both sides of the House. It does not have the legal and other problems that have been raised by those who, while having the objectives of the Climate Change Bill very much to heart, are concerned about whether it is the right mechanism and whether it will work.

8.19 pm

Martin Horwood (Cheltenham) (LD): I congratulate the hon. Member for Morley and Rothwell (Colin Challen) on securing the debate on such a critical issue and assure him that he has much sympathy and support from Liberal Democrat Members on the subject.

As the hon. Gentleman said, it is vital that the UK show leadership at this time, which is a critical moment in the history of the world. There is some uncertainty at international level about what will follow the Kyoto agreement when it expires in 2012. Sadly, the United

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States has thrown the position into some confusion. It is vital that the UK be among the nations that press for a secure Kyoto-based process when 2012 arrives.

As the hon. Gentleman also pointed out, there is increasing uncertainty in some of the science as well—not about whether man-made emissions contribute to climate change; I hope that that is now beyond scientific debate, but about the seriousness of some of feedback mechanisms and the other processes. That may land us in an even more serious predicament than we have so far imagined.

The Climate Change Bill will be considered in Parliament. To give the Government due credit, that measure is welcome. Indeed, it is welcome that we are to debate such a Bill—it was not a foregone conclusion and the Government should be congratulated on introducing it and responding to the campaign by Friends of the Earth and many others to secure it.

The Government have a history of setting themselves carbon reduction targets. The first was set in the 1997 Labour party manifesto under the optimistic title of "A new environmental internationalism"—a sentiment with which we would agree. It states:

"We will lead the fight against global warming, through our target of a 20 per cent. reduction in carbon dioxide emissions by the year 2010."

My researchers could not find a reference to the target in the 2001 manifesto, but in 2005, the Labour party manifesto again bravely stated:

"We remain committed to achieving a 20 per cent. reduction in carbon dioxide emissions on 1990 levels by 2010, and our review of progress this summer will show us how to get back on track. A 60 per cent. reduction by 2050 remains necessary and achievable."

Sadly, in a year, the Government had to concede that the 20 per cent. reduction target by 2010 was not achievable.

The history of carbon emissions in the past 10 years has sadly been one of rank complacency. That is not necessarily the Government's fault—they have been subject to sleight of hand by their spin doctors through the oft-recited piece of self-congratulation that the Government were on course to meet their Kyoto targets for the overall basket of greenhouse gases.

The time for self-congratulation is past. Many sources have categorically stated the reasons for initially meeting the target. The most authoritative is probably page 204 of the Stern report, which lists several historical reductions in national emissions. The UK's dash for gas was second only to the collapse of the Soviet economy in achieving carbon reductions, but Sir Nicholas Stern clearly sets out his explanation for our achieving the Kyoto target so long ago—as far back as 1999. It happened purely because of the switch in energy generation to gas from coal-fired power stations.

The story since then is different. Since 1997, overall carbon emissions have increased by 2.4 per cent. That is the record under the Labour Government. Since 2002, the trend not only in CO_2 but in greenhouse gases generally has been upwards. The increase in CO_2 is 3.3 per cent. and that in greenhouse gases as a whole is 0.6 per cent. The trend for domestic carbon dioxide emissions and the overall basket of greenhouse gas emissions is upward.

Mr. Jamie Reed (Copeland) (Lab): Does the hon. Gentleman accept that one of the reasons for the increase in CO_2 emissions is that, since 2000, we have shut approximately six ageing nuclear power stations in this country? That has led to an additional 5 million tonnes of CO_2 being pumped into the atmosphere.

Martin Horwood: I do not entirely accept that. There are plenty of scenarios in which we can maintain our intention of phasing out nuclear power and achieve up to a 94 per cent. reduction in carbon emissions from energy from electricity generation over the requisite time scales.

The dash for gas, not active Government policy, is responsible for the reduction that we have achieved in greenhouse gas emissions. Since then, the position has been getting worse. We are 18 per cent. over the domestic carbon reduction target. Do such short-term targets matter? Of course they do, because they are markers for how well we are progressing towards achieving the longer-term targets. The way in which we fulfil them is critical. If we make slow reductions at the outset and expect to make a steep rush at the end, that is different from sharp reductions early on, as Sir Nicholas Stern recommended, because the total volume of CO_2 emitted in that period is much greater.

Mr. Goodwill: Is the hon. Gentleman honestly trying to say that if we do not reduce the number of nuclear power stations, we will not take a massive 20 per cent. step back in emissions from electricity generation? Surely he cannot genuinely maintain his party's position on replacing nuclear capacity and try to make out that reductions will occur? Without more nuclear capacity, there will be increases, not reductions.

Martin Horwood: I am grateful for the hon. Gentleman's intervention, but I fear that we are veering into a slightly different debate. We have set out a clear pathway for achieving—

Mr. Deputy Speaker (Sir Michael Lord): Order. I remind the hon. Gentleman that this is an Adjournment debate, which is an opportunity for Back Benchers to make individual contributions. I am conscious that the hon. Gentleman is a Liberal Democrat spokesmen for the affairs that we are discussing, but this evening he must confine his remarks to an individual contribution.

Martin Horwood: I am grateful for that guidance, Mr. Deputy Speaker. My personal view is that the Liberal Democrat policy document on the subject is convincing, and I shall happily send a copy to the hon. Member for Scarborough and Whitby (Mr. Goodwill).

It is crucial that we meet the short-term markers because that is indicative of our ability to fulfil the longer-term targets. If we do that in the wrong way, with the wrong rate of reduction, we risk increasing the overall volume of CO_2 contributed to the atmosphere even if we meet the percentage reduction target in the long term.

The signs are not good on other fronts. I was privileged to serve on the EU Standing Committee on 30 April, when we debated whether the EU target for 2020 should be 20 per cent. if the EU were acting alone, or 30 per cent. with what was described as

"broad participation." That is an upside-down approach. Surely if other countries are not playing their part—or cannot contribute as much, perhaps because, as in the case of China, we have exported our manufacturing industry there and some of our carbon emissions are actually being emitted in China—we become the equivalent of the man standing on a sinking ship who refuses to bale out faster because someone else is not playing their part. In practice, if other nations are not achieving those carbon reductions, we need to bale out faster.

The hon. Member for Morley and Rothwell rightly highlighted the Climate Change Bill and the target of 60 per cent. It is difficult to connect the consequences of global warming with the domestic target. However, Sir Nicholas Stern provides us with a pathway. It begins with the degree increase in global warming that we are prepared to tolerate. He makes it clear that some of the consequences are extremely serious at more than 2°. They include:

"Falling crop yields in many developing regions... Rising number of people at risk from hunger... Significant changes in water availability... Possible onset of collapse of part or all of Amazonian rainforest... Many species face extinction... Rising intensity of storms, forest fires, droughts, flooding and heat waves... Onset of irreversible melting of the Greenland ice sheet".

Let us remember that 2° is the target that the G8 plus 5 has failed explicitly to endorse in its communiqué, thanks to the influence of the Bush Administration.

How does that translate into targets in terms of parts per million? Again, Sir Nicholas helpfully sets out a clear table, in which he takes a range of risk analyses, from the intergovernmental panel on climate change at one end of the scale to the Hadley centre at the other. The risk of exceeding 2° C, relative to pre-industrial levels, is for 450 parts per million of CO_2 in the atmosphere, or 38 per cent. according to the IPCC. The Hadley centre says that at 450 parts per million, the risk is as high as 78 per cent. At 550 ppm, even the IPCC says that the risk is 77 per cent.—far more than likely—and the Hadley centre estimates the risk at 99 per cent.—in other words, virtually certain. Even the lowest of those percentages, at 38 per cent., is not a risk that I would like to take crossing the road, let alone risking the future of the planet. It is very clear from the figures in the Stern report that 450 ppm of CO_2 in the atmosphere is actually the minimum level that we should aim for either at the international level or in terms of UK domestic carbon emissions.

The Stern report does not make a very clear association between that target and the percentage reduction of CO_2 emissions that we need in the Bill. Luckily, however, others have done so. In its response to the publication of the Climate Change Bill, the Tyndall centre said:

"Tyndall calculated a national carbon budget for 2000-2050 based on an atmospheric carbon dioxide concentration of 450 parts per million by volume...Given actual UK emissions between 2000 and 2006, Tyndall proceeded to describe an emission pathway out to 2050 that stayed within the national carbon budget. The pathway demonstrated that even a 30 per cent. chance of not exceeding the 2° degree threshold required the UK to cut its total carbon emissions by 70 per cent. by 2030 and in the region of 90 per cent. by 2050."

The Tyndall centre is not alone, as many other commentators have talked about percentages of 80, 85 or 90. That clearly demonstrates that the 60 per cent. target contained in the Bill is utterly inadequate. Indeed, on a previous occasion, I believe that the Minister told the House that the Government were ready to contemplate 70 per cent. If that were true, why could we not have a target at least that high built directly into the Bill?

Mr. Drew: I share the hon. Gentleman's view that we should go further, but with that in mind, would he support controls on individual households in order to secure a reduction there? Everybody talks about business, the Government and communities, but what about individual households?

Martin Horwood: I am not quite sure which controls the hon. Gentleman has in mind. If he is talking about personal carbon allowances, I think that there are real practical problems with introducing a comprehensive system of such allowances, but there are methods that work at household level. For instance, we have suggested a green mortgage financing scheme that would enable people to invest in energy efficiency in their houses for a guaranteed reduction in their household energy bills. There are certainly policy mechanisms that we can bring forward at national level that will work for people at the household level—a very important level for these things to work at.

However, the real purpose of this debate is to talk about targets, which is what the hon. Member for Morley and Rothwell has raised. It is also about leadership, and indeed about having the moral authority to be able to talk to countries such as the US and say what will happen if, when it comes to an international process after 2012, certain countries will not play ball. What is plan B? The Stern report raises the issue of a carbon border tax; Sir Nicholas Stern goes on to reject that option, but he has raised it at least as an issue for debate. We must be tough in conducting international negotiations and it is sad that in the end the G8 summit thought it more important to have a communiqué that included the US than one that included the 2° target. That is not a hopeful sign.

Mr. Jamie Reed: Given that only two years ago the US Administration actually denied the reality of climate change as a phenomenon, would the hon. Gentleman concede that the admission of that Administration is a significant step forward?

Martin Horwood: I am not sure that I would concede that. The US Administration is under enormous domestic pressure. Having lost domestic legislative elections, having been subject to Al Gore's campaign to raise awareness in the US, and with states like California and north-east states ploughing on with emissions reduction campaigns on their own, George Bush has been looking more and more isolated and unrealistic. It was clear that he would have to make some concessions in this direction, and he has done so only under great pressure. His suggestion that the Kyoto process, under the auspices of the UN, should be abandoned for some kind of side-deal with a group of high-emitting nations is profoundly unhelpful and threatens to undermine the Kyoto process.

[Martin Horwood]

In practice, Kyoto is the only game in town and we do not have time to reinvent the wheel. We have an international framework in place there. In the sense that the American Administration are accepting that carbon emissions need to be reduced, I guess that that is a positive step, but in terms of targets, we really need to be tougher with the US and tougher with ourselves in respect of the Climate Change Bill. The signs from the G8 were not very promising, but that involved the outgoing Prime Minister representing the UK. I simply hope that the new Prime Minister will take a more robust stance.

8.34 pm

The Minister for Climate Change and the Environment (Ian Pearson): I congratulate my hon. Friend the Member for Morley and Rothwell (Colin Challen) on securing this Adjournment debate. As is customary, I will respond primarily to him, but I shall take on board and address the comments made by the other hon. Members who have participated.

This has been another opportunity to highlight the risks from dangerous climate change and the urgency with which we need to tackle it. As we have acknowledged before, climate change is the greatest long-term challenge facing the human race and it is a top priority for this Government. That is why we have consulted on and published our draft Climate Change Bill, and I welcome the commitment of my hon. Friend to its principles and the wide support that it has received in the House and in the country at large.

We recognise that tackling a global problem effectively requires a global agreement. We therefore very much welcome the significant progress made by the G8 last week. The G8 recognised that a global emissions reduction goal must be agreed, involving all major emitters and taking account of the European goal to halve emissions by 2050. This is the first time that the G8 has announced the need for a goal against which global efforts should now be measured. At the United Nations framework convention on climate change meeting in Bali later this year, we need to launch talks immediately on a post-2012 climate change framework in order to conclude it by 2009. Also, for the first time the US has seriously committed to engaging in discussions on a post-2012 international climate change framework under the UNFCCC, and demonstrated its increased engagement by pledging to host a meeting of major energy consuming and greenhouse gas emitting countries, which will support and add momentum to the UNFCCC process.

The G8 leaders also discussed the rapidly growing movement towards the global establishment of emission trading schemes—our preferred way of creating a price for carbon—at national and sub-national level, and the importance of sharing experience on emissions trading as a precursor to the future linking of these schemes. As the Stern review highlighted, establishing a carbon price signal across countries and sectors will ensure that emissions reductions are delivered in the most cost-effective way.

So despite what some might say, the G8 summit was an important step forward. Without global action or a global commitment to reductions of greenhouse gases, we will have no chance of limiting the global mean temperature rise to 2°C above pre-industrial levels—the level considered necessary to avoid the most dangerous effects of climate change. That is why this Government have sought to play—and are playing—a key leadership role internationally through our involvement in the UNFCCC and the G8 process, and in particular through the Gleneagles dialogue.

Chris Huhne: The Minister mentioned the emissions trading scheme. Have the Government been advised on what an appropriate price per tonne to aim for would be if we are to achieve the kind of reductions necessary in the European Union? A company called Vattenfall has estimated €40 per tonne, and the recent price for 2008 permits was about €23. Do the Government's advisers or the Minister have a view on this matter?

Ian Pearson: It would not be appropriate for the Government to specify a figure in the carbon market. The hon. Gentleman will be aware that phase 1 of the carbon emissions trading scheme has been a learning-by-doing phase, and we in the UK have certainly not pretended that it has been perfect—far from it. We have learned lessons, however, and we believe that the Commission has learned lessons, which is why phase 2 will represent a significant improvement and why the carbon price for phase 2 under shadow trading for 2008 contracts is significantly higher. We want to see a strong carbon price signal and it is important that the EU carbon trading scheme should receive popular support. It is the cornerstone of what could be an emerging world carbon market and we need to ensure that it is a robust scheme that ensures scarcity in the marketplace, which we did not see in phase 1.

Mr. Goodwill: That is precisely the point that I was going to raise. Does the Minister accept that it was the over-generous allocation of carbon credits to countries such as Spain that undermined the market in carbon and resulted in the low prices in the first tranche of the scheme? Does he agree that we need to tighten that up if the scheme is to be made to work?

Ian Pearson: I do not want to single out individual countries, but we need to recognise the success of the EU emissions trading scheme in getting a scheme that covers 45 per cent. of Europe's CO_2 up and running. One of the key lessons to be learned is that we need to ensure scarcity overall if we are to have a carbon price that sends out the right signals to encourage long-term investment in low-carbon technologies. I am sure that we have all learned that lesson and taken it on board as part of phase 2 of the programme. As part of our review of the directive, we are reflecting also on how we can further improve that post-2012.

The UK has sought to underpin its international leadership by taking action domestically to tackle climate change. I was a bit surprised by some of what the hon. Member for Cheltenham (Martin Horwood) said. He does not want to recognise the fact that the Government have taken action on tackling climate change. Let me tell him some of the actions that we have taken. The 2000 climate change programme, which was reviewed and revised in 2006, and the 2003 and 2007 energy White Papers, included a suite of

measures for reducing carbon dioxide emissions and emissions of other greenhouse gases. It is simply not true to say that our performance on reducing greenhouse gas emissions—and the UK has an impressive record as being one of the few countries that will double its Kyoto commitment—is down to the dash for gas. That is plain wrong.

Martin Horwood *rose—*

Ian Pearson: The hon. Gentleman knows that. If he wants to explain the impact of the Government's proposals, I shall give way to him.

Martin Horwood: I was saying that it was clear that we met the Kyoto target because of the dash for gas. That caused the steep reduction in overall greenhouse gas emissions, which brought us below the target as long ago as 1999. Emissions have been going up since then, although they are perhaps not as high as they would have been without other measures.

Ian Pearson: We have not met the Kyoto target yet because it is over the period of 2008 to 2012. The effect of the dash for gas might account for at most a third of our reductions in greenhouse gas emissions overall. Our other reductions in greenhouse emissions are a direct result of the Government's actions on encouraging energy efficiency measures that have been taken by industry and the increase in the deployment of nuclear power during the 1990s. I am afraid that the hon. Gentleman cannot have it all ways. It simply is not true that all our performance on the Kyoto targets is down to the dash for gas. Nuclear has had a role to play, as has the Government's climate change programme.

We are forecasting that the UK will reduce its net greenhouse gas emissions by more than 23 per cent. in the period 2008-12 and carbon dioxide emissions by more than 16 per cent. by 2012. I admit that at the moment we are not on course to meet our target for 2010. It is a matter of regret, but we should not ignore the fact that making a 16.2 per cent. reduction, which is the latest projection, by 2012 is a significant commitment and achievement.

Looking further afield, the measures announced by the Government, including those recently set out in the energy White Paper, should help us to cut carbon dioxide emissions by more than a quarter by 2020, relative to 1990, even though the economy will have doubled in size. We are demonstrating that we can have green growth—that carbon can be taken out of the economy—and at the same time have high and stable levels of employment.

The debate has focused on the Government's long-term 2050 target for reducing emissions. I want to address that in particular because it is the gravamen of the comments by my hon. Friend the Member for Morley and Rothwell. It is worth reminding the House that the Government have for some time recognised the need for a long-term target. That is why they committed themselves in the 2003 energy White Paper to reduce carbon dioxide emissions by 60 per cent. by 2050, a target recommended by the Royal Commission on Environmental Pollution. There is no obfuscation on where the at least 60 per cent. reduction set out in the Climate Change Bill comes from; it comes directly from the work done at that time.

Some—including my hon. Friend the Member for Morley and Rothwell—suggest that that target is out of date, that the science has moved on, that the scale of the problem demands a greater response and that, consequently, the target for 2050 needs to be increased. Let me start by considering the response that is currently being recommended as part of the Climate Change Bill. As everyone knows, the European Commission has adopted the 2°C limit as its stabilisation goal. It has said that for that to be met, the atmospheric concentration of greenhouse gases must remain well below 550 parts per million volume carbon dioxide equivalent. The European Union has said that that will require global greenhouse gas emissions to fall by between 15 and 50 per cent. below 1990 levels by 2050, with reductions in developed countries of between 60 and 80 per cent.

As has been mentioned this evening, last year's Stern review of the economics of climate change recommended a long-term stabilisation goal of 450 to 550 parts per million of carbon dioxide equivalent, and showed that, globally, emissions need to peak in the next 10 years or so and then fall by 25 to 70 per cent. below 2005 levels—equal to a 10 to 65 per cent. cut below 1990 levels—by 2050. That means that industrialised countries such as the United Kingdom must reduce their greenhouse emissions by at least 60 per cent. by 2050. The Stern review also set out a strong case for urgent action to reduce emissions. The longer the world waits, the more costly and difficult it will be to make the reductions that are necessary to stabilise at 450 to 550 parts per million carbon dioxide equivalent.

The latest assessment report from the intergovernmental panel on climate change, published earlier this year, suggests that even more stringent reductions may be necessary. The panel's best estimate is that to stabilise the global mean temperature at between 2°C and 2.4°C above pre-industrial levels, concentrations of greenhouse gas emissions in the atmosphere should be stabilised at between 445 and 490 parts per million carbon dioxide equivalent, and that that would require global emissions cuts of between 50 and 85 per cent. by 2050.

Martin Horwood: Will the Minister give way?

Ian Pearson: I will in a moment.

No one should be in any doubt about the challenge that lies ahead. Atmospheric greenhouse gas levels are already at 430 parts per million of carbon dioxide equivalent, and are rising at more than two parts per million per year. They will reach 450 parts per million in less than 10 years. However, the Government's target of at least a 60 per cent. reduction in carbon dioxide emissions is consistent with what is being recommended, albeit at the lower end, and the Government have proposed legislation that would make that target legally binding.

As the House will know, the draft Climate Change Bill gives the Secretary of State a duty to ensure that the United Kingdom's contribution to global carbon dioxide emissions in 2050 is at least 60 per cent. lower than the UK's carbon dioxide emissions were in 1990. We also propose that there should be an interim target of a 26 to 32 per cent. reduction by 2020, and that an

[Ian Pearson]

independent committee on climate change should give the Government advice on setting three five-year carbon budgets that will provide a pathway towards the 2050 target. They will be important in giving business the confidence it requires that we are moving towards a low-carbon economy, just as the 2050 target sends the important signal that the Government are serious about the need for action and that investment decisions are influenced as a result.

We can be confident about that long-term target because it has been the subject of detailed analysis and has been accepted by a variety of stakeholders. A more stringent target would require a great deal of further analysis, rationalisation, discussion and agreement with stakeholders. The fact is that there is a consensus on the need for at least a 60 per cent. reduction, but currently no consensus on any other long-term target.

Martin Horwood: Will the Minister give way?

Ian Pearson: I want to reply to my hon. Friend the Member for Morley and Rothwell.

Martin Horwood *rose—*

Mr. Deputy Speaker: Order. May I remind the House gently that this debate has been initiated by the hon. Member for Morley and Rothwell and is not a general debate in the accepted sense?

Ian Pearson: Thank you, Mr Deputy Speaker. I wanted to respond directly to my hon. Friend because I appreciate the points that he made this evening.

It is important to recognise that we are involved in a dynamic process where science will continue to move on, where we will have a further international agreement, where other countries will recognize the need to play their parts and where technology will develop. However, we cannot predict with any certainty the evolution of all this at this moment, so we have set a target that is challenging but achievable.

As my hon. Friend the Member for Morley and Rothwell said, in giving evidence last week to the ad-hoc Joint Committee scrutinising the draft Climate Change Bill, Sir David King, the Government's chief scientific adviser, stressed the importance of the long-term target being achievable and recognised that 60 per cent. is the correct target now. Interestingly, in its response to the draft Climate Change Bill consultation, which closed today, the Royal Commission on Environmental Pollution also thought that the 60 per cent. target was the right one for now.

We will continue to debate the science and we cannot predict with any certainty how it will evolve. There may be a need to amend the long-term target in the future, which is why it will be kept under review. The Climate Change Bill includes a provision to allow the target to be amended in the light of significant developments in scientific knowledge about climate change science, or international law or policy. That can be done by order, using the affirmative resolution procedure, to ensure that Parliament is guaranteed a debate and vote on the issue.

As a Government, we are not saying that we have closed our mind on this; we are not saying that this is the last word. We are saying that a more stringent target will require further advice, evidence, discussion and agreement. There is not a consensus on any of the targets at the moment, other than the 60 per cent. target contained in the draft Bill.

Chris Huhne: The Minister's quote from the fourth assessment report of the UN intergovernmental panel on climate change shows that if we do aim for the sort of cuts he is talking about, we will not hold global warming to within 2°C of pre-industrial levels. The science has moved on. Surely it is time for the Government to recognise that and to move with and be guided by the science, and not attempt to ignore it for reasons of political convenience.

Ian Pearson: The Government are certainly not ignoring the science; we have looked carefully at the fourth assessment report and I have tried to explain the Government's view in the light of our assessment of its findings. I have tried to say that the Government have an open mind and recognise that there is a dynamic process involved, which is why there is flexibility in the draft Climate Change Bill to be able to amend the target by order in the future if that is required.

The hon. Member for Scarborough and Whitby (Mr. Goodwill) suggested that climate change emissions might be beyond the control of the Government, and he also referred to justiciability. That is not the spirit of Kyoto or what is required for the future. We took on legally binding commitments at Kyoto and we hope that we will take on legally binding commitments in a post-2012 regime. It is not, as he suggests, a question of the UK going it alone. He will be aware of the spring European Council decision on a 20 per cent cut unilaterally across the European Union, and we want it to be more than that—30 per cent. by 2020. We hope to see international agreement on that.

We do have tools: the EU emissions trading scheme; proposals on zero-carbon homes; the energy efficiency commitment, which is being doubled and renamed; the climate change levy; climate change agreements; the work of the Carbon Trust; and the Energy Saving Trust. There is a range of Government programmes that the hon. Member for Cheltenham wants to ignore at every possible occasion, but which are helping the UK in our drive to become a low-carbon economy.

The hon. Gentleman does at least welcome the Climate Change Bill. His speech was long on criticism but wrong in most respects where it gave credit for action to tackle climate change. He needs to address the nuclear issue—and the hon. Member for Scarborough and Whitby might want to convince the right hon. Member for Witney (Mr. Cameron) of the benefits of nuclear.

My hon. Friend the Member for Morley and Rothwell discussed contraction and convergence. The Government are not hiding from that. We are looking for the best possible framework through which to address the global problem of climate change. As part of our international deliberations, we are considering contraction and convergence in detail, along with three or four other potential models, in terms of the emissions reductions that can be delivered and the economic costs. As I have

said to him before, there is no international consensus about what is the right approach to adopt, but I understand the importance of contraction and convergence as a potential model.

Colin Challen: I had an Adjournment debate on this subject shortly after the last election, when a Department for Environment, Food and Rural Affairs Minister said exactly the same thing. I would like to know when the considerations on the framework will be concluded. What will be our position when we go to Bali? Will we put a formula on the table and say, "We understand that there is no consensus but we want to get a consensus around this formula, because this formula is the one that we have used to achieve our target in our legislation"? It would be reasonable to propose that.

Ian Pearson: My hon. Friend makes a good point. In Bali, we want to reach an agreement on a comprehensive framework for negotiations. We have talked about the need for a clear stabilisation goal, the need to recognise the important role that carbon markets can play, the importance of technology and of addressing deforestation, the need to adapt to climate change, and the need for common but differentiated treatment to run through all the negotiations. As part of that common but differentiated treatment we need to look at the whole issue of equity, which is at the foundation of the contraction and convergence model. We cannot ignore the international context of a model. I have sympathy with the approach that my hon. Friend suggests, but we need to find the best way through to an agreement on a comprehensive framework that will work and that will avoid the most dangerous consequences of climate change. The Government are committed to doing that.

I hope that the House will continue to welcome the Bill, which provides a new focus for the UK's efforts to tackle climate change. It provides a coherent, long-term legal framework for reducing carbon dioxide emissions. Many of the points made in the debate have also been raised in the consultation on the Bill, which closed today, and in the pre-legislative scrutiny process. We will reflect further on all the comments made tonight and those made by stakeholders as we bring forward the legislation for consideration by Parliament this autumn.

Question put and agreed to.

Adjourned accordingly at two minutes to Nine o'clock.

House of Commons

Wednesday 13 June 2007

The House met at half-past Eleven o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

INTERNATIONAL DEVELOPMENT

The Secretary of State was asked—

Darfur

1. **John Mann** (Bassetlaw) (Lab): What recent assessment he has made of the humanitarian situation in Darfur. [142236]

The Secretary of State for International Development (Hilary Benn): The situation in Darfur is appalling. Over 2 million people have been forced from their homes, with 110,000 people displaced between January and March this year. The extraordinary work of humanitarian agencies is helping to keep alive the 4 million people dependent on aid, but worsening security is making that increasingly difficult. The continuing violence aimed at civilians and humanitarian workers must cease.

John Mann: When does the Secretary of State expect the second full phase deployment of UN personnel to be on the ground, so that the aid agencies can get to the more than 1 million people whom they cannot currently access? When will the international community get its act together when it comes to Darfur?

Hilary Benn: The answer is: as quickly as possible. The light support package is largely but not yet completely deployed. The Government of Sudan gave their agreement some time ago to the heavy support package, which, speaking from memory, I think would bring in about 2,000 UN support personnel and other equipment. Most significantly, yesterday, President Bashir of Sudan indicated Sudan's willingness to accept the hybrid package, following the proposals that had been put to him by the United Nations and the African Union. I welcome that commitment, but as ever, we will judge the Government of Sudan by what they do, and it is very important now that everybody makes every effort to enable that force to deploy, because that will eventually get in about 20,000 troops to provide better security for the people who have suffered far too much.

Mr. Andrew Mackay (Bracknell) (Con): The Secretary of State is right to say that the situation is appalling, and the hon. Member for Bassetlaw (John Mann) is clearly right to say that the international community must get its act together. Surely the only way to bring pressure on the disgraceful regime in Khartoum is to impose tough international sanctions? What chance does the Secretary of State think there is that that can happen through the United Nations, with a possible Russian or Chinese veto? If that is impossible, should Europe and America go it alone?

Hilary Benn: I agree with the right hon. Gentleman. It is precisely because parts of the international community have been threatening sanctions that we got both the result in relation to the heavy support package and yesterday's decision by the Government of Sudan on the hybrid. Our position as a Government, as he will be aware, has been extremely clear that the Government of Sudan must honour the commitments that they have entered into, and we need to keep under review what further steps need to be taken, because commitments are not good enough; they must be matched by actions to support the deployment. We should say to the Government of Sudan, "We will continue to watch the steps that you take, and if at any point you fail to honour the agreement that you have given, we will go back to the UN Security Council." As the right hon. Gentleman will also be aware, however, not all members of the Security Council are in the same position as the United Kingdom Government, the United States of America and one or two other countries on the question of further sanctions.

Mr. David Drew (Stroud) (Lab/Co-op): My right hon. Friend will know that, with colleagues, I was in Rwanda last week and, sadly, could not take part in the debate. One of the alarming bits of information that we picked up was that the Rwandans had not been paid recently. They are a major contributor to the AU force and Rwanda is one of the African nations that is willing to put more troops on the ground if and when we get the hybrid force in place. But can he just chase up the money? Otherwise that will blow up in our face?

Hilary Benn: First, I pay tribute to my hon. Friend for the work that he does through the all-party group. Secondly, he highlights a really important issue. The truth is that the African Union mission in Sudan has been living hand to mouth. We have provided a lot of support and committed £73 million. The European Union announced a further €40 million in May. Part of the problem is the difficulty that AMIS is having in satisfying Europe's requirements in demonstrating how that money has been spent. The real solution is to end the hand-to-mouth existence and fund the African Union effort and the UN part of the hybrid force through UN-assessed contributions. That is exactly what we are trying to do. That is why yesterday's announcement is so important, and everyone must get on and make it happen as quickly as possible.

John Bercow (Buckingham) (Con): Given that the Government of Sudan have, among other things, a record of truly shameless mendacity, what credibility does the right hon. Gentleman attach to the latest intimations from the Government of Sudan that they would be prepared to accept a hybrid force? In the circumstances of not being able for sure to believe them, will he undertake to look very seriously at, and

give his verdict on, the proposal for an oil trust fund? It is a regime driven by oil. It needs to be squeezed into behaving better than it has so far behaved.

Hilary Benn: I agree with the hon. Gentleman that pressure is very important in getting the Government of Sudan to do the right thing. As I said in answer to the earlier question, in the end we must judge yesterday's announcement by the actions of the Government of Sudan and nothing else. There are proposals for an oil trust fund, but the question is how that would be established without the agreement of the Government of Sudan.

There is a second issue in relation to disinvestment, which is another matter that we discussed in the debate last week, and the genuine difficulty is that, given that the proceeds of Sudan's oil wealth are shared with the Government of South Sudan—for them, that is an important part of the comprehensive peace agreement—one would need to be careful about taking steps that reduced the money available to that part of Sudan's new Government, because the need for resources, health and education is huge in that part of the country.

Lynne Featherstone (Hornsey and Wood Green) (LD): The Secretary of State has just said that pressure was important. Bashir's agreement for the deployment of the force does not come into effect until 2008, so has the Secretary of State considered using the international spotlight on China, owing to the Olympics, as leverage to encourage China to use its influence with Khartoum to end the genocide and stop Darfuris being killed between now and when Bashir may or may not allow troops to be deployed in 2008?

Hilary Benn: We certainly have encouraged China and all members of the Security Council and other nations to play their part in encouraging the Government of Sudan to do the right thing. I welcome the fact that the Chinese have now appointed a special envoy, Liu Guijin. That, plus the effort made by China in November when we had the meeting in Addis Ababa, chaired by Kofi Annan, which came up with the proposals for the hybrid force that have now been agreed by the Government of Sudan, demonstrates that China has taken a greater interest in trying to play a part. But the truth is that every single country has a responsibility to do more and to use all the influence that it has, including, if required, the threat of sanctions, to ensure that fine words are turned into action, because action is what is needed.

Mark Simmonds (Boston and Skegness) (Con): We agree with the Secretary of State and welcome Sudan's acceptance yesterday of the revised plan for a joint African Union/UN force. However, Sudan's compliance has conditions, including requiring all hybrid force troops to be African, which will make the construction of the force difficult, if not impossible. What is the UK Government's ongoing strategy—alongside the international community, including China—to guarantee that Khartoum does not renege on assurances again and continues the search for a comprehensive and inclusive ceasefire? What additional support and assistance is being put in place in the interim to ensure the safety of the Darfurian people until the proposed deployment of the hybrid force in 2008?

Hilary Benn: I set out in my earlier replies the steps that we are taking to ensure that the Government of Sudan honour those commitments. In the meantime, the best that we can do is to provide support to the African Union mission, which we are doing via the substantial amount of money we have put in, and by getting agreement through the UN to the use of assessed contributions. The Government of Sudan have said that they want an all-African force and I hope very much that Africa will be able to come up with the number of troops. We discussed that in Addis Ababa in November and said that we should look to Africa first, but if the troops cannot all come from Africa, we should look elsewhere. I hope that it will be possible to find those troops.

The hon. Gentleman will be aware that a comprehensive peace agreement is the only real solution to the crisis. I hope that he and the hon. Member for Sutton Coldfield (Mr. Mitchell) will recognise the statement that was agreed at the G8 in Heiligendamm, which was raised in the debate last week. The statement shows that we have continued to press to make sure that the G8 gives a very strong lead. We have to get the talks going. That is a responsibility both on the Government of Sudan and on the rebels, because they too are partly responsible for the current banditry and attacks on humanitarian workers. They too have to stop doing that, get round the table and negotiate a peace deal.

Doha Trade Talks

2. **Mr. Graham Stuart** (Beverley and Holderness) (Con): What his assessment is of the current status of the Doha trade talks as they relate to international development issues. [142237]

The Parliamentary Under-Secretary of State for International Development (Mr. Gareth Thomas): We have been encouraged by the new momentum in the Doha talks: for example, by the many recent discussions between key countries and the continuing support at the G8 last week for a deal that delivers a good outcome for developing countries. In Potsdam next week at the G4 ministerial meeting we hope that there will be a breakthrough that can be taken forward by all World Trade Organisation members.

Mr. Stuart: European agriculture subsidies remain a major obstacle to the successful conclusion of the Doha trade round. Do the Minister and the Government believe that the new French President has the political will to tackle that issue?

Mr. Thomas: We will enter a series of discussions with the leader of France as part of the EU's review of the budget, and the common agricultural policy will be part of that discussion. Preparatory work is under way prior to ministerial discussions next year. I do not believe that the common agricultural policy is holding us back from getting a deal. There is sufficient flexibility available to our Trade Commissioner. We need to see more movement by our American friends, but I hope that we will see that in the next week and that we will be able to get the broad agreement that we need.

Mr. Andy Reed (Loughborough) (Lab/Co-op): While the Doha round is taking an extremely long time to reach some form of conclusion, what is my hon. Friend doing to support the role of co-operatives in developing many trades and industries, especially for crops such as coffee? Through investment from his Department he can ensure that people on the ground are getting a fair deal for their products, which they often produce at a loss when they are not part of a co-operative. Can he assure me that his Department takes the role of co-operatives seriously and is ensuring that money is reaching them to aid their development?

Mr. Thomas: My hon. Friend is right to say that we must concentrate on trying to secure an agreement through the Doha round of talks. At the same time, we must look at the barriers to trade that many organisations face, including the particularly important form of business organisation that he describes—co-operatives. We work closely with a number of international organisations, not least the International Labour Organisation, to which we have recently committed some £5 million so that it can expand its support for work with co-operatives in Africa.

Tony Baldry (Banbury) (Con): In his statement to the House on Monday, the Prime Minister said that there were only a few remaining percentage points either way, and that the Government would do all they could to bridge the gap. What are the outstanding issues, and what do the Government hope to do to bridge the gap?

Mr. Thomas: As the hon. Gentleman will remember from his time as Chair of the Select Committee, the key issue on which we need progress is access to agricultural markets. As he said, and as the Prime Minister said on Monday, we are much closer to a deal than we have ever been. Through the Prime Minister and the Secretaries of State for Trade and Industry and for International Development, we have been talking to a range of partners with influence in those negotiations. A series of further conversations is taking place, and next week there is the Ministers' meeting to try and make progress. We continue to be optimistic that a deal is possible. We hope that the enthusiasm that we saw at the G8 last week for a deal to be concluded will lead to the broad agreement that is necessary next week.

Mr. Andrew Mitchell (Sutton Coldfield) (Con): Given that those negotiations are so clearly in the last chance saloon, will the Minister set out precisely what the Government are doing to add urgency and energy to reaching a solution—hopefully, as he said, at Potsdam next week? Will he ensure that the important compromise proposal being tabled by Ambassador Crawford Falconer, the chairman of the agricultural negotiating committee, is given the attention that it clearly deserves?

Mr. Thomas: My right hon. Friend the Prime Minister has made the issue a particular priority in his bilateral conversations with President Bush, President Merkel and a range of other EU colleagues, and in discussions with President Lula of Brazil and Prime Minister Singh of India, so we have been at the forefront of seeking to generate new momentum in the talks. We believe that there is a broad appetite among the G4 for progress next week. Of course we will seek to make sure that all options are available to the negotiators who meet next week. We believe that our negotiator, Mr. Mandelson, has the flexibility that he needs within the EU package, but we need some additional "give" from our friends across the Atlantic and from India and Brazil too, in specific areas. If there is a little movement, we remain confident that a deal can be achieved.

Pakistan

3. **Mrs. Madeleine Moon** (Bridgend) (Lab): What programmes his Department has to assist participation of women in civic society in Pakistan. [142238]

The Parliamentary Under-Secretary of State for International Development (Mr. Gareth Thomas): We assist the participation of women in civic society in Pakistan in a number of ways. For example, we provide support to the 24,500 relatively newly elected women councillors so that they can do their job more effectively to represent the poor and socially excluded. We are also supporting the establishment of over 50,000 citizens community boards to drive development at the very local level, which require at least a third of board members to be women.

Mrs. Moon: The Asian Human Rights Commission reports that between 2000 and 2006, almost 9,500 women were killed in Pakistan as a result of rape, gang rape, honour killings and burning to death. How can DFID support women in their fight for equality and status in Pakistan when they take on the risk faced by women such as the Punjabi Minister Zille Huma Usman, and the fatwa against tourism Minister Nilofer Bakhtiar? How can DFID protect women in Pakistan who take on civic roles?

Mr. Thomas: I join my hon. Friend in condemning the murder of the Minister in Pakistan and the continuing intimidation that is happening on too many occasions against women in Pakistan, especially those who enter civic life. Our key role must be to continue to support the Government of Pakistan in dealing with that intimidation. In that light, we have welcomed the Women's Protection Bill that President Musharraf took through Pakistan's National Assembly in November 2006, which dramatically reformed the rape laws and laws on adultery in Pakistan. We welcome, too, the further legislation that he has put before the National Assembly seeking, for example, to outlaw forced marriage and to safeguard women's rights to property and inheritance. Of course, the crucial thing will be how those laws are implemented in practice. We can continue to support, through our financial assistance, a variety of programmes to help to improve a range of Pakistani authorities, so as to ensure that that legislation makes the difference that we all want to see.

Mr. James Gray (North Wiltshire) (Con): Does the Minister agree that one of the best ways of encouraging women's participation in civic society in Pakistan and throughout the developing world is through the Grameen bank, which lends small amounts of money to women who otherwise would not be creditworthy and increases that loan as they go along? What has DFID done to encourage micro-finance throughout the developing world?

Mr. Thomas: The hon. Gentleman makes an extremely important point about the power of micro-finance to empower women, in particular. The Grameen bank in Bangladesh has been an important pioneer in this area. We are working with the Kashf Foundation in Pakistan, which is seeking to help some 300,000 people with micro-finance loans, the vast majority of them women.

Mrs. Ann Cryer (Keighley) (Lab): May I ask my hon. Friend for an update on the help given by his Department to the women who were rendered homeless and/or widowed by the Pakistan earthquake last year?

Mr. Thomas: My hon. Friend will remember that we provided some £58 million in emergency relief assistance to help all those who had been made homeless or had lost loved ones as a result of the earthquake. We continue to support the recovery and reconstruction process with some £70 million of aid. We are working closely with the Earthquake Reconstruction and Rehabilitation Authority in Pakistan, and through the UN, to build up the effectiveness of Government institutions in the earthquake-affected areas, especially in supporting the most vulnerable who have suffered as a result of the earthquake, among whom women particularly feature.

G8

4. **Mr. Greg Hands** (Hammersmith and Fulham) (Con): What assessment he has made of the outcomes in terms of international development of the recent G8 meeting. [142239]

The Secretary of State for International Development (Hilary Benn): On climate change, the G8 summit made significant progress towards a new global agreement, which is very important for developing countries. The summit also reaffirmed the Gleneagles commitments on development assistance, and set out how the fight against AIDS will be taken forward with additional funding and help for vulnerable mothers and children. There has also been considerable progress on debt cancellation.

Mr. Hands: I applaud efforts made at the G8 last week to get its less generous members to pay more, but surely the Secretary of State agrees that quality matters as well as quantity? Does he agree with the proposal by my hon. Friend the shadow Secretary of State to create an international independent aid watchdog to assess international aid efforts, and will he start at home by creating one for us in the UK?

Hilary Benn: I agree with the hon. Gentleman. I was interested in the Opposition spokesman's recent proposals, which came after the statement that I made to the House announcing, first, that we are going to set up an independent committee to oversee our aid evaluation, and secondly, that we are pursuing with colleagues in the international community a means of doing exactly what the hon. Gentleman proposes. In the end, it would be sensible, where we are pooling our efforts in a country—which is the right thing to do to help to overcome poverty—if, rather than individual donors trying to assess the effectiveness of the aid which we collectively give, donors came together to find a way of making that assessment jointly.

Chris McCafferty (Calder Valley) (Lab): Given the centrality of reproductive health and family planning issues to DFID's new health strategy, published this week, what assessment has my right hon. Friend made of new funding commitments to reproductive health commodities at the G8?

Hilary Benn: Let me say to my hon. Friend, who does a great deal of work on those issues, that the increased commitments to the fight against HIV and AIDS are significant, because AIDS is an epidemic that now affects women and young girls in sub-Saharan Africa more than anyone else—approximately three quarters of young people who live with HIV and AIDS are women and girls. Making reproductive health services available to them, including condoms, other means of protection, and more information so that they have greater control over their lives and their bodies is essential if we are to win that fight.

Pete Wishart (Perth and North Perthshire) (SNP): Does the Secretary of State understand and appreciate the deep concerns of non-governmental organisations, the aid community and campaigners about the announcements in Germany? Does he agree that it does the G8 no credit to indulge in creative accounting when presenting its new aid package for the developed world?

Hilary Benn: I do not agree because I do not believe that that was a case of creative accounting. The first thing that the G8 summit did was to reconfirm the commitments that were made at Gleneagles. Genuine progress has been made on debt cancellation—that should be acknowledged—and global aid to Africa increased last year. The hon. Gentleman and the NGO community need to recognise that. The most important aspect of the summit was that countries agreed to specify how the increased aid will be spent, especially for the fight against HIV and AIDS. The American Administration announced a significant increase in their spending through the President's Emergency Plan for AIDS Relief—PEPFAR—programme. There is a long way to go, but when progress happens, it is right to acknowledge it.

Richard Burden (Birmingham, Northfield) (Lab): Does my right hon. Friend believe that the G8 decisions will have a genuine impact on development—or, perhaps more accurately, de-development—in the Palestinian territories? Does he share my concern about the violence that currently engulfs Gaza and parts of the west bank, which is born of despair, itself born of the blockade of many months—some would say years? Will he assure me that, as well as putting money into those areas, the policies of the Government and the international community will support rather than undermine the democratic institutions of the Palestinian territories that we helped to create?

Hilary Benn: I say to my hon. Friend, who works hard in support of an agreement in the middle east, that the Palestinian people are already among the most heavily aided people on earth. Their condition is desperate because of a failure of politics. I share his concern about the current violence, which is engulfing Gaza in particular. It offers no way forward for the

Palestinians. Progress will be made only if people commit to a peace process, recognise each other and are prepared to sit down and negotiate the agreement, which, as everybody acknowledges, must be reached to enable the people of Israel and the people of Palestine to live in safety and security alongside each other.

Mr. Andrew Mitchell (Sutton Coldfield) (Con): On aid, does the Secretary of State understand the irritation that many feel about the smoke-and-mirrors way in which the G8 presents the figures for aid? People want to know how much each country gives and when it gives it so that they can hold their leaders to account for their promises. Secondly, they want to know that the money genuinely reaches the people at the end of the track, who do not have basic health care, a school to attend, clean water or sanitation. How will he bring transparency and accountability to the promises?

Hilary Benn: The best way in which we can do that is, first, through the United Kingdom keeping its promises—that is exactly what we are doing—because leading by example is the greatest contribution that we can make. Secondly, we can examine the figures that the OECD Development Assistance Committee publishes. That tells us all about the progress that individual countries are making in keeping their commitments. Thirdly, we should support those who continue to campaign to ensure that Governments throughout the world keep their promises, and then ensure that the right mechanisms are in place so that the money helps the people for whom it was intended.

World Bank

5. **Malcolm Bruce** (Gordon) (LD): What recent proposals he has made for reforming the World Bank; and if he will make a statement. [142240]

The Secretary of State for International Development (Hilary Benn): The World Bank plays an important part in tackling global poverty. It has many strengths but must reform if it is to respond to a changing world. Its priorities should be: providing more long-term, predictable funding for developing countries; finding better ways in which to assist middle-income countries; helping to tackle climate change; giving developing countries a greater say in its decisions; and continuing to change its use of conditionality.

Malcolm Bruce: I thank the Secretary of State for his answer and I agree with him. However, does he agree—*[Interruption.]*

Mr. Speaker: Order. Please allow the hon. Gentleman to be heard.

Malcolm Bruce: In the light of the nomination by the United States of Robert Zoelleck to be the next president of the World Bank, does the Secretary of State agree that as long as the Americans have the gift of the presidency as their prerogative, the poor of the world will have little confidence that the bank's overriding objective is to reduce poverty rather than to further the influence of the US or any other developed nation?

Hilary Benn: I agree with the hon. Gentleman that it would be better if we had a different system for agreeing the president of the World Bank and the person in charge of the International Monetary Fund. That is the position of the UK Government, but we can make a change only if there is a consensus to make a change, and there is not. Having met Robert Zoelleck, the nominee, on Monday this week, I must say that my discussion with him gives me a great deal of confidence that he has the interests of the World Bank at heart and understands the nature of the challenge he faces if his appointment is confirmed by the World Bank board next week. We intend to work with whoever is ultimately appointed to ensure that the World Bank continues to play a really important role in overcoming global poverty.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [142221] **Dr. Phyllis Starkey** (Milton Keynes, South-West) (Lab): If he will list his official engagements for Wednesday 13 June.

The Prime Minister (Mr. Tony Blair): Before listing my engagements, I must ask the House once again to join me in sending profound condolences to the families and friends of the soldiers who have fallen in the last week. Lance-Corporal Paul Sandford from 1st Battalion the Worcestershire and Sherwood Foresters and Guardsman Neil Downes from 1st Battalion the Grenadier Guards were killed in Afghanistan, where our troops are performing a magnificent and heroic job in fighting the Taliban. Our condolences also go to the family and friends of Corporal Rodney Wilson from 4th Battalion the Rifles, who was killed last week in Iraq on a search and detention patrol. As the House may know, he showed immense bravery under fire to help his colleagues. We pay tribute to all of them, and to those who are still serving our armed forces in Afghanistan and Iraq.

I am sure the whole House will also wish to join me in sending our condolences to the family and friends of PC Jon Henry, who was killed on duty on Monday. His death highlights the dangers that our police officers face every day in their task of protecting the public. We send our profound condolences to his family also.

This morning, I had meetings with ministerial colleagues and others. In addition to my duties in the House, I will have further such meetings later today.

Dr. Starkey: May I associate myself with the Prime Minister's expressions of condolence?

Last week, figures were released for March on the percentage of NHS hospital patients treated within 18 weeks of GP referral. Milton Keynes general hospital in my constituency was among the top 10 hospital trusts in the country, with 73 per cent. of patients treated within 18 weeks. That is obviously a credit to the hard work of the hospital staff, but also to this Government's investment in new buildings, extra operating theatres and more doctors and nurses. The Prime Minister will know that Milton Keynes is continuing to deliver

high housing growth. Can he assure me that NHS funding will continue to reflect that population growth so that waiting times at Milton Keynes can improve still further?

The Prime Minister: First, I add my congratulations to the Milton Keynes general hospital on the outstanding work that its staff are doing to ensure that more than 70 per cent. of patients are seen within 18 weeks. As we can see from the waiting times and waiting list figures today, the 18 weeks is not based just on the old in-patient list, as it includes the out-patient, diagnostic treatment as well as in-patient treatment. The 18 weeks figure, relating to all of that, is a magnificent achievement, and we are en route to 18 weeks as the maximum, door to door, from GP to operation, for everyone in the country by the end of next year. That will effectively mean the end of waiting as we know it in the national health service. It is of enormous importance to the country and it is, of course, a great tribute to those working in the NHS.

Mr. David Cameron (Witney) (Con): I join the Prime Minister in paying tribute to Lance-Corporal Paul Sandford, Corporal Rodney Wilson and Guardsman Neil Downes, who died serving their country. I also endorse what the Prime Minister said about the dedication and commitment of PC Jonathan Henry. We all send our heartfelt condolence and sympathy to his young family.

For months, the Government have been briefing the tabloid newspapers that they would introduce Sarah's law. The headlines reported "stunning victory" and that Sarah's law would "start in months". This afternoon, the Home Secretary will announce that Sarah's law will not be introduced. Is the Prime Minister at all surprised that the press are cynical about his Government?

The Prime Minister: What we said was that we would investigate the possibility of greater disclosure. We have indeed investigated that, and my right hon. Friend the Home Secretary will make his announcement later today. We are proposing that there will be circumstances in which, for the first time, members of the public will have the right to request details of possible sex offenders. It is true that this does not go as far as what is currently happening in the United States of America, but it is a change in practice. It is sensible to take this a step at a time, and also to see how it works in practice. It is important that, at the same time as doing everything that we can to protect young people against sex offenders, we also ensure that we protect the proper liberties of people in this country.

Mr. Cameron: I have to say to the Prime Minister that he knows exactly what his Government were doing, and he knows exactly how disgraceful it can be. I have to tell him that they are at it again today. The headlines of the tabloids today are screaming out about "chemical castration for paedophiles", but if we listen to what the Home Secretary said on the radio, it is about giving a few of them Prozac pills. Let us look at something that would really make a difference in terms of stopping sex offenders preying on children. After the dreadful Soham murders, there was the Bichard report, which recommended a system for the police to share information so that we could stop more sex offenders more quickly. The Home Secretary said that that information-sharing system would be ready this year. Will the Prime Minister tell us whether that promise will be kept?

The Prime Minister: First, let me remind the right hon. Gentleman of what Sara Payne said about what the Home Secretary is going to announce—*[Interruption.]* I do not think that it is wrong to discuss this with somebody who, for very obvious reasons, has a particular interest in what we are about to do. She said:

"It's a massive step forward. If you have a child or look after a child you have a place you can go and have some access"

to details about paedophiles—

"You don't have full access but you have some access."

This has also been welcomed by Dame Mary Marsh, the director of the National Society for the Prevention of Cruelty to Children. So it is a sensible, worthwhile step forward. As for the measures that were recommended by the Bichard inquiry, it is precisely for that reason that we have systems that share information far better. What we are trying to do all the time, however, is to improve this in the light of experience. We will continue to do that, but we have acted on the recommendations in the Bichard report.

Mr. Cameron: The Prime Minister has completely failed to answer the question. The fact is that the Home Secretary told us that the system would be in place this year, and it is not going to be. Is that not completely typical of the way in which this Government operate? Initiatives that are never going to happen are endlessly spun to the media, but when it comes to serious measures that would really help to protect our children from sex offenders, this Government are completely incompetent at introducing them. Will the Prime Minister confirm today that the full system of information sharing recommended by Bichard will not be introduced for another three years, until at least 2010—yes or no?

The Prime Minister: We are building up the system of sharing information—[Hon. Members: "Answer!"] It has to be done in a way that is careful to protect the interests of everyone concerned. The right hon. Gentleman says that we have done nothing about sex offences, but let me just remind him that the Sex Offences Act 2003 created and redefined more than 50 sex offences and set tough new maximum sentences. We set up the sex offenders register. The Criminal Justice Act 2003 allows us, for the first time, to give indeterminate sentences for the most dangerous, violent or sexual offenders. What did the right hon. Gentleman do when that Act came before Parliament? He voted against it. [Hon. Members: "Oh!"] It is true. This is the single most important thing that we can do. For the first time, we can keep those who are a threat to the public behind bars—but when it came to the tough decision, he ducked it.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): With reference to what the Leader of the Opposition has just said about press coverage, why did my right hon. Friend pull his punches when speaking about the press yesterday? Is he not aware that, over these years,

a huge proportion of the press coverage of politics has consisted of fiction, propaganda and gossip—*[Interruption.]*

Mr. Speaker: Order. Let the right hon. Gentleman speak.

Sir Gerald Kaufman: A serious deterioration in standards has occurred since I worked as a political journalist in the House.

The Prime Minister: Yesterday I made my point in my way. Today my right hon. Friend makes it in his. I do not think that there is anything more to add.

Sir Menzies Campbell (North-East Fife) (LD): Once again, I join the Prime Minister in his expressions of sympathy and condolence.

On Monday the Prime Minister told us that the Government were co-operating fully with the OECD inquiry into the Saudi Arabian arms contract. Can he tell us today which Minister is answerable to the House for the decision to withhold information from that inquiry in relation to payments made by the Ministry of Defence to Prince Bandar?

The Prime Minister: First, whether to give the information to the OECD was a decision of the Serious Fraud Office. Let me make it clear that the criticism of the Attorney-General in relation to this matter is completely unfair and wrong. If the right hon. and learned Gentleman wants to blame anyone, he can blame me. I am perfectly happy to take responsibility for it. Let me explain why I gave the advice that I did. First, the allegations are strenuously denied by the Saudi royal family. Secondly—*[Interruption.]* Well, were we to conduct an investigation into the allegations, which might last two or three years, frankly, I think that it would lead absolutely nowhere. It would, however, lead to the complete wreckage of a relationship that is of fundamental importance to the security of this country, to the state of the middle east and to our relationship with countries in the middle east. That is why I took the decision. I did not regret it then, and I do not regret it now.

Sir Menzies Campbell: If the Prime Minister is taking responsibility, can he tell us what payments have been made since 2002? What did he know about those payments and when did he know it? What legal advice did he take about those payments after the law changed here in 2002? Finally, whatever happened to Robin Cook's "foreign policy with an ethical dimension"?

The Prime Minister: First of all, I do not negotiate these contracts. I am delighted, however, that we managed to win that contract, which protects thousands upon thousands of jobs in this country. Secondly, let me repeat again to the right hon. and learned Gentleman that I was asked for my advice as to what damage the investigation would do if it continued. I gave that advice, because of the huge importance of working with Saudi Arabia on the middle east peace process, on counter-terrorism and on the situation in the middle east. I stick by that. Frankly, the idea that such an investigation could be conducted without doing damage to our relationship is from cloud cuckoo land—which is, after all, the natural habitat of the Liberal Democrats.

Mr. Stephen Hepburn (Jarrow) (Lab): Later today, my hon. Friend the Member for Paisley and Renfrewshire, North (Jim Sheridan) will introduce a ten-minute Bill that aims to extend the provisions of the Gangmasters (Licensing) Act 2004 to the construction industry. Is the Prime Minister aware of the terrible impact that gangmasters are having on the construction industry in this country, with intimidation, violence and illegal deduction of earnings? Will he join us in outlawing such activity?

The Prime Minister: We will certainly consider carefully what is in the private Member's Bill. My hon. Friend will know that we have already introduced certain protections. It is fair to say that concerns remain about the activities of some gangmasters, and it is important that we keep the matter under review. I am afraid that I cannot give my hon. Friend a commitment on the Bill today, but we will certainly consider carefully both the Bill and the debate that follows.

Q2. [142222] **Steve Webb** (Northavon) (LD): For decades there has been talk of a Severn barrage or similar scheme. The Prime Minister has now been in office for another 10 years, during which there has been a lot more talk but precious little action on that scheme. If the Government were serious about renewable energy, would we not be harnessing the tidal power of the River Severn by now?

The Prime Minister: Yes, it is absolutely right, but we must ensure that that can be done on a cost-effective basis and in a way that will provide the renewable energy that we want. So far we have not been able to find a satisfactory way of doing it, but we will continue to look at what we can do. In principle, of course we want it to happen, but it must be done in a way that is cost-effective.

Dr. Brian Iddon (Bolton, South-East) (Lab): Does my right hon. Friend agree that the best mental health care is provided by multidisciplinary teams of professionals working together in the best interests of the patient? Does he agree that the amendments made to the Mental Health Bill in the House of Lords were not made in that spirit, and that people with serious personality disorders can benefit from treatment in a modernised mental health service? *[Interruption.]*

The Prime Minister: Before Opposition Members start shouting, we should understand the seriousness of the issue. About 1,300 suicides and 50 or more homicides are committed each year by people who are in touch with mental health services, and almost 15,000 people are under compulsory powers at any one time under the Mental Health Act 1983. We introduced the Mental Health Bill because we believe that we need to give greater protection to the public as well as to those who are mentally disordered.

Let me read a statement from Jayne Zito that was read to me by the Zito Trust today.

"Nearly 15 years have passed since my husband Jonathan Zito was killed. I firmly believe that these measures in the Bill are both balanced and necessary."

We as a House have a duty to protect the public. This House of Commons has expressed a very clear view, and I think it should be upheld.

Mr. Cameron: In the last few days, members of the Prime Minister's Cabinet have called for the trade unions to be given more money, more power, and in some instances both. Does the Prime Minister agree that they are all wrong?

The Prime Minister: Obviously I do not agree with changing our trade union laws, but if we are talking about leadership campaigns, I might remind the right hon. Gentleman of what he said when he ran for the leadership of his party. He said:

"consistency in politics is vital",

and then proclaimed his support for grammar schools and selection. I think that rather than worrying about our deputy leadership campaign, he should worry about his own leadership.

Mr. Cameron: I know that the Prime Minister does not want to talk about the deputy leadership campaign, because the contest appears likely to achieve the impossible and make the current Deputy Prime Minister look like a cross between Ernie Bevin and Demosthenes. In the last few days, the Secretary of State for Northern Ireland has said that the new anti-terror laws could make us the equivalent of Guantanamo Bay, and the Minister of State, Ministry of Justice, the right hon. and learned Member for Camberwell and Peckham (Ms Harman), has said that we should review the Trident decision. Does the Prime Minister think that they are both wrong?

The Prime Minister: No, I do not agree with either of those statements—but let me return to the subject of leadership for a minute. May I give the House an update on the married couples allowance? Members will remember where we left it: the Tory policy was that married couples without children should receive the allowance, but gay couples would have to have kids. However, the Tory leader has now clarified the position: he says of the married couples allowance that

"it could be something to do with married couples".

Mr. Cameron: I think the Prime Minister should focus on the big picture, which is that we are on the way up and he is on the way out. I have only a couple more goes left! I am going to miss him.

In the last few weeks, the right hon. Gentleman's Ministers have told us that they want to increase taxes, that they want to hand power to the trade unions, and that they want to end reform. The whole thing has been one long lurch to the left. They are even arguing about how much money people should be allowed to spend on a handbag. Now that this contest is looking like a cross between "Big Brother" and "The Muppet Show", can the Prime Minister answer this question? Which one is he going to vote for?

The Prime Minister: Actually, I am going to focus on the big picture. I say this with the greatest respect for all my colleagues who are standing for deputy leader, but the leadership is the important thing. We will have a leader who is strong; the Opposition have a leader who bears the imprint of the last person who sat on him.

Tony Lloyd (Manchester, Central) (Lab): My right hon. Friend will be aware that when large organisations such as Sony find that their copyright has been breached, they are quick to use the law. Does he agree that when Sony used images of Manchester cathedral as part of a game that extolled gun violence, it was in bad taste and very insulting, not only to the Church of England, but to people across the land who think that it is inappropriate for big corporations to behave in that way?

The Prime Minister: I agree with my hon. Friend. It is important that any companies engaged in promoting such goods have some sense of responsibility and some sensitivity to the feelings of others. I think that it is an immensely difficult area—the relationship between what happens in those games and the impact on young people. I have no doubt that this debate will go on for a significant period, but I agree with him: I think that it is important that people understand that there is wider social responsibility, as well as simply responsibility for profit.

Q3. [142223] **Mr. Shailesh Vara** (North-West Cambridgeshire) (Con): Does the Prime Minister believe that it is right that, on the one hand, he and his Government should be critical of the Sudanese regime's butchery in Darfur, yet on the other hand, at British military establishments, Sudanese military personnel received training as recently as April this year?

The Prime Minister: I would have to look into that fairly carefully before I agreed with the premise behind the hon. Gentleman's question, if I may say so. As far as I am aware, any training that we give to the military of whatever country is training that also upholds respect for law and order, human rights and so on. I simply do not know about the particular instance that the hon. Gentleman mentions, but let me tell him that we are continuing to put all the pressure we can on the Sudanese Government to come into compliance with the international community's recommendations, and over the next couple of weeks, if there is not action by the Sudanese Government, we will be tabling a United Nations Security Council resolution.

Q4. [142224] **Ms Dawn Butler** (Brent, South) (Lab): Is my right hon. Friend aware of the good work that the trade unions, Church leaders and the Mayor of London are doing to try to secure a London living wage for all new procurement contracts? Yesterday, an indefensible decision was taken to try to block the paying of the London living wage to cleaners in our fire stations by the Tory vice-chair of the body concerned. That just goes to show that, no matter how the Leader of the Opposition parts his hair, they are still the same old Tories.

The Prime Minister: That seems a very reasonable comment to me. Let me point out that the minimum wage has now brought benefit to more than a million people in this country, in raising their living standards and their wages. It particularly helps women, and it is excellent that London is focusing on paying the living wage to the cleaners. I very much hope that those concerned will reverse their position, if the right hon. Member for Witney (Mr. Cameron) can assert a bit of control over his party.

Q5. [142225] **Mr. James Gray** (North Wiltshire) (Con): At the end of the G8 summit, when President Sarkozy was asked about the Euro-constitution, he said:

"Tony Blair and I have just agreed on what might be the framework for a simplified treaty. That is quite something."

Simultaneously, the Foreign Secretary said that

"nothing you could really call negotiations"

had taken place. Which is true, and if it is what Sarkozy said, what was the agreement?

The Prime Minister: Obviously, we are trying in advance of the summit next week to gain allies and to co-ordinate positions with those who do not want a return to the constitutional treaty either, but do want a return to a conventional amending treaty. It is sensible for us to build allies in Europe. It is all very well for the hon. Gentleman to shake his head, but I want to take him back 10 years: in 1997, after what people remember as the beef war, we had no allies and no influence in Europe. We could not even bring ourselves to sign up to the social chapter in Europe. Ten years on, we are managing to determine the agenda in Europe, and it is important that we keep on doing it.

Dr. Roberta Blackman-Woods (City of Durham) (Lab): Does the Prime Minister share my concerns and those of other County Durham MPs that the current regional spatial strategy for the north-east is potentially very damaging to economic and housing development in the county? If he has a little more time in his diary in a few weeks, will he join us in trying to rectify the shortcomings in that document?

The Prime Minister: I certainly look forward to that possibility, and I will look very carefully at what my hon. Friend has said.

Q6. [142226] **Mr. David Heathcoat-Amory** (Wells) (Con): The Prime Minister, in a recent newspaper article, deplored the way in which the courts use the European convention on human rights—[HON. MEMBERS: "Hooray!"] It was not me who objected—it was the Prime Minister, who objected to the way in which the courts use the convention to strike down anti-terrorism measures. We can, however, override that convention if we wish, as Parliament is supreme in this matter. Why, then, did the Prime Minister sign the European Constitution, which contains the much stricter and more extensive EU charter of fundamental rights, from which no exceptions are permitted, and which would explicitly override the House's powers? Will he, even at this late stage, repent of his folly in signing the European Constitution and reject any revival that would bind the House in a way that even he now objects to?

The Prime Minister: First of all, Parliament is always sovereign. It is always up to Parliament to decide what it wishes to do and what it wishes not to do. Parliamentary sovereignty always remains: that is a constitutional principle, and it is a constitutional fact. Secondly, as the right hon. Gentleman knows, the European convention is not to do with the European Union. It is a separate convention, to which we have been signatories for over half a century. Yes, we are worried about the way in which it is interpreted, which is why we have joined other countries to try to get the ruling in the Chahal case changed so that we can deport people who are a threat to this country. Thirdly, in relation to the European charter, I will agree to nothing that allows Europe to alter our laws without the consent of this House.

Chris Bryant (Rhondda) (Lab): The Prime Minister will know that a consultation is under way into the future of Remploy, which suggests that many factories should be closed and that there should be greater emphasis on trying to get disabled people into mainstream work. Will he guarantee, on the Government's behalf, that no one who is working for Remploy will be compulsorily made redundant? Will he ensure that there is a lifelong guarantee of terms and conditions, including final salary pension schemes?

The Prime Minister: Obviously, terms and conditions must be negotiated by Remploy and its employees, but we are watching the situation very closely. My hon. Friend will know the difficulty. Many hon. Members, particularly Government Members, have Remploy factories in their constituencies. Remploy does excellent work, and it provides important jobs for people. On the other hand, it is important that it modernise and go through a process of change. That is strongly supported by many bodies that represent those with disability. We will have to try to match those two principles up, but I assure my hon. Friend that we will look very carefully to make sure that terms and conditions of employment are given the utmost protection that we can give them.

Q7. [142227] **Mr. Phil Willis** (Harrogate and Knaresborough) (LD): All seven north Yorkshire Members of Parliament of all political persuasions, all the district councils, every major business organisation and the vast majority of parish councils and individuals in north Yorkshire utterly oppose the Government's proposals for a unitary council in the area. Will the Prime Minister, as part of his legacy to the people of north Yorkshire, agree to scrap those proposals? If not, will he at least allow the people to hold a referendum to decide for themselves what sort of local government they want?

The Prime Minister: I think that, as the hon. Gentleman knows, the final decisions have yet to be made about which of the 16 bids will proceed to implementation. When the consultation ends on 22 June, all the proposals will be carefully assessed against the five criteria that we set out to councils last October. That means that proposals will not go forward unless we are convinced that they are affordable, provide strong leadership, improve public services, empower local communities and have a broad cross-section of support, too. Obviously, the fact that seven Members of Parliament have made their views known is very powerful, but the decision will be made at a later point.

Miss Anne Begg (Aberdeen, South) (Lab): This year marks the 30th anniversary of the Industry and Parliament Trust, of which I believe you are a patron, Mr. Speaker. How useful does my right hon. Friend

believe that the trust has been in fostering understanding between business and Parliament?

The Prime Minister: Let me congratulate the trust on its 30th anniversary. In providing over 300 fellowships and a number of opportunities for Members of Parliament to interact with business, it has done immensely valuable work over the years. Many hon. Members on both sides of the House have benefited enormously from that work.

Q8. [142228] **Mr. Brooks Newmark** (Braintree) (Con): The Chancellor recently told a group of schoolchildren:

"I did maths at school... but I don't think I was ever very good at it—and some people would say it shows."

Does the Prime Minister agree with that self-assessment?

The Prime Minister: He obviously does not do irony in a good way, but let me tell the hon. Gentleman that what is more important than whether the Chancellor passed his school maths exams with flying colours is the fact that he has passed with flying colours his time as Chancellor for 10 years. I should thank the hon. Gentleman for giving me the opportunity to point out once again that, thanks to the Chancellor, we have 2.5 million more jobs, unemployment at its lowest level for more than 30 years, interest rates half what they were in the Tory years, and the strongest ever period of economic growth. I thank the hon. Gentleman again for giving me the opportunity to remind the House of that.

Dr. Ian Gibson (Norwich, North) (Lab): I would like to point out to the Prime Minister that there is a group that represents British nuclear test veterans, including those who worked on Christmas Island. Some startling work from New Zealand shows that genetic abnormalities are associated with the brave men and women who stared into the face of atomic bombs. Does the Prime Minister agree that we ought to help the people from our country who went out there and served for us?

The Prime Minister: Yes of course I agree with that, and I might be able to correspond with them about what help we can give them.

Child Sex Offender Review

12.31 pm

The Secretary of State for the Home Department (John Reid): With permission, Mr. Speaker, I would like to make a statement on the child sex offender review. Few crimes are more horrific than sexual offences against children. Ensuring that that most vulnerable group in society are safe should be, and is, at the heart of the Government's agenda and of my role as Home Secretary.

I am delighted to be able to say that the United Kingdom already has the strongest restrictions on child sex offenders. We have now considered how we can further improve the system to provide maximum protection to our children. In June last year, I commissioned a comprehensive review of the management of child sex offenders. Over the last year, Home Office Ministers and officials have consulted widely with stakeholders in the UK and abroad, including all the major children's charities. I would like to put on record my thanks to all those who contributed to the review, especially the Under-Secretary of State for Justice, my hon. Friend the Member for Bradford, South (Mr. Sutcliffe), who led the review, and Sara Payne for her support and understanding throughout—and for her long years of campaigning when it seemed that no one was listening.

The Home Office today publishes the report of that review, and I am delighted with the welcome it has received, including that from Sara Payne. The report contains a number of actions that will make short, medium and long-term improvements in the way we manage child sex offenders. The review shows that the multi-agency system we operate to manage high-risk offenders—the multi-agency public protection arrangements, or MAPPA—can work well, and that the professionals working on the front line to protect children deserve praise for the excellent work they do. However, the review has also identified some areas where improvements can be made and our regime can be strengthened: we can share more information with the public; the treatment of offenders can be improved, and MAPPA can be enhanced; and the supervision and management of offenders can be strengthened and improved, including through the use of technology. I shall deal with some of those points in turn.

On the sharing of information, when I commissioned this review I started from the position that information should and could no longer remain the exclusive preserve and monopoly of officialdom. Although the police and other agencies can already disclose information about specific offenders to members of the public, local practice varies, sometimes significantly, and some areas do this far more than others. In addition, there is no statutory obligation on them to do so. I wanted then, and still do, to see much greater consistency between areas and a new presumption in law that, where there is a potential risk, relevant members of the public should and will be told about that risk to themselves or their families. That information sharing will now be both proactive and reactive.

On the proactive side, we will therefore update the law to give police and other local agencies a duty to consider—in every case—whether a member of the public needs to know about an offender's history in order to protect a child or children. There will also be a presumption that the authorities will disclose that information if they consider that the offender presents a risk of serious harm to a member of the public's children.

However, I want to go further than this and to give the public a more active role and right in this process. At present, information is disclosed only on a limited basis and usually with the consent of the sex offender—himself, in most cases, or herself—for example by agreeing to a criminal records check for employment with children. However, we already know that 90 per cent. of child abuse occurs in different circumstances from employment, by those who are known to the chi'd, such as a family member or close acquaintance. Therefore, we will target paedophiles who deliberately ingratiate themselves into families, and the risk that that carries with it to children.

So in a reactive sense, we have determined that parents and guardians who are concerned about someone with whom they have a relationship, and who has unsupervised access to their children, will be able to register an interest with the police in that person. If that person has convictions for child sex offences, there will be a presumption that those offences will be disclosed to the parent or guardian if it is considered that the child would be at risk, and if disclosure is necessary to manage that risk.

This new system, I believe, is proportionate but significant. Moreover, it will initially be piloted in three police force areas as soon as the legislation can go through—hopefully from April 2008—and will be backed by about £2 million in new resources and overseen by a national stakeholder advisory group. The Association of Chief Police Officers has written to every chief constable to inform them of the plans. I am grateful for the support that has already been given to these plans by Terry Grange, ACPO's spokesman on these matters. The Ministry of Justice will also be writing to chief probation officers. In addition, we will be committing £150,000 to the piloting of a community awareness campaign, in partnership with the Stop It Now! charity. This will develop messages and deliver information better to equip parents and carers to safeguard children effectively.

I turn to improving the multi-agency public protection arrangements and the treatment of offenders. We intend to introduce national standards for all MAPPA areas to improve the quality and consistency of decision making, and to increase MAPPA's capacity to manage dangerous offenders. The Home Office and the Ministry of Justice will provide an extra £1.2 million to MAPPA areas to enhance a number of things: to underpin standards and to promote public protection outcomes; to introduce a standardised set of rules of residence for approved premises housing offenders on probation; and to introduce compulsory programmes of purposeful activity to occupy offenders' time in approved premises, thereby increasing the amount of supervision that they are subject to.

We will also work towards developing a more flexible approach to providing treatment to maximise the number of offenders treated and the effectiveness of that treatment. That will include developing the use of drug treatments alongside existing psychological treatments. For example, anti-androgen drugs and SSRI—selective serotonin re-uptake inhibitor—antidepressants have been shown

[John Reid]

to be effective in reducing sexual drive and reducing offending, sometimes significantly. But that will obviously need to be on a voluntary basis to prevent re-offending effectively, because to succeed it relies on the co-operation of the offender. It is not a substitute for punishment or prison, but an essential element of expanding treatment.

I turn now to the use of technology in management and supervision. We will improve the supervision and management of registered sex offenders by increasing the amount of information they must provide to police, such as their email and internet identities; their passport details; and when they begin new relationships with single parents. That is another element of enhanced supervisory mechanisms. They can be further supplemented by the development of new technologies. However, new technologies such as the internet have opened up new avenues of risk for children, and new opportunities for offenders. Our response must match those new risks, and we must ensure that we take the fullest advantage of technology to protect children. So we will increase the use of the internet to publicise and track down high-risk offenders who have gone missing. We will review the use of satellite tracking to monitor offenders on licence and extend it where it is effective and appropriate. We will pilot compulsory use of polygraph—lie detector—tests and this House has already agreed the necessary amendment to the Offender Management Bill earlier this year.

I want to make it plain that polygraphs, or lie detectors, are routinely used by probation officers in the US. I am recommending them, and we intend to use them here not as part of the route to conviction, but as part of the strengthened supervision mechanisms after conviction. Initial trials in this country on a voluntary basis showed that polygraph testing may be useful in the supervision and treatment of offenders, and in preventing further offending. I am now committing £800,000 for further trials and a scientific evaluation of compulsory lie detector testing to determine whether it is an effective risk-management tool and, if so, to adopt it.

These actions, and many more outlined today—20 in all—will bring considerable improvements to the way we manage child sex offenders. We already have probably the most robust regime in Europe, but the improvements will continue our agenda of refocusing the criminal justice system on the rights of the victims—in this case, innocent children—rather than the rights of the offender. Above all, they will further enhance the protection of that most vulnerable group of people in our society, the future generation and today's children.

David Davis (Haltemprice and Howden) (Con): I thank the Home Secretary for his statement. I cannot honestly express any surprise, however, that the Government are in an awkward position today. It was unwise to give the impression that they were about to introduce some version of Megan's law. Senior police officers, probation officers, the official Opposition and even one of his predecessors as Home Secretary predicted exactly what his junior Minister found on his trip to the US: states that have implemented Megan's law found that up to 25 per cent. of paedophiles went underground. As they were often the most serious offenders, the rate of paedophile offending did not go down. Sometimes it went up. The question that has to be answered is whether the Home Secretary's new compromise proposals will avoid those problems. In particular, will he say how they will ensure that information passed to mothers of at-risk children—clearly, that is a tense environment—stays private? If it does not stay private, might the proposals still drive some paedophiles, and perhaps the worst ones, underground? The National Society for the Prevention of Cruelty to Children has warned that the police are overstretched and do not have the resources to manage the system properly.

I turn now to the much wider issue of enforcement. No policies will work without competent implementation: they may give a false sense of security, but they will give no protection. Today's headlines are all about "chemical castration", which is an odd and probably inappropriate phrase. A voluntary system of medication may well be useful in some cases, as the Home Secretary said, but the reality is that it will not deal with the worst offenders who do not wish to reform.

Another problem has to do with the sex offenders register, which is central to all the Government's public protection measures in this area. Three years ago, the Police Federation warned the Home Office that a loophole in the law allowed sex offenders to give only vague addresses to authorities. The Home Office did nothing, and as a result more than 300 potentially dangerous sex offenders are unnecessarily at large today without the knowledge of the police.

The Home Secretary, I think wisely, has promised satellite tagging, but in March this year it became apparent that a number of supposedly tagged paedophiles were going completely unmonitored. No technology will work if it is not monitored. Also, we need to understand how many offenders the police are able to keep track of. Low-risk offenders are visited by police once a year, and medium-risk offenders up to twice a year. The police visit the absolutely highest-risk offenders only once every three months. Is that really enough?

However, that is not the worst problem. In August 2002, Holly Wells and Jessica Chapman were murdered by the vicious paedophile Ian Huntley in Soham. In June 2004, the Government's Bichard inquiry showed that a massive failing in police intelligence-sharing arrangements had allowed the Soham murders to happen. The report recommended that a

> "national IT system to support police intelligence...should be introduced as a matter of urgency."

The Home Office set in motion a plan to introduce such a system, and the first stage of it was the cross-regional information-sharing programme, or CRISP for short. That would have allowed every police force access to critical databases, including the intelligence database and at-risk registers of every other force, and the sex offenders register, among other things. The programme was due to take effect this year, but it was cancelled on 31 May—because of a lack of money, according to reports. Its substitute will not be in operation until 2010 or 2011, at least three years late. Therefore, our police will be handicapped, and our

children kept at risk, for an unnecessary further three years—that is, until almost nine years after the tragic events at Soham.

The Home Secretary said this morning, and has repeated just now, that protecting vulnerable children was his highest priority. In which case, they deserve much better than this.

John Reid: I can cover some of the points that have been raised. On the risk of public disorder, it is not within my power or the power of any hon. Member to create a society without risk. Whatever we do here, there will be a degree of risk—a degree of risk to children and, no doubt, a degree of risk to paedophiles. I have tried to minimise that, but I wish that some of the commentators would show the same sensitivity when it comes to protecting children as they do when it comes to protecting the interests of paedophiles—both are important, but with innocent children, the burden of the obligation on us to go that bit further and err on their side is, to me, one that we should take. So we have reached a system of sharing information that gives more information and, indeed, for the first time, in a significant step, the right to the presumption that information will be given to ordinary members of the public to protect their families where that is relevant. Despite the hysterical accusations that were levelled against me at the beginning, we have done it in a way that safeguards public order and is acceptable to all the children's charities. That is always what I intended to do. I will come back to the question of Sarah's law and what we call it later.

On resources, police effectiveness and their lack of resources, first let us note that we should ask the police themselves before we ask the politicians. The police today have welcomed the recommendations and plans that we have outlined. Secondly, we have made it plain that there will be more resources: £1.2 million immediately and £1.5 million for the pilots.

Of course, drugs will not deal with the worst offenders. What will deal with the worst offenders—those recidivist paedophiles who are likely to commit crime again—is indeterminate sentences that keep them in prison for as long as necessary and for life if necessary—proposals which the right hon. Gentleman voted against when we brought them to the House. So let us be quite clear: the drugs element is not meant to deal with recidivists who cannot be released from prison. Our other measures have dealt with that: indeterminate sentences. For those of the lower risk, we are strengthening the supervision by using new technology, and I hope that we will get support for satellite tracking and lie detector tests. In that context, we are saying that the evidence suggests that drugs can be very effective in reducing reoffending—in some cases, by up to 50 per cent.—and we are suggesting that as part of the treatment.

The right hon. Gentleman raised the no-fixed-abode issue. He misrepresents the position. Until three years ago, sex offenders who were of no fixed abode—he mentioned 300, out of the 30,000 who are on the register—did not have to give any address whatsoever. They had an automatic way around giving an address by saying that they were of no fixed abode. What we required of them, even if they were of no fixed abode, was to give the location where they could be found most regularly, even if it was a park bench. So that was not a weakening of requirements; it was a strengthening of requirements, compared with the position under the last Government.

As for the Bichard report, why do we not ask Sir Michael Bichard himself? Sir Michael publicly agreed with the decision recommended by ACPO—the police chiefs themselves—that the interim IMPACT system should not be continued owing to concerns about operational effectiveness. So when we are asking these things, why do we not refer to the people who are named in the reports?

That brings me finally to Sarah's law. It does not matter to me what the law is called—what matters to me is that it protects children more than it did previously—but if I was asking anyone whether or not this merited a welcome as a massive step and as a link with a campaign for Sarah Payne's law, I would ask Sara Payne, which is precisely what I did as late as yesterday, at the latest meeting that she has had with myself and Ministers. I am delighted that Sara Payne has welcomed this as, in her words, "a massive step forward," and it is more of a consolation to me that it is welcomed by Sara Payne than that it is opposed by the Opposition Front-Bench team.

Dan Norris (Wansdyke) (Lab): The onus on offenders to provide information such as DNA samples if they have not already done so, passport numbers, e-mail addresses and other information is very welcome, but has the Home Secretary any plans for judges to be encouraged to provide the kind of sentences that make it an offence for offenders even to approach children or try to work with them, as part of the sentencing that they have been given?

John Reid: We continue our discussions with Ministry of Justice colleagues on all these matters. Let me make it plain: I have tried in this case to take a significant step forward in the sense that we have now established a principle that people other than those in officialdom should have the right to the information that is necessary to protect their children. We will road-test that; we will pilot it; we will treat it cautiously. It is possible to be both radical and cautious. That is what we will do. If the evidence suggests that that needs to be changed or strengthened, I believe that the Government should and would strengthen it. We would, however, do that in a way, as we have done, that carries all the charities, all the professionals and all the stakeholders involved alongside it. It was predicted that we could not do that; we have done it today, and I wish that the Opposition would be rather less churlish on the political points and a little more welcoming of the substantial step forward.

Mr. Nick Clegg (Sheffield, Hallam) (LD): I thank the Home Secretary for advance sight of the statement and broadly welcome the proposals—although, of course, they raise a lot of questions about how they will work in practice. He is right to say that nothing is more important in this House than our taking the necessary measures to protect all our children.

I welcome the proposals broadly as much for what is not in them as for what is in them. Why did the Home Secretary, perhaps with the benefit of hindsight, announce

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in a fanfare of headlines in the *News of the World* that he would look into importing a version of the US Megan's law into British law, when he knew at the time that his predecessor, the police and every child protection expert in this country said that it was not a good idea and all the evidence from the United States showed that, far from bolstering child protection, it would undermine it? Why did it take him 12 months to arrive at the same conclusion that most of us had reached before he had even taken up his present position?

Does the Home Secretary not worry, again with the benefit of hindsight, that his various pronouncements have a very deleterious effect on the deepest fears and anxieties of many parents of young children in this country? Why was his office furiously briefing the press last night that it would pilot so-called chemical castration—a phrase that has appeared in headlines all over the country today—when I understand that it is a lurid euphemism for voluntary hormone treatment, which has been available for the past 20 to 30 years?

Why, when the Government rightly pledged in 2004 to build five new treatment centres to deal with the most serious offenders, has not a single one been built? Would that not have been a better use of the Home Secretary's time and energy over the past 12 months?

Will the Home Secretary publish authoritative evidence of the utility of selective serotonin re-uptake inhibitor antidepressants, given that medical experts tell me that there are serious doubts about their efficacy as used in Denmark and other countries?

There is much to welcome in the package; but frankly, over the past 12 months, we have seen the constant drumbeat of populist headline-grabbing announcements, as the background to the Home Secretary's proposals, unveiled today, when the public rightly expect a sober, considered assessment of the evidence about what is the best way to protect our children. Does he not think that the public deserve better?

John Reid: I think that the public deserve better than to be treated with patronising contempt for their opinions on this matter. *[Interruption.]* The hon. Gentleman should distinguish between the sincere views of the public, represented by parents such as Sara Payne, who have gone through hell, and tabloid headlines. If he spent a little more time listening to the public rather than the Westminster elite, perhaps he would be on the side of the public on these issues.

Let us be absolutely plain about why I took 12 months. I said that I would consider this with all the stakeholders and the evidence at home and abroad. The problem with the hon. Gentleman is that he predicted that we would not, should not and could not share this information outside of officialdom. He is on the side of the officials and the professionals; we have now carried the officials and professionals with us. *[Interruption.]* The parents of this country have the right to the information—*[Interruption.]*

Mr. Speaker: Order. The hon. Members for Sheffield, Hallam (Mr. Clegg) and for Taunton (Mr. Browne) will let the Home Secretary answer. That is courtesy in the House.

John Reid: Thank you, Mr. Speaker.

The parents of this country have the right to the information that is necessary directly to protect their children. I briefed one thing a year ago: I said that it was no longer acceptable that officialdom should have the exclusive monopoly of information concerning the risk to parents and their children, and that I would examine a way to provide such information to them, commensurate with safeguarding public order.

I have done that. That is not a source of disappointment to those who have campaigned for it; it is a source of relief that, after years of asking for it, in the face of opposition from people such as the hon. Member for Sheffield, Hallam (Mr. Clegg), we have delivered that. I would have thought that he would celebrate that.

Mrs. Claire Curtis-Thomas (Crosby) (Lab): My right hon. Friend will know that the reconviction rate for prisoners who have attended the sex offender treatment programme is as low as 5 per cent. Unfortunately, that is not applicable to those offenders, including high-risk offenders, who have not attended the sex offender treatment programme. I remain deeply concerned about the offenders currently in prison who refuse to enter into sex offender treatment programmes. What does he intend to do to address that problem?

John Reid: I have already said—and I repeat this—that it is not possible for me to stand at the Dispatch Box and promise a country without risk, in which children will never be under threat and paedophiles will cease reoffending as a result of treatment. There is a range of strength of paedophilic drive, which requires a range of responses. In some cases, the tendency to recidivism is such that, unfortunately, for the protection of society, some people may have to spend their whole life in jail. In other cases, although offenders are released, I want to be assured that they will be subject to the maximum scrutiny and supervision, which is why I am trying to strengthen the measures. Where it is possible to reduce the reoffending rate by psychological or psychiatric treatment, supplemented in some cases by drug treatment, we ought to use everything that is available. That is the only answer I can give to my hon. Friend. Such is the range of strength of the tendency to reoffend in these cases that we need the full gamut of treatment, protection and supervision to be deployed appropriately.

Mr. William Cash (Stone) (Con): The Home Secretary is right to adopt the view that we should protect children above all others. I discovered the importance of that when I was deeply involved in the preparation of the Protection of Children Act 1978, which involved a major shift from the so-called liberal attitudes of the 1960s. I suspect that he would acknowledge that one of his biggest problems in drafting legislation to achieve that objective is the panoply of human rights legislation, including the Human Rights Act 1998 and the European convention on human rights. As my right hon. Friend the Member for Wells (Mr. Heathcoat-Amory), myself and others have mentioned, there are also the problems inherent in the charter of fundamental rights, which is currently under discussion. Will he therefore simply tell us that we will protect children in this country by legislating on our own terms in Westminster and that

we will simply introduce into any such legislation the words "notwithstanding the Human Rights Act or the European Communities Act"?

John Reid: I thank the hon. Gentleman for his comments. I am convinced that what I have proposed can be done in compliance with the European convention on human rights and the Human Rights Act. Of course, if we found that the protection of our children was somehow diminished by any convention, here or internationally, we would have to take the necessary steps to make sure that our children were protected.

Mrs. Joan Humble (Blackpool, North and Fleetwood) (Lab): Is my right hon. Friend aware that, through Operation Awaken, the police in Blackpool have developed some good joint working with the local authority, the Connexions service and other agencies to protect children from sexual abuse and exploitation? Will he reassure me that, where there is such good joint working, it will be further enhanced, and, where there is not, it will be developed?

John Reid: Yes, indeed. My hon. Friend makes an important point. Both our overall regime and the multi-agency public protection arrangements are enormously strong at present—certainly when compared with other countries. In general, we have a very robust regime indeed, as a result of the sex offenders register and the Prison Service, the probation service and the police working together on MAPPA. I have tried to accept that we may need to strengthen supervision and treatment, and, where appropriate, to strengthen the information to allow the public to protect their children. At the same time, we need to do that on the basis of the framework of MAPPA. The police, the probation service, the charities and everyone else who is working so effectively—as my hon. Friend has pointed out—have been consulted and, I am glad to say, carried with us on this occasion. As we pilot the measures, we will attempt to do the same again.

Hywel Williams (Caernarfon) (PC): When a conviction is disclosed, what arrangements will there be for the counselling of the woman and, most importantly, the children who might have been exposed to the attentions of the paedophile?

John Reid: That is precisely why we will pilot the measures. Obviously, we are trying to achieve a balance when it comes to safeguarding and protection. Whenever information is released, other risks open up. We have tried to have a safeguard that is commensurate with giving the other information. We can rely on the police to handle matters sensitively in the vast majority of cases. Sometimes this is already done, but there is no statutory presumption that it should be. We want to change that and put resources in. As we pilot the measures, we will find out whether counselling or an additional panoply of services are required.

Julie Morgan (Cardiff, North) (Lab): I welcome my right hon. Friend's proposals and think that the measures are very sensible. Does he agree that many sex offenders display their behaviour at a much earlier stage, in their childhood? What does he plan to do to tackle the issue of young children who sex offend, in order to prevent them from becoming dangerous adults? Will he consider targeted, specially funded programmes to address their behaviour?

John Reid: My hon. Friend makes a good point. It is a tragic truth that in many cases a sex offender may himself—and it is mainly men—have been abused. There is a cycle of abuse. We continue to look at whatever projects we can so that we can intervene at the earliest possible stage. What I have suggested today is not in any way a substitute for punishment after conviction or the panoply of treatment and interventions that we try to carry out through the work of forensic psychiatrists, psychologists and so on. The measures supplement those things and we continue to look at the area that my hon. Friend has mentioned to see how we can more effectively deal with that issue.

Sir Paul Beresford (Mole Valley) (Con): I welcome the statement as part of a long series of statements that I anticipate we will have on this difficult area. I want to draw the Home Secretary out on a couple of points. First, we have been waiting for the statutory instrument relating to the Regulation of Investigatory Powers Act 2000 and encryption for many years. Can he give us a date for that? Secondly, he will be aware that computer-generated imaging is now extremely sophisticated and is being used by paedophiles for what we could call cybersex between children and between adults and children. Will he comment on his and his Department's thinking on that area?

John Reid: On the first point, I will have to write to the hon. Gentleman in order to be precise about the dates. His second point was a good one. The police-led online protection service, the Child Exploitation and Online Protection service—CEOP—has been looking at that very issue. We have brought in a range of measures to try to intervene to, at the very least, reduce the opportunities that the internet offers for grooming by paedophiles, to alert parents, and to try to get kite standards applied to the systems of software that alert parents if certain words or expressions are used. As regards the adult-to-adult transfer of graphics that are not actually pictures, he is absolutely right to say that those images are very realistic. We are presently examining how we can outlaw that, or bring it into line with the measures relating to normal photographs.

Mr. Jim Devine (Livingston) (Lab): May I reassure my right hon. Friend that my constituents will welcome this announcement? As someone who worked with paedophiles, I think that the announcement about satellite tracking will be particularly reassuring to my constituents. The sad case of Maddie McCann has affected the whole country. It is interesting that the press have stated that there are organised British paedophile groups in Portugal and Spain. I wonder whether he has given any consideration to restricting the travel of such individuals.

John Reid: Absolutely. I do not want to appear complacent when pointing to the successes that we have, on occasions, but if my hon. Friend checks the latest report from CEOP—the online protection service that we have established—he will see that we have

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recently smashed three such rings. The Under-Secretary of State for the Home Department, my hon. Friend the Member for Gedling (Mr. Coaker) and I recently visited some of the people who work on CEOP, including Jim Gamble and his staff, as they monitor some of that stuff. I thank them for performing a pretty gruesome task but a necessary one, and for the success that they have had.

Sammy Wilson (East Antrim) (DUP): I welcome the announcement by the Secretary of State and believe that it will help to reduce some of the risks, but I have one question. In his statement the right hon. Gentleman said that there would be a presumption that the police would disclose offences when a parent comes to them and draws attention to a relationship, but there are two caveats—two ifs. Will the Secretary of State give an assurance that there are no circumstances in which, when a parent draws it to the attention of the police that they have entered into a new relationship and the police know that that relationship involves a paedophile, the offence will not be disclosed to the parents?

John Reid: I cannot account for human error, so to give such a blanket guarantee is not within my power. All human organisations, including the police service, and those involved in the MAPPA arrangements, the Prison Service and the probation service, can make a mistake. However, for the first time there will be a legal duty of presumption that where there is a risk at all, the parent should be informed. At the very least, if a decision is taken that someone who has such a conviction is not to have that information passed on, there would have to be pretty extraordinarily good reasons for it and those would be noted, so that if anything ever went wrong, people would be entitled to ask why there was alleged incompetence or negligence in that case, reflected in the decision not to release the information. That should be done where there is a risk. The procedure would be that the parent would register their interest with the police and register the name of the person. The police would check the records. If it was found that the person had a police record, they would, under the MAPPA arrangements, have to make the decision to release that. The presumption would be that where there was a risk, they would have to do so.

Judy Mallaber (Amber Valley) (Lab): I welcome the proposals. My right hon. Friend referred to new technologies opening up new avenues of risk for children. As he knows, we have developed in the UK the best system for bringing together internet service providers, charities, police and so on to deal with those who download images of child abuse—an evil multi-million pound industry. Will he ensure that the excellent CEOP and Jim Gamble, to whom he refers, get sufficient resources for continuing to oversee their work on online exploitation of children? Will he also look at my ten-minute Bill on the mushrooming use of child tracking devices and the need to license those because they are being bought by parents to give their children safety and security, but without licensing, the devices can just as easily be accessed by paedophiles for entirely the opposite reason?

John Reid: I concur with the general sentiments expressed by my hon. Friend and with her specific comments about Jim Gamble, CEOP and the work that it does. I note the request that it be funded and resourced to meet the task. Of course there are always many demands, but I am glad to say that only recently we supplied an additional £400,000 for referral tests so that it is better equipped when people bring problems relating to the internet or suggestions that it could deal better with some aspects of interventions. We will continue to review the resources and, as I said, we have recently made more resources available.

Bob Spink (Castle Point) (Con): I broadly welcome the Home Secretary's approach, which I believe is incremental, as there will be still further steps to take in the future. I want to be constructive. Is the right hon. Gentleman aware that, because of a technicality, some child protection agencies and Church authorities are unable to put known child sex offenders who are Church ministers on the Government's sex offender register, even when those ministers have admitted committing sexual offences against children in the past, for which they would and should go to prison if they committed those offences now? That prevents the authorities from taking appropriate action to protect children. Will he review this serious gap in the law?

John Reid: I am grateful for the hon. Gentleman's welcome and for the comments that he makes. I hope he will allow me to check that out and satisfy myself. We would all be surprised if a cassock and a collar were claimed as an exemption from the registration to which others are subject.

Ms Sally Keeble (Northampton, North) (Lab): I welcome the proposals that my right hon. Friend has outlined. Can he say more about the nature of the public involvement and disclosure? I have seen probation officers bravely involve a residents council chair and other key community figures in the management of a sex offender in the community. Might such bold but effective good practice be underpinned by the terms of the disclosure of information in the new legislation?

John Reid: There are three elements to such information sharing. The first is the proactive obligation, which will be imposed upon the MAPPA officials and authorities to disclose any risk that they discover to the subject of that risk—the guardian or parent of the children in question. Secondly, an obligation is placed upon MAPPA to respond to an inquiry from someone who has a legitimate interest in the protection of children and registers it. Thirdly, we have not mentioned a great deal today the general education and information that the police have carried out in certain areas. We have provided several hundred thousand pounds so that that can be done better. Part of that is related to the nature of neighbourhood policing and the sort of partnership that my hon. Friend has identified. Terry Grange, the spokesman for the Association of Chief Police Officers, this morning indicated the intention to try and carry that forward within the general framework of what we are doing.

Dr. Evan Harris (Oxford, West and Abingdon) (LD): In his statement the Home Secretary said that SSRIs have been shown to be effective in reducing sex drive and reducing offending. If he could place the published research evidence for that in the Library, it would be helpful. Following a request from me this morning, neither his office nor the Royal College of Psychiatrists could lay their hands on anything specific. I understand that it is a difficult area, and I think that the right hon. Gentleman is right to go ahead with the treatment, but if the evidence is not conclusive at present, would he consider doing that as part of a trial so that in a couple of years we can get a definitive answer once and for all and enable it to be used worldwide? He would be contributing to the worldwide research knowledge on that basis.

John Reid: The hon. Gentleman makes a good point. We try to learn from the rest of the world—in this case, Scandinavia and one or two other places. In a sense, we both want to proceed cautiously within a framework of treatment and then perhaps pass on our experiences to the rest of the world. At the appropriate stage we will try and issue a compendium of information. Many discussions and consultations have taken place in the United Kingdom and abroad showing the upside and the downside of some of the proposals, and we will publish that. We would do that in a manner that had regard not only to the benefits but to the risks, as we would with any medication.

Mrs. Ann Cryer (Keighley) (Lab): I thank my right hon. Friend for his statement. The proposals therein are well thought out and proportionate and will help towards protecting vulnerable children. Does he agree that the handling by certain sections of the press of this particularly difficult subject has left a lot to be desired, and has probably had more to do with circulation wars than with child protection?

John Reid: We have to distinguish between public opinion and some of the tabloid headlines. The truth is that ultimately, in a free country, none of us here is responsible for the press and the way in which they portray things. However, what I will not do in general terms is criticise campaigning newspapers for taking up issues. In a free country, issues that have the overwhelming support of the public should be aired. To be truthful with my hon. Friend, I was amazed at the hysteria that was caused by my simple proposition that some people might be entitled to information to protect their children, so I do not think that the alleged hysteria is all on one side.

Jeremy Wright (Rugby and Kenilworth) (Con): May I ask the Home Secretary for some reassurance on two practical aspects of the registering of an interest by a parent about a particular individual prior to the disclosure of any potential conviction information? First, will the Government ensure that that process is not unduly complex and that it is straightforward? Secondly, will it be possible for that to be done confidentially, so that it does not come to the notice of the person about whom information is sought, and so that women—it will, as the Home Secretary has said, normally be women—are not deterred from making those requests for fear of damaging or losing a relationship for apparently no good reason?

John Reid: The hon. Gentleman makes two good, reasonable and constructive points. The answer to both is yes. The third point, which is implicit in what he said, is that we try wherever possible to ensure that the information is conveyed where it most effectively reduces the risk and does not go wider. It is not possible to guarantee that that will never happen. During the pilots, we will want to try to ensure that what he requests will happen. There is an array of weaponry, metaphorically speaking, available to the police, to deal with any public disorder issues that may arise.

Margaret Moran (Luton, South) (Lab): I welcome the Home Secretary's recognition of the importance of the use, and indeed the abuse, of technology in tackling those issues. The Internet Watch Foundation will no doubt have informed him that there is growing concern about the proliferation of commercial child abuse sites, 90 per cent. of which involve children under 12 and 60 per cent. of which involve grade four or five images—the worst possible images. In that context, will he look at tackling e-payment systems that allow paedophiles to bypass the ordinary credit card or banking payment systems, so that they can anonymously get on to those child abuse websites and perpetuate child abuse in this country and around the world?

John Reid: That is a very good point. As the House may know, the Under-Secretary of State for the Home Department, my hon. Friend the Member for Gedling (Mr. Coaker), chairs a taskforce on those matters, and it includes the internet service providers. We have touched on some of the problems and challenges that my hon. Friend the Member for Luton, South (Margaret Moran) mentioned, and we will continue to do so. As she points out, the increasing sophistication of the internet is not always an opportunity for good and we have to be careful that we are ahead of the use by paedophiles of the opportunity to make contact with and to groom children.

Mr. Henry Bellingham (North-West Norfolk) (Con): The Soham tragedy was a ghastly, wicked affair and obviously it hit East Anglia particularly hard. My right hon. Friend the Member for Haltemprice and Howden (David Davis) has asked about the cross-referral information-sharing programme, which was postponed. Indeed, the Leader of the Opposition asked a similar question earlier and did not get an answer, either. That programme will not require legislation. Why has it been delayed? The legislation will be the weaker without it.

John Reid: I think that everyone in the House is committed to making sure that the recommendations put forward by Bichard are implemented as effectively, operationally and speedily as possible. Twenty-one out of the 31 recommendations are already deemed to have been substantially delivered, so it is not quite as simple as the hon. Gentleman makes out. Two thirds of the recommendations are already delivered in substance, and that is agreed. One, which I have already mentioned—the interim IMPACT system—is, with the agreement of Sir Michael Bichard, not being continued owing to concerns about operational effectiveness.

I am afraid that it is not always possible for me to stand here and say that every one of the 31 recommendations has been delivered absolutely on

time, because some of them depend on new technology, but we have made substantial advances and we will continue to do that. The key early recommendation, which was called the IMPACT nominal index, was implemented on time by the end of 2005, so it is not as if no progress was made in that area. However, we will attempt to ensure that we deliver the rest as soon as possible.

Mark Pritchard (The Wrekin) (Con): Is the Home Secretary aware of the robust research in the United States which shows that convicted paedophiles will often have previous cautions, warnings and even convictions for abuse of animals? In the context of the Bichard report and sharing police intelligence, will his Department look at those who have been convicted of abuse of animals and see whether there is any intelligence that can be shared?

John Reid: I was not aware of that, and I will ask our officials to look into it.

Mr. Peter Bone (Wellingborough) (Con): The Home Secretary has just made an important statement and one would expect the press gallery to be packed. It is empty. Yesterday, the media had knowledge of what the Home Secretary has said today. When he sat down with his media advisers, did he say to them, "This is a really important statement, Members of Parliament should hear it first, there must be no leaks to the press," or did he say, "Why don't you brief this or that newspaper"?

John Reid: Actually, we did brief the press this morning and we had an embargo. I appeared in the media today but I kept it in very general terms. I have been discussing the issue, as have two other Ministers, for a year with innumerable stakeholders, some involved here, some abroad. It is not within my power to carry out prolonged scrutiny and consultation, yet make sure that none of that ever appears in the press. I can do many things, but I cannot square circles, even for the hon. Gentleman.

Points of Order

1.25 pm

Mr. Andrew Robathan (Blaby) (Con): On a point of order, Mr. Speaker, as you will know, yesterday we discussed the Serious Crime Bill in the House, a serious piece of Home Office legislation, which involves burdens of proof and admissibility of evidence and which affects the liberties of all people in this country. Is there anything you can do to persuade the Government to inform their Back Benchers of the serious nature of legislation going through the House, because apart from a couple of interventions not one Labour Back Bencher contributed—

Mr. Speaker: Order. The hon. Gentleman knows that that is not a point of order.

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): On a point of order, Mr. Speaker, in Westminster Hall, the hon. Member for North-East Milton Keynes (Mr. Lancaster) said in an Adjournment debate:

"nearly 70,000 people in Milton Keynes are still unable to register with an NHS dentist."—[*Official Report, Westminster Hall*, 5 June 2007; Vol. 461, c. 62WH.]

The claim was repeated in the local press and it obviously caused enormous concern to many of my constituents, as well as to those of the hon. Gentleman. Because of the seriousness of the figure, which represents nearly a third of the population, I checked with the local Milton Keynes primary care trust. It confirmed with me that the waiting list for NHS dentistry in Milton Keynes has been totally cleared as a result of the new contracts and the extra £500,000 funding, that no one in Milton Keynes is waiting for access for longer than a week and that new practices are actively taking on new patients.

Mr. Speaker: Order.

Mr. Mark Lancaster (North-East Milton Keynes) (Con): Further to that point of order—

Mr. Speaker: Order. I am going to rule that it is not a point of order, so there will not be a further point of order.

Michael Fabricant (Lichfield) (Con): It is on the record.

Mr. Speaker: The hon. Gentleman is right: it is on the record, and some of the points of order that he has raised are on the record, too, and they have not been points of order. The hon. Member for Milton Keynes, South-West (Dr. Starkey) is using the system of points of order to put the record straight. In future, if she wants to put the record straight and to rebut the case that an hon. Member has put, she can apply for an Adjournment debate. Then she will have at least a quarter of an hour on the Floor of the House to put the case. That would be the best way. I think that, in fairness, the hon. Member for North-East Milton Keynes (Mr. Lancaster) should have an opportunity to say something, but I know that it is not going to be a point of order.

Mr. Lancaster: Thank you, Mr. Speaker. May I take the opportunity to apologise to the House, because now that the figures have been checked, it would appear that the 70,000 figure is not correct. According to the latest figures published, there are in fact 120,853 people, a massive 54 per cent. of residents in Milton Keynes, currently not registered with an NHS dentist. I make no apology for continuing to pursue that matter on behalf of my constituents.

Mr. Speaker: Order. This is not a debate on Milton Keynes.

BILL PRESENTED

Protection of Adults in Care (Prevention of Harm and Exploitation)

Mr. Paul Burstow, supported by Mrs. Joan Humble and Sandra Gidley, presented a Bill to amend the Human Rights Act 1998 to extend the definition of public authority to include any body acting pursuant to a contract with a public body to perform a function of a public nature; to confer new functions on local authorities in relation to persons in need of care or protection provided by such authorities; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 29 June, and to be printed [Bill 123].

Gangmasters (Licensing) Act 2004 (Amendment)

1.30 pm

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): I beg to move,

That leave be given to bring in a Bill to amend the Gangmasters (Licensing) Act 2004 to extend its provisions to cover construction work; and for connected purposes.

As the House will know, gangmasters are labour providers who operate throughout the UK economy. The House will also be aware that in summer 2004 the private Member's Bill on gangmasters received Royal Assent. With the indulgence of right hon. and hon. Members, I should like briefly to remind the House of what the Gangmasters (Licensing) Act is all about. It applies to all labour providers operating in the agricultural and shellfish industries and the food processing and packaging sectors. It requires all those gangmasters to be licensed, establishes the Gangmasters Licensing Authority to run a register of gangmasters and enforce a licensing scheme, and creates penalties of up to 10 years' imprisonment for gangmasters who break the law. The Act had support from every political party and from across society, the endorsement of trade unions and employers, and even the backing of legitimate gangmasters. As legislators, we should be proud of the Act, especially as the passage of that landmark law coincided with the heart-rending loss of life that took place in the Morecambe bay tragedy.

The Act is performing four crucial tasks: first; it is protecting vulnerable workers from exploitation and abuse; secondly, it is driving rogue labour providers out of business by driving them into court; thirdly, it is safeguarding the future of the decent, law-abiding agencies which do well by their workers and play by the rules; and fourthly, it is ensuring that the Treasury is not cheated and defrauded of millions of pounds of tax and VAT by criminal gangmaster bosses. However, while I can rightly argue that the Act is good law, I am also forced to admit that it is a limited law, because it applies only to a narrow, albeit important, sector of industry. Two years on from its hitting the statute book, the impact of its limitations is becoming all too apparent, especially if we take a long, hard look at the UK's construction industry.

Let us make no mistake about it—construction matters to this country. It employs more than 2 million people, contributes more than £70 billion a year to our economy, and is literally helping to build a better Britain—from terminal 5, to constructing the power stations that we need to deliver energy security, to providing the homes that we need to solve the housing shortage, to the construction of the Olympic village. In the context of the Olympics ideal, fragmentation and self-employment across the 9,000-strong work force would be a gangmasters' gold rush which would compromise safety, drive down pay and conditions, and fail to deliver the promised legacy of creating skills and jobs for local people. The benefits of regulated employment can be seen from other Olympic examples. At least 13 construction workers died during the building of the Athens Olympic site in 2004, which relied on casualised self-employed workers. There was one fatality during the construction for Sydney in 2000, which used a direct employment model. We do

[Jim Sheridan]

not need another Morecambe bay-type tragedy that would tarnish the London Olympic games.

Sadly, UK construction has a darker side, where vulnerable workers are ripped off by unscrupulous labour providers, health and safety law is ignored by dodgy employers, and the lives of innocent, hard-working people are lost through criminal, but too often unpunished, negligence. If we look carefully into the long shadows of construction, we will detect the outline of a familiar figure—the rogue gangmaster. Yes, there are a huge number of decent labour providers who not only provide an excellent service to a construction sector dependent on a quality work force but abide by the law and treat their workers with respect, but there are also a growing number of rogue operators in the unregulated construction sector who operate in precisely the same shameful way they once did in the sectors now regulated by the 2004 Act. By that, I mean that they will break any law, cut any corner, undermine any good employer, evade any tax, exploit any worker, and use any loophole to earn a quick buck and make a quick getaway. The sad paradox for vulnerable workers and decent bosses is that construction is the fastest growing sector of the economy, yet it is also the least regulated. Although I would never argue for any industry to be overburdened with regulations that it does not need and which would not work, I believe that balanced regulation is as good for business as it is for workers. In other words, I am talking about regulation for a purpose, not regulation for its own sake.

Let me give a few examples of why construction is crying out for balanced and meaningful regulation. Construction workers are being forced to operate under bogus self-employed status so that their employers can avoid their tax and national insurance responsibilities. They are being redesignated as security staff so that they can sleep on site at night. They are being brought in from the EU and sent on to sites without the training or the language skills to understand health and safety warnings. Pay is plummeting as rogue employers force wages below the going rates. Fly-by-night gangmasters are driving down costs and putting legitimate labour providers out of business. Worst of all, health and safety laws are being broken to such an extent that deaths in construction rose by a staggering 25 per cent. last year. In fact, things are now so dangerous that construction workers are seven times more likely to die at work than workers in any other industry. With the greatest respect to our emergency services and our armed forces, whenever there is a death in any of those professions there is widespread reporting by the press and media. However, when construction workers lose their lives it goes largely unreported.

The number of rogue gangmasters operating in construction is growing at a rate of knots, but here is the irony: many have simply switched from providing labour to farms and food processing factories to providing labour to building sites and construction firms. Why is that? It is because the licensing, regulation and enforcement that would seek them out and lock them up in the food and agriculture sector is absent from the construction sector. Put simply, there is a legal vacuum in construction and the rogues have filled it. In construction, no law means no chance—no chance to protect vulnerable workers, no chance to track down the rogue operators, and no chance to bring them to justice.

If we take a moment to think it through, we can see that the absence of effective law in construction makes no sense at all. Where is the logic in a state of affairs where a labour provider needs a licence to supply a worker to a food processing plant but does not need one to supply that same worker to a building site? One does not have to be Einstein to know that there is no logic in that. A worker is a worker is a worker; a principle is a principle is a principle. Everybody is equal under the law or nobody is equal under the law. Members should not take my word for it, they should ask the Government. After all, Ministers support licensing and registration in other sectors, both in principle and in practice. When the Government have recognised a problem and witnessed exploitation, they have acted through the law. I ask them to do the same with construction.

I have admitted that the Gangmasters (Licensing) Act is limited in scope, but I have also argued that it is effective in practice. Its effectiveness brings me to my feet today. The Act offers a template, which provides a model for the way in which labour providers in the construction industry could and should be regulated. I am not alone in thinking that. Even the chair of the Gangmasters Licensing Authority, Paul Whitehouse, has argued the case for including construction in the remit of his regulator.

The law matters—it is what we do here first, last and always. It is why we were elected. Therefore, a failure to give the protection of legislation to vulnerable workers and decent bosses in construction is not merely a failure of law but an abdication of our core responsibility and solemn duty as Members of Parliament.

Question put and agreed to.

Bill ordered to be brought in by Jim Sheridan, Mr. Nicholas Brown, Mr. John Denham, Tony Lloyd, Anne Moffat, Mr. Jim McGovern, Mrs. Madeleine Moon, Mr. Peter Kilfoyle, Mr. Stephen Hepburn, Mr. Michael Clapham, Harry Cohen and Mr. David Hamilton.

GANGMASTERS (LICENSING) ACT 2004 (AMENDMENT)

Jim Sheridan accordingly presented a Bill to amend the Gangmasters (Licensing) Act 2004 to extend its provisions to cover construction work; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 29 June, and to be printed [Bill 122].

INTERNATIONAL TRIBUNALS (SIERRA LEONE) BILL *[LORDS]* (ALLOCATION OF TIME)

Ordered.

That the following provisions shall apply to the International Tribunals (Sierra Leone) Bill *[Lords]*:

Timetable

1. Proceedings on Second Reading, in Committee, on consideration and on Third Reading shall be completed at this day's sitting and shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption or six hours after the commencement of proceedings on the Motion for this Order, whichever is the later.

Timing of proceedings and Questions to be put

2. When the Bill has been read a second time—

(a) it shall (notwithstanding Standing Order No. 63 (Committal of Bills not subject to a programme order)) stand committed to a Committee of the whole House without any Question being put, and

(b) the Speaker shall leave the Chair whether or not notice of an Instruction has been given.

3.—(1) On the conclusion of proceedings in Committee, the Chairman shall report the Bill to the House without putting any Question.

(2) If the Bill is reported with amendments, the House shall proceed to consider the Bill as amended without any Question being put.

4. For the purpose of bringing any proceedings to a conclusion in accordance with paragraph 1, the Speaker or Chairman shall forthwith put the following Questions (but no others)—

(a) any Question already proposed from the Chair;

(b) any Question necessary to bring to a decision a Question so proposed;

(c) the Question on any amendment moved or Motion made by a Minister of the Crown;

(d) any other Question necessary for the disposal of the business to be concluded.

5. On a Motion so made for a new Clause or a new Schedule, the Chairman or Speaker shall put only the Question that the Clause or Schedule be added to the Bill.

Subsequent stages

6.—(1) Any Message from the Lords on the Bill shall be considered forthwith without any Question being put.

(2) Proceedings on any Message from the Lords shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement.

7.—(1) This paragraph applies for the purpose of bringing any proceedings to a conclusion in accordance with paragraph 6.

(2) The Speaker shall first put forthwith any Question which has been proposed from the Chair and not yet decided.

(3) The Speaker shall then put forthwith the Question on any Motion made by a Minister of the Crown which is related to the Question already proposed from the Chair.

(4) The Speaker shall then put forthwith the Question on any Motion made by a Minister of the Crown on or relevant to any of the remaining items in the Lords Message.

(5) The Speaker shall then put forthwith the Question that this House agrees with the Lords in all the remaining Lords Proposals.

Reasons Committee

8.—(1) The Speaker shall put forthwith the Question on any Motion made by a Minister of the Crown for the appointment, nomination and quorum of a Committee to draw up Reasons and the appointment of its Chairman.

(2) A Committee appointed to draw up Reasons shall report before the conclusion of the sitting at which it is appointed.

(3) Proceedings in the Committee shall (so far as not previously concluded) be brought to a conclusion 30 minutes after their commencement.

(4) For the purpose of bringing any proceedings to a conclusion in accordance with sub-paragraph (3), the Chairman shall—

(a) first put forthwith any Question which has been proposed from the Chair but not yet decided, and

(b) then put forthwith successively Questions on motions which may be made by a Minister of the Crown for assigning a Reason for disagreeing with the Lords in any of their Amendments.

(5) The proceedings of the Committee shall be reported without any further Question being put.

Miscellaneous

9. Paragraph (1) of Standing Order No. 15 (Exempted business) shall apply so far as necessary for the purposes of this Order.

10.—(1) The proceedings on any Motion made by a Minister of the Crown for varying or supplementing the provisions of this Order shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement.

(2) Paragraph (1) of Standing Order No. 15 (Exempted business) shall apply to those proceedings.

11. Standing Order No. 82 (Business Committee) shall not apply in relation to any proceedings to which this Order applies.

12.—(1) No Motion shall be made, except by a Minister of the Crown, to alter the order in which any proceedings on the Bill are taken or to recommit the Bill.

(2) The Question on any such Motion shall be put forthwith.

13.—(1) No dilatory Motion shall be made in relation to proceedings to which this Order applies except by a Minister of the Crown.

(2) The Question on any such Motion shall be put forthwith.

14.—(1) Sub-paragraph (2) applies if—

(a) a Motion for the Adjournment of the House under Standing Order No. 24 (Adjournment on specific and important matter that should have urgent consideration) has been stood over to seven o'clock, four o'clock or three o'clock (as the case may be), but

(b) proceedings to which this Order applies have begun before then.

(2) Proceedings on that Motion shall stand postponed until the conclusion of those proceedings.

15.—(1) Sub-paragraph (2) applies if a day on which the Bill has been set down to be taken as an Order of the Day is one to which a Motion for the Adjournment of the House under Standing Order No. 24 stands over from an earlier day.

(2) The bringing to a conclusion of any proceedings on the Bill which, in accordance with this Order, are to be brought to a conclusion on that day shall be postponed for a period equal to the duration of the proceedings on that Motion.

16.—(1) Sub-paragraph (2) applies if the House is adjourned, or the sitting is suspended, before the conclusion of any proceedings to which this Order applies.

(2) No notice shall be required of a Motion made at the next sitting by a Minister of the Crown for varying or supplementing the provisions of this Order.

17. Proceedings to which this Order applies shall not be interrupted under any Standing Order relating to the sittings of the House.—*[Dr. Howells.]*

Orders of the Day

International Tribunals (Sierra Leone) Bill *[Lords]*

Order for Second Reading read.

1.42 pm

The Minister for the Middle East (Dr. Kim Howells): I beg to move, That the Bill be now read a Second time.

On 4 June, the trial of Charles Taylor, former President of Liberia, began before a chamber of the Special Court for Sierra Leone sitting extraordinarily in The Hague. Former President Taylor stands charged with 11 counts of crimes against humanity and war crimes, which he is alleged to have committed during Sierra Leone's brutal civil war.

Let me stress at the outset that it is for the Special Court for Sierra Leone to establish whether former President Taylor is guilty of the crimes with which he is charged. He is entitled to a fair trial and I am entirely confident that he will receive one. The simple fact that the trial is taking place sends an extremely powerful message. It sends the message that, no matter how rich and powerful one may be and no matter how untouchable one may at one stage appear, there can be no impunity regarding those most serious crimes.

All those on trial before the Special Court for Sierra Leone must now answer for their actions. Terrible, shocking crimes happened in Sierra Leone in the late 1990s—of that there can be no doubt. Hon. Members will recall the sickening images of that time. Civilians were slaughtered, mutilated and maimed; women were enslaved and brutalised; and killing, rape and amputation were perpetrated on a massive scale.

Tony Baldry (Banbury) (Con): Uncharacteristically for the Foreign Office, the Minister underplays his brief. The genuine significance of Taylor's prosecution is that it is the first time that a head of state has been brought before the international courts. It conveys a clear message, which I hope the Foreign Office will trumpet in Khartoum, among other places, that no one, including heads of state, is immune from the reach of the United Nations and international legal tribunals.

Dr. Howells: I pay tribute to the hon. Gentleman, who makes a wise observation. He is right to say that the message will be heard around the world.

Perhaps most seriously, children were drugged, armed and turned into soldiers, then forced to wreak on others the horrors that had been wrought on them and their communities.

In May 2000, the United Kingdom brought peace to Sierra Leone. I pay tribute to the bravery and expertise of our troops who carried out that intervention. They have our continued gratitude for the typically courageous and professional job that they undertook. We know from experience that they also have the sincere thanks and respect of the people of Sierra Leone.

Since then, we have supported the Government of Sierra Leone as they have sought to consolidate the peace and rebuild a country ravaged by conflict. Seven years on from our military intervention, the people of Sierra Leone are preparing to go to the polls to elect the leaders who will take the next steps on that path of recovery. The UK is providing support for that process, and we will work closely with those leaders as they face the difficult challenges ahead. However, part of the future of Sierra Leone is in coming to terms with the past, and ensuring that those alleged to have committed the shocking crimes of the country's civil war are held to account. In turn, taking such action sends a message to those who would commit such crimes in future, that if they do so, they will answer for it.

With those aims, the Government of Sierra Leone and the United Nations negotiated an agreement back in 2002 to establish the Special Court for Sierra Leone. The Special Court is an international criminal tribunal of a hybrid nature, in that it combines elements of Sierra Leonean and international law, and draws on the skills of Sierra Leonean and international staff. The United Kingdom has been one of the Special Court's strongest supporters since its inception. That has meant ensuring that the court has the resources that it needs to do its work. To that end, we recently made a further payment of £2 million towards meeting the costs of the court, bringing our total contribution since 2002 to £12 million.

Our support for international justice goes beyond the financial. As my right hon. Friend the Secretary of State for Foreign and Commonwealth Affairs said in June last year, if we want to live in a just world, we must take responsibility for creating and fostering it. In practice, that means that we and other states must provide practical assistance to the different international criminal tribunals as they take forward their important work. We live up to that challenge.

For example, we co-operate in the exchange of information with the international criminal tribunals, we take witnesses into our witness relocation system, and we imprison some of those convicted by the tribunals in the UK prison system. The legislative basis for doing that is the International Criminal Court Act 2001, which provides, among other things, for our entering into sentence enforcement agreements with the International Criminal Court and other international criminal tribunals established by resolution of the UN Security Council, such as those for former Yugoslavia and Rwanda.

Mark Pritchard (The Wrekin) (Con): On the wider point—the Minister mentioned the world—and particularly with respect to Uganda and the International Criminal Court warrant for Kony, the Lord's Resistance Army rebel leader, does the Minister agree that, although the ICC is well-meaning, an arrest warrant prior to any settlement or the signing of any peace treaty may sometimes hinder rather than help peace?

Dr. Howells: I would have to look at that assertion on a case-by-case basis. The hon. Gentleman mentions northern Uganda. I know that he feels strongly about these issues, so I am sure that he would not like anyone in Uganda or its neighbouring countries to sense a degree of impunity regarding the crimes that they have committed and continue to commit. We would have to look into that matter very carefully and on a case-by-case basis, as I said, but I take his point. It can be a very sensitive issue, which has to be considered very carefully.

Mr. Eric Joyce (Falkirk) (Lab): I heard what the hon. Member for The Wrekin (Mark Pritchard) said, but in my view the fundamental point about Uganda—and, indeed, Sierra Leone—is that the writ of the ICC in these cases must be upheld. That is of the greatest importance. One has to recognise that what happens after the proceedings—if, indeed, the arrest warrants are ever executed on Kony and others in northern Uganda—might be a matter for the international community in due course, but the writ itself must be upheld.

Dr. Howells: I agree with my hon. Friend. Although it is not the main matter under consideration today, I take his point. What he says about the ICC is a very important consideration.

Mr. David Drew (Stroud) (Lab/Co-op): I visited Rwanda with a group of colleagues last week; the issue of trials of people involved in alleged genocide is pertinent, but I shall say nothing more about that. There is an issue about the growing internationalisation of the justice system. With the best will in the world, we are talking about Sierra Leone today, but we could be talking about arrangements in Rwanda or in former Yugoslavia. Is there any move towards the consolidation of law in order to achieve a smoother transition to a proper justice system, which would be preferable to having to look at individual countries and individual issues? Otherwise, as with Rwanda, we could be completely overwhelmed by the scale of the number of those accused of perpetrating various crimes in Sierra Leone.

Mr. Deputy Speaker (Sir Michael Lord): Order. Before the Minister responds, I want to make it clear that, in the words of the hon. Member for Stroud (Mr. Drew), we are talking today about Sierra Leone. The Bill before us is quite narrowly drawn, so perhaps the Minister will bear that in mind in his response to interventions.

Dr. Howells: I know that my hon. Friend has great experience in these matters. The message sent out by the Bill is very clear. It will say many things to many people around the world, but the one thing that I hope it will say is that there really is no impunity for war criminals. We have to try to adapt wherever we can, as we have in Sierra Leone, and if necessary introduce hybrid arrangements to ensure that the guilty parties are brought to justice. That is what matters in the end. I certainly take into account—and I hope others will, too—my hon. Friend's point that we perhaps require a sharper definition of what international law is likely to look like in the future when it comes to war crimes and so forth.

As I was saying, we have imprisoned some of those convicted by tribunals in the UK prison system. The legislative basis for doing so is the International Criminal Court Act 2001, which makes provision, among other things, for our entering into sentence enforcement agreements with the International Criminal Court and also with other international criminal tribunals established by resolution of the UN Security Council, such as those for former Yugoslavia and Rwanda.

It was only after the coming into force of the International Criminal Court Act 2001 that the Special Court for Sierra Leone was established. It is because the court was a new model of tribunal—a hybrid, as I mentioned—established with the full agreement and participation of the Government of Sierra Leone, that a UN Security Council resolution was not required to bring it into being. None the less, the Special Court enjoys full support from the international community. Indeed, the UN Security Council indicated its support by passing a resolution that authorised the UN Secretary-General to negotiate the founding agreement with the Government of Sierra Leone. That is not, however, sufficient to provide an adequate basis for our entering into a sentence enforcement agreement under the terms of the ICC legislation as it stands. The short, two-clause Bill before us will therefore extend the International Criminal Court Act's provision on sentence enforcement to the Special Court for Sierra Leone.

Let me briefly explain why we are taking this important step in the case of the Special Court for Sierra Leone. First, we do so because it is another demonstration of the UK's commitment to international justice—the same commitment apparent in our steadfast support of the tribunals for former Yugoslavia and Rwanda, and the same commitment that has since led us to help establish the permanent International Criminal Court and to take a lead as one its strongest supporters, in principle and in practice. I am pleased to note that the ICC is now playing a vital role in breaking down impunity for the shocking crimes taking place in Darfur, in northern Uganda, as we have heard, and elsewhere.

Secondly, we are moving this forward because of the UK's particular commitment to peace, security and development in Sierra Leone. When we made that intervention in May 2000, we also made a commitment to see it through and finish the job. Our support for the Special Court is an important part of that. Through the actions that we are taking, we also safeguard the investment—military, political and financial—that the United Kingdom has made in Sierra Leone.

Thirdly—I come now to the reason for our approaching the Bill in expeditious fashion today—we do so to give effect to the commitment that we gave to imprison former President Taylor if he should be convicted at the trial, which began last week in The Hague. Let me speak for a few moments about that commitment and its role in making the trial possible.

Former President Taylor was transferred to the detention facility of the Special Court for Sierra Leone in Freetown on 29 March last year, having been indicted for alleged crimes against humanity and war crimes. Within a short period of time, considerable security concerns arose about former President Taylor's presence in Freetown. There were fears that his supporters might seek to free him, with terrible consequences for the stability of the region. Owing to those fears, President Kabbah of Sierra Leone and President Johnson-Sirleaf of Liberia proposed that former President Taylor's trial should take place away from the court's headquarters in Freetown.

The Government of the Netherlands agreed to allow the Special Court to sit in The Hague to hear former President Taylor's trial and the International Criminal Court agreed to allow the court to use its facilities for the trial, but the Dutch insisted that, should former President Taylor be convicted, he must serve his sentence in another state. The UN Secretary-General, in the light of the security concerns and on the advice of UN staff operating on the ground, added his call to

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that of the regional governments and requested that the United Kingdom agree to make the necessary commitment to the Dutch.

I should emphasise that the proposal to transfer the location of former President Taylor's trial was considered long and hard. We and others were and remain instinctively supportive of the principle that, where possible, a trial should be conducted locally, where it is most accessible and most visible to those who have been affected. However, the security threat was significant and the requests from Kofi Annan, from Presidents Kabbah and Johnson-Sirleaf and from the ECOWAS—Economic Community of West African States—grouping of states were impossible to ignore.

On 15 June last year, we announced that my right hon. Friend the Foreign Secretary had agreed that, subject to parliamentary legislative approval, the United Kingdom would allow former President Taylor—if convicted and should the circumstances require it—to enter the UK to serve any sentence imposed by the Special Court for Sierra Leone.

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): Will the Minister confirm that there is a total of 10 indictees, including Charles Taylor, that nine others are being tried at special courts in Sierra Leone itself and that only Charles Taylor is being tried in The Hague? To prevent the Bill from becoming a hybrid one, would it be possible for the other nine indictees, if convicted, to serve their sentences in this country? Is the Minister prepared to put it on the record that it is the British Government's intention that only Charles Taylor should serve his sentence here?

Dr. Howells: Yes, I can put that on the record without any hesitation. It is important to recognise that the other trials, which seem to be proceeding very well in Freetown, are at a rather different level from that of Charles Taylor. In that sense, Charles Taylor is a very special prisoner. That is why he is being tried in The Hague and why he could be imprisoned here. We would certainly never rule out a request from the International Criminal Court or from the Sierra Leone authorities regarding someone else whom we might consider imprisoning, but that would have to be a matter for careful consideration. We certainly do not envisage that happening at this time.

Former President Taylor's transfer to The Hague was subsequently authorised by the president of the Special Court for Sierra Leone and confirmed by United Nations Security Council resolution 1688. Just five days after the announcement of the UK's commitment, former President Taylor was transferred to The Hague. A real threat to peace and security in Sierra Leone and the wider region had been overcome, and the trial which has now begun had been made possible.

Let me stress again that the Bill and any subsequent signing of a sentence enforcement agreement represent a contingency arrangement. Imprisonment in the United Kingdom would take place only if former President Taylor were convicted, if the Special Court requested that the United Kingdom imprison him, and if the United Kingdom agreed to do so. I should also stress that the Bill, and any sentence enforcement agreement signed as a result of its provisions, will not apply specifically to former President Taylor. The Bill does not, therefore, get into the territory of a hybrid Bill.

The Bill, which comprises only two clauses, simply establishes the legal basis under which the United Kingdom may sign a sentence enforcement agreement with the Special Court. None the less, I can confirm that the request that was made to us and the political undertaking that we have given relate only to imprisoning former President Taylor, should that be necessary. We have not received a request in respect of any other individual on trial before the Special Court for Sierra Leone. Indeed, our expectation is that any other individuals convicted by the court will serve their sentences elsewhere.

To put the matter into context, there are, in total, 10 persons on trial before the Special Court for Sierra Leone, although, as the hon. Member for Cotswold (Mr. Clifton-Brown) will be aware, one of them has now died. The territorial extent of the Bill is limited to England and Wales. I should stress that that does not indicate any reluctance on behalf of the Scottish Administration, but simply an assessment that the necessary resources exist in England and Wales. It follows, therefore, that any sentence of imprisonment would be served in a prison in England or Wales.

I cannot say how long the trial of former President Taylor will last. The reality is that the wheels of international justice have so far turned relatively slowly. None the less, it is possible that the trial might come to a speedy conclusion. That is a factor beyond our control, but it could happen. Our objective is to ensure that, if we are called on to honour our commitment, we are ready to do so as soon as that becomes necessary.

The Bill is a further expression of the United Kingdom's commitment to international justice. It is evidence of our determination to finish the job that we started in Sierra Leone, and it is a clear signal to those who would commit the most serious crimes known to humanity that justice will be done. I commend the Bill to the House.

2.3 pm

Mr. Geoffrey Clifton-Brown (Cotswold) (Con): I congratulate the Minister and his officials—especially Rob Luke in the Foreign Office—on the generous way in which they have been prepared to engage in discussions on the Bill before it came before the House. That has enabled it to pass through all its stages on the Floor of the House this afternoon, which represents exceptionally good use of the House's time. This is a very good way of disposing of an uncontentious matter and I can confirm that the official Opposition will not oppose the Bill, which has a great deal of merit.

The Minister's colleague in the House of Lords, Lord Triesman, opened the Bill's Second Reading debate in the other place on 1 May. He said:

> "A vicious war ravaged Sierra Leone throughout the late 1990s. Wanton killing, mass rape and sexual slavery, mutilation, amputation, the burning of homes and the destruction of property shocked the world. Tragically, those who perpetrated such crimes often used children as soldiers in their war. They enslaved them. They armed them. They made them commit terrible crimes, often against their own loved ones."—[*Official Report, House of Lords*, 1 May 2007; Vol. 691, c. 963.]

That is a pretty shocking but accurate description of what went on in Sierra Leone in the late 1990s. Fortunately, the successful military intervention in May 2000 by 800 of our excellent paratroopers brought peace to the country. It secured the airport, enabled British citizens to be evacuated and subsequently ensured that the rebels were rounded up. The Bill that we are considering today is a result of those activities.

However, Sierra Leone has a history of war and the peace there is fragile; that situation will pertain for some considerable time to come. In 2002, the Government of Sierra Leone and the United Nations set up the Special Court for Sierra Leone so that war crimes, crimes against humanity, crimes of aggression and genocide could be punished if proven. As the Minister has said, the Special Court is an international criminal tribunal of a hybrid nature, incorporating domestic and international law. It has Sierra Leonean judges and staff sitting alongside international colleagues. The creation of the Special Court will no doubt send a strong message to those who have committed such crimes, or who might be contemplating doing so in the future. Examples that have already been mentioned include crimes involving the resistance army in Uganda, and crimes committed in Darfur, the Democratic Republic of the Congo, Somalia or anywhere else in the world. As a result of this procedure and of the indictment of Charles Taylor and his fellow indictees, people who would come under the jurisdiction of the International Criminal Court might think twice before committing such dreadful and despicable crimes.

As my hon. Friend the Member for Banbury (Tony Baldry) said, the Special Court made the unique judgment in 2004 that Charles Taylor was not immune from prosecution by virtue of being a former head of state. That is the first time that that has happened. When the International Criminal Court Act 2001 was passed by this House, however, these crimes, although known about, had not been brought before the International Criminal Court. It was therefore not possible for the Act to incorporate the court, as it did in the case of Rwanda and the former Yugoslavia. Two possible special hybrid courts exist at the moment, in Cambodia and in Sierra Leone.

The International Criminal Court Act 2001 needs to be amended because it does not cover these particular circumstances. I should make clear two absolute caveats, however. The Minister said that there were 10 detainees, but I believe that the figure is 11: the former Liberian President Charles Taylor and nine others, plus one who is missing and presumed dead. Perhaps the Minister will confirm that that is the case. Will he also confirm that while Charles Taylor is standing trial in The Hague, three parallel courts are each trying three people in Freetown in Sierra Leone?

Dr. Howells: I take it that the person who died, to whom the hon. Gentleman referred, is Samuel Hinga Norman. An autopsy has confirmed that Mr. Norman died of natural causes. The court has undertaken its own inquiry into the matter. I understand that he had been transferred to Senegal for medical treatment while on trial before the court. I should reiterate that we have full confidence in the court and its procedures, including the inquiry into the Norman death.

Mr. Clifton-Brown: I am grateful to the Minister for that intervention. I was in no way casting aspersions on the proceedings of the Special Court; I was merely trying to put on the record what I believe to be the correct number of indictees.

Mrs. Claire Curtis-Thomas (Crosby) (Lab): First, I want to confirm that the hon. Gentleman's understanding is accurate. Secondly, I want to reinforce for the record what my hon. Friend the Minister of State has said. I have visited the special court on no fewer than four occasions, and I can confirm that its medical facilities, which service those men, are the best in the country.

Mr. Clifton-Brown: I am grateful for the hon. Lady's intervention. Some concerns have been expressed about the conditions in which former President Charles Taylor has been held. Notably, in the other place, Lord Avebury mentioned the issue of a camera in his cell. I think that that matter has been resolved.

The other nine indictees, if convicted, could be dealt with under the provisions of this amending Bill. As the Minister has kindly put on the record, the Government intend only Charles Taylor to come under its provisions, although there is no reason why the other nine could not be considered on a special request from the Special Court. It would then be up to the UK Government to consider that request. Only if they considered and agreed it would they sign a special enforcement provision to that effect.

Tony Baldry: One of the unacceptable aspects of all this is the ad hocery of international justice in which the burdens fall randomly. Norway said long ago that it would be willing to take and imprison a number of those at the Special Court, if convicted. Understandably, however, it was not also willing to accept the burden of imprisoning Charles Taylor, were he convicted. The international community cannot continue in this ad hoc way for ever, whereby the UN must scrabble around to find which country is willing to imprison which person. I am not sure which departmental spending budget would cover such activity. Does it qualify as Department for International Development or Foreign Office spending?

Dr. Howells: Home Office.

Tony Baldry: The Minister says from a sedentary position that it would be the Home Office. That is one of the broader issues that the House must address.

Mr. Clifton-Brown: My hon. Friend makes an interesting point. The Minister will correct me if I am wrong, but I think that 104 countries ratified the ICC legislation in 2002. Therefore, as I understand it, any one of those 104 countries could be called on to carry out the prison enforcement agreements. As my hon. Friend the Member for Banbury—who is a lawyer—will have picked up, the problem in this case is that the court is a special, hybrid one, so it is not covered by the ICC Act. Had it been covered by that Act, we would not be here today, as we would not need to pass an amending Act.

The Minister will confirm that only two hybrid Special Courts are in existence—that for Cambodia, and that for Sierra Leone. Perhaps he will also confirm that the UK has no intention whatever of taking any

[Mr. Clifton-Brown]

prisoners from the Cambodian special court, as that would require another amending Act. Other than in the case of those two special courts, this type of amending legislation should not be needed in the future, unless something unforeseen arises.

My hon. Friend the Member for Banbury is right that a greater understanding is perhaps necessary among those 104 countries that any one of them could be asked to carry out not only the imprisonment obligations, but even the trial obligations. Although I agree with the Minister that it is desirable on the whole for the trial to take place in the country in which the atrocities have been committed, an adjoining or third country might be required to carry out a trial in certain circumstances. In this case, the facilities of the International Court of Justice in The Hague were deemed by the United Nations and others to be ideal for the trial.

Dr. Howells: The hon. Gentleman is absolutely right. His hon. Friend the Member for Banbury (Tony Baldry) put his finger on a very important issue. When asking why we are taking prisoners from Sierra Leone, I have heard the terrible phrase used, "Well, it is our sphere of influence." Whose sphere of influence is Cambodia? Which nations have the resources and the political will? I heard the hon. Member for Banbury say that countries may be signed up, but they will not act. We must get clarity on who is responsible for such trials in whatever part of the world.

Mr. Clifton-Brown: The whole House will have heard the Minister's response to my hon. Friend. I have no doubt that my hon. Friend, in his customary way, will wish to pursue the matter on another occasion.

Mrs. Curtis-Thomas: I concur with the view that the countries that have signed the agreement should take their fair share of the responsibility for housing such criminals, but the reality is that the facilities available in different countries vary enormously. They range from buildings that would easily be overcome by those who were intent on freeing individuals, to prisons such as those in the UK, which it is out of the question that anyone could break into or out of. On the basis of the construction and security of facilities, quite a small number of countries would be eligible.

Mr. Clifton-Brown: The hon. Lady makes an interesting point. When the Special Court or the International Criminal Court has sentenced somebody for such a hideous crime, and asks an individual country to sign an imprisonment enforcement agreement, I assume that it will take precisely those facts into account. We shall no doubt come on to the conditions under which Charles Taylor, were he convicted, might be held in this country, and in what sort of prison.

The first caveat is that Charles Taylor could be considered along with others, so the Bill will not become hybrid. The second caveat is that the Bill is making only a hypothetical provision in the event that Charles Taylor and his fellow accused are convicted. Nothing that we say in the House today should presume that they will be convicted, and therefore prejudice their trial.

With regard to the time line, the current indictment relates to events as far back as 30 November 1996, but was not envisaged when the ICC Act 2001 was enacted. Charles Taylor and his fellow indictees face 11 counts of war crimes and crimes against humanity. On 29 March 2006, Charles Taylor was arrested and transferred to the detention facility in Freetown, Sierra Leone. As the Minister said, there were security concerns as it was felt that his supporters might destabilise Sierra Leone or the region. He was then transferred to the International Criminal Court in The Hague. On 15 June 2006, the Foreign Secretary made a written statement to Parliament that the UK would, under legislation that we are considering today, permit Charles Taylor to serve a sentence, if it was passed by the court. On 20 June 2006, he was transferred to The Hague, as authorised by the president of the Special Court and confirmed by United Nations Security Council resolution 1688, as the Minister mentioned. On 4 June 2007, the trial in The Hague opened.

There have been various reports about the trial, and I would ask the Minister to clarify one or two matters. It has been alleged in the media that Charles Taylor's defence counsel has funding for only six months, whereas the prosecution counsel has funding for 10 months. Can the Minister confirm that there is adequate funding for both prosecution and defence? The Minister said that he could not envisage how long the proceedings would take, but the special adviser on the case has said that they may take until the middle of 2009, or until the end of 2009 if it goes to appeal. Can the Minister give us any more information?

According to the Government's regulatory impact assessment, the cost of imprisonment in a high-security prison in 2005-06 was about £44,000, and according to today's edition of *The Daily Telegraph* Milan Martic, the former rebel Croatian Serb leader convicted of atrocities against Croat civilians, was sentenced by the International Criminal Court to 35 years in prison. Can the Minister confirm that in the hypothetical event of Charles Taylor being sentenced to a fixed term of about the same period, it would cost this country something in the region of £1.5 million? That is not an insignificant sum. I should be grateful if the Minister would put it on the record—my hon. Friend the Member for Banbury, with great perspicacity, was trying to establish this—that the cost would be borne by the Home Office and not by the Foreign Office.

Does the Minister accept that it is essential, in terms of human justice, for the trial not to take too long? Mention has been made today of Sam Hinga Norman, who died at the end of a four-year trial. Four years strikes me as a very long time for a trial to last, even in international criminal law.

Does the Minister agree with the assessment of the independent expert and judge Antonio Cassese that although the verdict on the other indictees in Sierra Leone could be delivered in 2008, the verdict on Charles Taylor is likely to be delivered a year later, in mid-2009, with an appeal extending the period to the end of 2009? I have already asked the Minister about funding. I believe that he said that Britain had given £2.5 million to the International Criminal Court

mechanism. Will some of that money be spent, if necessary, on filling the shortfall between the funds for the prosecution and those for the defence?

In the event of a conviction, the Special Court would ask the United Kingdom to enter into a prison enforcement agreement. No doubt there would be discussions with the Foreign Office and the Home Office. At that point, and only at that point, if the United Kingdom agreed the Bill would come into force. Can the Minister confirm that it will be for the Special Court to determine whether Charles Taylor is imprisoned in a high-security prison initially and then in a lower-security prison, and that the questions of an appeal and early release will also be matters for the Special Court? How will the court's residuary functions be fulfilled? Will there be an ad hoc panel of judges and supporters to be reconvened as necessary when issues arise?

Can the Minister confirm specifically that in the hypothetical event of Charles Taylor requesting asylum here at the end of his prison term, the United Kingdom would consider his application on its merits, but would observe the absolute provision in asylum law that the United Kingdom can deport a non-UK citizen who is convicted of war crimes or crimes against humanity?

I thank the Minister for the way in which he has handled this matter. We have covered a great deal of ground today and I have no doubt that the proceedings in Committee, on Report and on Third Reading will be succinct. I do not expect that we will have to detain the House today for the full six hours so generously allowed by the timetable motion. That would take us to nearly 7.45 pm, well after the seven o'clock motion, and I do not intend to detain you, Mr. Deputy Speaker, or hon. Members for that length of time.

2.25 pm

Mrs. Claire Curtis-Thomas (Crosby) (Lab): I have the pleasure of being chairman of the all-party parliamentary group on the west African Mano river region, which includes Sierra Leone as well as Liberia, Côte d'Ivoire and Guinea-Bissau. I have fulfilled the role for the past two years, and it is not a particularly easy one, because not many people are interested in that part of the world. It is a very poor part of the world, there is not an awful lot of oil about, and in my opinion it is dreadfully neglected.

My involvement with Sierra Leone began when I was invited to be part of a Commonwealth Parliamentary Association delegation at the behest of Mr. Win Griffiths, the former Member of Parliament for Bridgend. He took me to Sierra Leone shortly after the British Army brought the rebels to their knees in the centre of Freetown. It was a difficult visit for me to undertake: I knew nothing about Sierra Leone, and was as guilty of neglect and lack of interest as—I suspect—were my colleagues. Some people find it necessary to go to a place to appreciate it properly, and I am afraid that I am one of those people. I suppose it is a sad commentary on myself.

It is almost impossible to describe the state of Sierra Leone at the time of my visit. I know that other Members have been there as well, and I expect they will speak later about their impressions of the environment and the people, but at the time of my visit Freetown consisted of a collection of human beings, none of whom held each other's hands, shuffling along the streets. There were, and still are, approximately 2 million people living in a city designed for 250,000, and during the week that I spent there I saw not one person smile. I saw not one spark of life in anyone. I suppose that a nation recovering from the worst civil war it is possible to imagine would be expected to react in that way.

The action of the British Army was greeted with tremendous gratitude. I attended our Prime Minister's celebrations in Sierra Leone two weeks ago, when he was awarded a doctorate for services to the country, and there was not a person there who was not crying. Although the war had finished a long time ago, there was not a person in Sierra Leone who was not dreadfully affected by what the rebels had done. There was not one family who had not lost someone, and not in an ordinary way. I am not talking about a "decent" death by, for instance, shooting; I am talking about mutilation and torture of whose like no special court has heard in the history of special courts, certainly since the Nuremberg trials.

I am tremendously proud of the actions of our Government. I am proud that we stepped in as a result of President Kabbah's request, I am proud that we are still there, and I am proud that we have provided money for the Special Court. Neither the area nor the activity is popular and justice is an expensive business, but we have stepped in. We are here today because of the nature of that Special Court, and the fact that it differs from other special courts that have been established. We are here to seek the House's agreement that if Charles Taylor were convicted of the crimes of which he is accused, we would undertake our role and ensure that he was imprisoned here in the United Kingdom. I think it right and proper for us to take responsible action in the light of what this man has done, and the problem that he continuously presents to the people of Sierra Leone.

I know a lot about Charles Taylor because I have spoken to hundreds of people who suffered, indirectly or directly, at his hands. To say that he is the most despicable man of whom I have ever read or heard is an understatement. I spoke to the former chief prosecutor of the Special Court, Mr. David Crane. David had the challenging job of setting up the Special Court, and he did a magnificent job, along with colleagues from the United Kingdom. He said, "Every one of us working in this court has experience of the court in Rwanda, and we have worked in Bosnia. In fact, many of us were there during the latter days of the Nuremberg trials. The crimes that we are being asked to consider now make the crimes committed in those other atrocities pale into insignificance." As my hon. Friend the Minister for the Middle East pointed out today, Charles Taylor was considered the worst of all because of the type of crime that he committed and oversaw. He was of course responsible for the rebel army that perpetrated crimes on his behalf. In my mind there is no doubt at all that he is guilty of the crimes of which he is accused because, as I say, I have spoken to people who suffered directly at his hands.

I have visited Sierra Leone on many occasions since my first visit; in fact, I have undertaken seven visits so far, and I made four of them to listen to proceedings in the Special Court. I shall describe the Special Court to

[Mrs. Claire Curtis-Thomas]

everyone, because I recognise that I am in a privileged position in being able to do so. The Special Court is a unique building in a unique setting. It is designed purely to hold the 11 men accused of committing the crimes in question, so the facilities are restricted to provision for just 11 men. There is an extensive compound, which is available to the prosecution and defence teams, who can use it to prepare and review their work. There are special facilities for witnesses who come to the court. Many of those witnesses are either direct victims, or have watched a procedure, and may be the only witnesses left to testify to an atrocity. A United Nations force is there, and there are representatives from all over the world who staff the Special Court to make sure that the international standards that have been established to support it are enforced on a daily basis.

Admittance and access to the Special Court are by invitation only, but the Special Court does not begin to compare with one of our secure prisons. I do not want hon. Members to think of it as a heavily defended facility, because it is not. It is not as well defended as one of our open prisons—well, that might be doing it a disservice, but not too much of one. There is some inspection and interrogation of visitors, but if someone was determined to get into the Special Court, they could. I think that that was one of the reasons why President Kabbah and other leaders in the west coast region wanted to move Charles Taylor out: they recognised that they could not build a facility like Fort Knox or Wakefield prison, which houses huge numbers of sex offenders. There could be no wall 30 ft high and 9 ft thick, with barbed wire. It does not look like that. The front wall is perhaps 12 ft high with a bit of barbed wire, but the building is no fortress.

Once one gets into the main court area, access to the court is fairly straightforward. There is some bag checking. In the court itself, there is a small area in which visitors can witness proceedings, but the court is very small. Visitors are separated from the accused by a glass wall, which is there to protect visitors from the view of the accused. That, of course, is done to ensure that none of the accused can let supporters who come to witness proceedings know who they regard as potential enemies in need of disposal.

The facilities in which the prisoners are kept are good by our standards, and I have visited a significant number of prisons in the UK. There is no doubling-up in the Special Court; there is a cell for everyone. A single corridor fronts each and every cell, and every cell has a door. By Sierra Leone standards, we are talking about exceptional accommodation. It is a concern to millions of people in that country that those who perpetrated the worst crimes against them have suddenly found themselves in what they would call five-star luxury—and it is five-star luxury. As I say, by our standards they are very good cells. They are large—they are about 12 ft by 7 ft—and they contain a good bed, a television, plenty of air, and lighting. The vast majority of people in Sierra Leone do not have access to electricity, but people who are accused of serious crimes there have access to light. The facilities available to people accused of crimes in the Special Court are therefore exceptionally good.

As I said earlier, I do not think that we need to worry too much about the health of the people held in the Special Court: I was told that if I fell ill while I was in Sierra Leone, there was only one place that I would be taken to, and that was the health facility in the Special Court. There is every intention of ensuring that if anything happens to any of the men accused they will get immediate medical assistance, because nobody in Sierra Leone wants those men to die any sooner than is absolutely necessary. Everybody wants to make sure that they are as well and as fit as possible, because they must be seen to stand trial for the crimes of which they are accused. I hope that I have described the nature of the Special Court and the conditions in which the men there are being held. I regard the conditions as exceptionally good, even by our standards. However, safety standards there leave a huge amount to be desired, when compared to those in our country.

I want to talk briefly about Charles Taylor. I do not intend to describe his indictment, although I have a record of it in front of me.

Mr. Clifton-Brown: I am sorry to interrupt the hon. Lady, but I would like to make a point before she moves on. She did herself a disservice in her earlier comments; Members of the House often need to go to the areas of the world in which they are interested and witness things there with their own eyes so that they can come back informed and talk in the House about what they have seen, as she has done so adequately. She has described in great detail the conditions in which Charles Taylor is being held by the Special Court. Does she have any views on how he ought to be held in this country? In what sort of prison, and what sort of conditions, ought he to be held?

Mrs. Curtis-Thomas: Having visited category A, B and C prisons—

Mr. Deputy Speaker: Order. I am reluctant to intervene, but perhaps we are getting a little ahead of ourselves with that intervention. It is, in any case, a difficult question for the hon. Lady to answer, and I am not sure that it is quite within our brief.

Mrs. Curtis-Thomas: With your indulgence, Mr. Deputy Speaker, I should just like to say that Charles Taylor will probably be remanded to a category A prison as they are the prisons that house our most violent and dangerous offenders. I would not put money on it, but the prison is likely to be Wakefield, because it is a very secure establishment.

I would like to talk about my visit to various communities affected by the civil war. I suspect that my hon. Friend the Minister finds it very difficult to talk about what Charles Taylor has done, and to review the crimes that he is alleged to have committed, and I share that view.

I visited a number of communities, and I should like to tell the House a little bit about that. I visited a lovely community in Sierra Leone called Waterloo, which is a big town and the last place held by the rebels before they were forced to capitulate. It is a major interface between the country and the city. The rebels knew that if they held it they controlled a major access point, both in and out, so the people of Waterloo had an

appalling time. I now know many of the people in the town. Waterloo in my own constituency is twinned with the community: we are building up all sorts of partnerships, and it is a privilege to be able to do so.

When Charles Taylor was in power, his rebel forces were stationed in Waterloo, which had three checkpoints. At either side of those checkpoints there was a spiked cartwheel-like arrangement, and every day for seven years, a new head was placed on the spikes. The bodies were dumped on the steps of the local church. I know the priest very well indeed, and his job was to match the heads to the bodies at the end of every day. The chairman of the council is a lovely man called Alieu Mansaray. Borough councillors are the same all over the world: at the moment, Alieu is complaining about central Government policy, lack of money and so on, so everything is settling down to normality. However, when I talked to him about what Charles Taylor's forces did in his community, he said, "Claire, there was rape and pillage." In six years, every woman in his community was raped. It did not matter if they were six months old or 80 years old—they were all raped. Many women went on to have children by the men who raped them. Many of the children in the community were abducted, after being forced to murder or rape their own parents. I find that difficult to come to grips with, but energising at the same time—as human beings, we must be able to respond to that degree of abuse whenever it arises. I reiterate what I said earlier: I am immensely proud that we stepped in and are doing what every human being should do when confronted by such atrocities, as the people of Waterloo could not defend themselves.

On my last visit, I met an elderly woman. It is difficult to get people to talk about what happened to them in the war. It is a bit like the position for many Jews who found themselves in Auschwitz: it is over, and they want to move on. However, I was in the country when Charles Taylor was brought back to the Special Court from Nigeria. As the helicopter carrying him flew over the city, people fell to their knees and cried. They were shaking with fear, even though he was in the helicopter. Olive Williams, a lovely elderly woman, said that it was very sad for her that the war did not come to an end earlier, because she would still have had her son. As Charles Taylor's days were coming to an end, her son was decapitated in front of her, then she was forced to breastfeed his head. She said, "It sounds awful, doesn't it, Claire?" I said, "Yes, it does." She said, "I wasn't the only one, that day. There were half a dozen of us."

I therefore understood only too well why people were shaking in the streets at the prospect of Charles Taylor's return. I feel like that myself—I had never heard of anyone who could commit such crimes. I understand, too, why it was vital that we pulled him out of the country. It is extremely difficult for people to deal with someone like that; it is difficult for a country in so much terror of that man. I was delighted when he was sent to The Hague, which is the right place for him. My hon. Friends and other Members should know that when he was held in the Special Court while those international discussions were under way, he did not mix with anyone else. He chose isolation—he did not even mix with the men with whom he stood jointly accused. He did not spend any time talking to them at all. I saw him briefly myself, although not to talk to. I could see that he was very much afraid that they might kill him. He was very concerned about his personal safety, and he has a right to be concerned about that. I hope, however, that that was not the reason why he was moved. I hope that he was moved because there are millions of people in Sierra Leone who remain terrified of him today. The fact that he was incarcerated did not help them at all. Now that he has been moved to The Hague, his pernicious effect on Sierra Leone has been marginalised. The country is about to hold presidential elections in August so, to ensure that they are conducted well, it was vital that he was moved out of the country. His presence is not a positive one, and it might have jeopardised a fragile state. Sierra Leone is still terribly poor—it is the second poorest country in the world—so if we can remove destabilising characters from such countries, that is a good thing.

I fully endorse the sentiment that, where possible, people should be tried in their own country for crimes that they have committed. Occasionally, however—not very often, thank God—individuals such as Charles Taylor appear, and every such case must be treated on its merits. The fact that he was moved to The Hague was a very good thing, in my opinion. The hon. Member for Cotswold (Mr. Clifton-Brown) raised the issue of trials that take a very long time, and people in Sierra Leone ask why it has taken so long to bring those men to book. There is a simple answer. The hon. Member for Banbury (Tony Baldry) said that obligations under international law were not fully understood or even supported, and that difficulty is reflected in Charles Taylor's failure to appear in The Hague or acknowledge the court's legitimacy.

David Crane spent a number of years ensuring that all the proceedings entered into in Sierra Leone would stand the most rigorous test by any other court established to interrogate those operations. That took quite a bit of time, even before people collected evidence for the indictments. That group of men committed crimes the length and breadth of Sierra Leone. Some 80 per cent. of the population is illiterate, so collecting evidence from witnesses was difficult. It was difficult, too, to persuade them that it was safe to appear in court, so that procedure took an inordinate length of time. There was an obligation, too, to collect evidence when there were no witnesses left who were prepared to come to court but there was clear evidence that a significant atrocity had been committed. It was essential to link that atrocity to the individual perpetrators who stood accused of those crimes in the court. That explains the four years.

In addition, it has been implied that prosecution actions have been tardy, but each of those individuals has a right to an adequate defence. As the prosecution has built and disclosed its cases, the defence team have been successful in seeking adjournments while they prepare further defence for the people they represent. It would not have done justice to the individuals, to the crimes they have committed or to the people against whom those crimes have been committed if the proceedings had been expedited. More than 50,000 people were involved in the rebel army, but only 11 will stand trial, and they bear the greatest responsibility. I hope that that explains to the hon. Member for Cotswold why the cases have taken so long.

Mr. Clifton-Brown: Because of the hon. Lady's legal experience, the information she is providing is extremely useful. However, what if Judge Antonio Cassese is correct that the indictment and all the evidence have already been gathered in the Charles Taylor case? The trial started on 4 June this year. If the judge is correct that the actual trial will take more than two years, does the hon. Lady not think that that is too long?

Mrs. Curtis-Thomas: I might have been inclined to agree had I not attended some of the proceedings, which are tortuous in the extreme. There is a huge amount of legal argument before those involved settle to the substantive matters. Days can go by with the defence and the prosecution supporting or opposing a particular position before there is a chance to hear any contributions from any of the witnesses, or from the accused themselves. There are also other issues that take time to address, such as ensuring witness protection and witness arrangements. Two years is the longest period for any of the cases. Some have involved matters such as international law protocols. The proceedings in Sierra Leone have been conducted much more quickly than those of the other international courts, such as that for Rwanda. I suspect that that is a benefit of there having been a low international profile. If there had been more international interest, the proceedings might have taken considerably longer. The absence of such interest has allowed the proceedings to move forward swiftly.

It is immensely important for Sierra Leone that justice is done, and that it is seen to be done. Allocating this period of time will indicate to many people that the job has been done well, that if Charles Taylor is convicted he is well and truly convicted, and there is no chance of his returning to court on appeal because correct procedure has not been followed. Everybody wants that. I suspect that Charles Taylor wants to make sure that he has a fair trial, and everybody else does as well.

I am proud of what our country has done in intervening to bring this horrific war to an end and in stepping in with the money for the Special Court. David Crane went on bended knee all over the world searching for money and he could not get the money to establish that court, but we stepped in. I am also proud that we supported the application for Charles Taylor to be moved to The Hague, and that we are prepared to incarcerate him. I hope that we do so for life. I hope that there is never a question of him possibly being let out or being given asylum. Life is the only fitting sentence for a man who has committed the sorts of crimes that he has.

When I go to Sierra Leone people often ask me of Charles Taylor, "Where's he going, and what's it like?" I am able to describe Wakefield prison to them in detail. I am able to talk about the height and width of the walls, about the cell where he will be kept, and the visiting rights. They are enormously reassured that he will be put somewhere where he will be safely housed and where, crucially, they will be safe from him. I am immensely proud that we will have achieved that and have given those people what they deserve: justice and freedom from a terrible man.

2.55 pm

Mark Hunter (Cheadle) (LD): It is a privilege to follow the hon. Member for Crosby (Mrs. Curtis-Thomas), whose testimony was powerful. She spoke movingly, knowledgeably and with great sincerity.

The Liberal Democrats support the proposed change to the International Criminal Court Act 2001, and the commitment to human rights that it demonstrates. Without well-publicised enforcement of human rights laws and without an obvious determination to see that those who are alleged to have broken them are brought to justice, those laws will not deter future war criminals and human rights offenders. It is right that Britain should lead the way by sending a clear signal to the rest of the world that those alleged to have violated human rights will be tried and, if necessary, punished. By agreeing to imprison Charles Taylor, should he be convicted, we are doing just that.

Often, apparent support for human rights laws by major international players is not backed by their actions, and violations by so-called friends abroad are ignored because of the possible financial and political ramifications of calling them to account. I hope that this move by the Government illustrates a new willingness to engage wherever there are human rights abuses. I add my party's congratulations to those of Members who have spoken of the sterling and remarkable work of our troops in helping to end this conflict and bring peace and democracy to a region so devastated by the effects of a war that shocked the rest of the world.

Simon Hughes (North Southwark and Bermondsey) (LD): I am privileged to represent a borough that has the largest African community in the country, including many from Sierra Leone. May I associate those whom I know of them—whatever their politics in respect of Sierra Leone—with that commendation of the actions of the Government, our troops and this Bill? If everyone in the UK who comes from Sierra Leone sees justice being done with our support, that will not only be great for the future of Sierra Leone, but will greatly help the future relationships between this country, the west and Europe and Sierra Leone.

Mark Hunter: I thank my hon. Friend for that intervention. He makes his point in his usual excellent way.

None of us will forget the reports that have emerged of the mass murders, rapes, mutilations and amputations, and the involvement of child soldiers. By agreeing to imprison Charles Taylor, should he be found guilty, we are rightly finishing the job that we have started. I wish to make a few specific points about the Bill, and I have some questions for the Minister, but I want to make it clear that I have no criticism of the principle behind the Bill, which we fully support.

I am concerned about the impact of the decision to move the trial of Charles Taylor out of Sierra Leone to The Hague. There is still considerable disquiet among the people of Sierra Leone and members of the international community about the decision. That the victims of the war in Sierra Leone feel that they have ownership of the court is important to the process of recovery from the conflict. A Human Rights Watch paper published in June last year stated that

"there is a real risk that his trial will feel distant and less meaningful to the people most affected by the crimes."

I understand from the speech of the Foreign Office Minister Lord Triesman on Second Reading in the Lords that an outreach programme is in place. I invite

the Minister to expand a little today on what that programme involves. What actions does he understand are being taken to make this trial accessible to the people of Sierra Leone themselves? We need to ensure that the court is seen as legitimate and effective by the people of Sierra Leone, in order to allow the country to recover from the aftermath of this most dreadful war.

There is another issue on which I seek some clarification. Who precisely will make the decisions relating to an early release or a revision of the sentence, once the Special Court for Sierra Leone ceases to exist? On Second Reading in the Lords, Lord Triesman said that these decisions would be made by a designated successor body from within the international court system, but that the situation would be clarified later. Perhaps this is the right time for the Minister to confirm that that will be the case, and to expand on how he envisages the body will work, and who the likely members of it will be.

There is also concern about any possible claim that Charles Taylor might make after completing his sentence in a UK prison. In a statement, Lord Triesman said that the expectation is that Taylor would leave the UK on release or face removal, on the grounds that the refugee convention contains provisions to refuse asylum to those involved in genocide, crimes against humanity or war crimes. However, on 15 April, *The Sunday Telegraph* published sections from a leaked ministerial memorandum stating that Taylor might choose to remain in Britain after his release, claiming asylum, and that this

"might represent a danger to the public or a drain on public resources".

I realise that under current immigration law, it is of course open to the Home Secretary to order the deportation of any non-British citizen whose removal from the United Kingdom is deemed conducive to the public good, but can the Minister confirm today that if this situation arose, the Home Secretary would indeed be mindful not to grant asylum in those circumstances?

There have also been some criticisms of the way in which the court itself is being administered. On Second Reading in the Lords, my noble Friend Lord Avebury alluded to the report on the Special Court for Sierra Leone by Judge Antonio Cassese, to which the hon. Member for Cotswold (Mr. Clifton-Brown) has also referred. Of course, Judge Cassese was appointed by former UN Secretary-General Kofi Annan as an independent expert, with a mandate to review the efficiency of the Special Court. One issue that I want to press the Minister on today is the funding of the court itself. As I understand it, Judge Cassese is still concerned about the court's insecure financial situation because of its reliance on voluntary contributions. In his report, he states that the United Nations has already had to bail the SCSL out three times already, costing a total of nearly $50 million.

Tony Baldry: This is not a question of the UN having to bail out the court—it is a UN court. Her Majesty's Government and other Governments such as the United States have funded this court. The hon. Gentleman cannot come to this Chamber as a Front-Bench spokesman, having basically got his facts right, and simply recite a load of criticisms from people such as Lord Avebury. He really ought to do his prep better. It is the UN that should be funding the court, not us. We should not have to go cap in hand around the nations of the world getting penny numbers.

Mark Hunter: I thank the hon. Gentleman for his intervention. If he restrains himself for just a moment longer, he will discover that I was about to come on to the contribution that the British Government have made. I regret the fact that he seeks to create division in the House today, where I thought, to judge by the opening comments, there would be no significant division. *[Interruption.]* I stand by everything that I have said, and I will answer the hon. Gentleman, who is making comments from a sedentary position.

This lack of stable funding has made it difficult to provide a long-term plan, especially for ensuring that there are enough staff with the expertise needed to run the court effectively. The situation still needs to be addressed, despite protestations from the hon. Member for Banbury (Tony Baldry). I accept that this Government have recently pledged £2 million to the court, but can the Minister please give us an up-to-date account of the future funding situation?

Mrs. Curtis-Thomas: I rise to support the sentiment expressed by the hon. Member for Banbury (Tony Baldry). The reality is that this should be a UN-sponsored court, but the facts on the ground show that every prosecutor involved has to go cap in hand to countries such as ours, so that we can step in where the UN has failed to do so. The UN does deliver, eventually, but only part of what it promised and far too late. One cannot conduct the proceedings of a court on that basis. It is this country—and the US—that has provided the consistent funding needed to keep these trials going while the UN dithers. The role is the UN's, not ours, and we should take the argument to the UN and not bring it home here.

Mark Hunter: I thank the hon. Lady for her intervention. There is no fundamental disagreement between us. I have not said anything, implicitly or directly, to suggest that anybody other than the UN is responsible for the funding. Indeed, I have gone out of my way to acknowledge the contribution that the UK Government have made, but in the context of this debate, I am entitled to ask the Minister representing the Government for a current assessment of the future funding of this court. Frankly, I would be amazed if that were not a matter of some concern to Members in all parts of the House.

Judge Cassese's report also contained several recommendations on how to improve the smooth running of the court, one of which is the strengthening of judicial leadership. Following the problems, which have been alluded to, involving surveillance cameras being placed in consultation rooms when the defendant met his lawyers, in accordance with International Criminal Court rules, Judge Cassese says that there needs to be clear leadership from the judges directly involved on which rules apply—those of the International Criminal Court, or those of the Special Court for Sierra Leone.

The report also raises the issue of communication between staff in The Hague and Freetown, and between the Special Court and the ICC. These links do

[Mark Hunter]

indeed need to be strengthened if the court is to run effectively. Judge Cassese also said that the defence office needs to be reformed and properly funded to provide administrative, logistical and legal support for the defence team. That is particularly important, because the trial needs not only to be fair but to be seen to be fair if the court is to be a success. I should be interested to hear from the Minister today the opinion that the Government now have about Judge Cassese's recommendations. The Minister might also tell the House which of those recommendations are likely to be implemented, and how the process of implementation is progressing.

As I made clear at the beginning of my contribution, in our view this legislation is welcome, and I am pleased that the UK is involving itself fully in the process of working actively and publicly to enforce human rights law. As a nation with influence, we need to send a clear signal that we are ready, willing and able to bring alleged perpetrators of war crimes and crimes against humanity to justice. This Bill allows us to do just that.

3.8 pm

Tony Baldry (Banbury) (Con): Africa is blessed with an amazing range of natural resources; Africa is cursed by an amazing range of natural resources. Sierra Leone is blessed with an amazing range of natural resources; Sierra Leone is cursed by an amazing range of natural resources. Sierra Leone is blessed with the possession of diamonds; Sierra Leone is cursed by possessing diamonds—and it is diamonds that started the story that results in our being here in this Chamber on this June Wednesday afternoon debating this issue.

This was not an outbreak of spontaneous, longstanding barbarity. There was a rational mind behind the acts of barbarity that happened in Sierra Leone. People wanted to control diamonds and the wealth that comes from them. There is a story that has yet to be told about how diamonds from Sierra Leone came to fund, in part, the 9/11 atrocities perpetrated by al-Qaeda. When the US and other intelligence forces tried to identify where the money had come from, they found it difficult to do so. The reasonable inference that was eventually drawn was that much of the funding came from diamonds, which are very valuable and almost impossible to trace. It was the desire to control diamonds that caused Charles Taylor and others to provoke the West Side Boys, the Revolutionary United Front and others to commit the atrocities that they did in Sierra Leone.

The hon. Member for Crosby ((Mrs. Curtis-Thomas) spoke movingly of the effect and impact on the victims. People were asked whether they were left-handed or right-handed and, depending on the answer they gave, one or other arm was hacked off with a machete. I am glad to say that in the court it has been accepted, for the first time, that suborning children to perpetrate acts of barbarity is an international criminal offence.

There is another issue that needs to be cleared up if we are not to get confused about this issue. Left to themselves, the Sierra Leoneans probably did not want an international tribunal. Let it not be forgotten that Hinga Norman was seen by many in Freetown as a saviour of Freetown. He was on the Government side. Left to his own devices, President Kabbah would probably have followed the example of South Africa and had a truth and reconciliation commission. However, it was important for the international community to have closure on the issue and, not least, to bring Charles Taylor to trial and make the point that even heads of state are not immune from international law. Nor was the international community going to allow the natural resources of Africa to be plundered by terrorists and those wishing to perpetrate acts of terrorism throughout the world.

A compromise was achieved, and it is important that we understand that it was a compromise between President Kabbah, the Government of Sierra Leone and the international community, in which the somewhat curious hybrid body of the Special Court for Sierra Leone was established by treaty with the United Nations. President Kabbah was happy to do that and indeed he had himself had a distinguished career at the United Nations.

There may have been some confusion as to whether the courts are best conducted locally—in the country where the offences were committed—or at the ICC in The Hague. We have to decide whether we wish to promote the ICC or whether the trials should take place in the country where the offences took place. That happened with Rwanda and the former Yugoslavia, and we are about to take a decision about Lebanon. If we want to give credibility to the ICC, it needs all the support it can get. I suspect that there will be comparatively few circumstances in which we see a hybrid court, such as that for Sierra Leone; Cambodia is another example.

I did not mean to be as testy as I was with the hon. Member for Cheadle (Mark Hunter) and I am sorry if I sounded uncharacteristically bad-tempered. It is rare for me to support Government Front Benchers, but on this occasion I wish to support the Foreign Office, because it and the Prime Minister have been extraordinarily good on this issue. The Special Court was established under the auspices of the UN, but it did little to fund it. The costs included setting up the court, running the prison and the funding for the prosecution and defence, as well as the funds needed for the staff who went out into the bush investigating, interrogating and taking witness statements, often with translation required. Those were not inconsiderable and, as the hon. Member for Crosby made clear, Professor David Crane and Desmond da Silva QC—now Sir Desmond—had to spend much time going to Washington to say that they were running out of money. That is not a criticism of the Government and the Foreign Office, but one cannot run international courts on that basis. It seemed somewhat cack-handed of the Secretary-General of the UN to send his own person to investigate a court and for that person to return to say that the court needed more money. The Secretary-General should know that, and should ask other members of the Security Council to put their hands in their pockets to support the court if they believe in international law and order. Otherwise, whenever we come to a similar situation, we will react in the same ad hoc fashion. We cannot have a system of international law that operates like that.

The trials take so long because the system is ad hoc. Every time a tribunal is set up, the first six months to a year is taken up with the court justifying its jurisdiction. Every jurisdictional point possible is made by the defence to try to prove that the court has no authority to hear the case. We must put a system of international law in place that is respected, well funded and certain. It is possible, in the fullness of time, that the ICC will arraign before it people from Sudan in relation to Darfur. It would be ludicrous to spend the first two years of any such hearings arguing about the jurisdiction of the court. It would be crazy if in every prosecution at the Old Bailey days were spent on arguing whether the judges there had the right to hear cases. We have to move on. I direct those comments not at those on the Treasury Bench, but at the whole international community. It is in the interests of that international community that evil men do not seek to control resources in Africa and use the funds from those resources for acts of evil.

This issue is unfinished business for all of us. When the Prime Minister reported back from the G8 summit on Monday, he said:

"In addition, the G8 committed itself to identifying, agreeing and supporting lasting solutions to the financing of peacekeeping missions in Africa."—[*Official Report*, 11 June 2007; Vol. 461, c. 515.]

As I have said, I think that what the UK Government did in Sierra Leone was brilliant and the high commissioner at the time, Peter Penfold, and others deserve much credit. However, it was a unilateral decision by the UK, which is one of the very few countries in the world that has the lift capacity and the professionalism to put people in to undertake such an operation. The international community as a whole will have to work out how it will finance and operate peacekeeping missions. I am sure that everyone has been following the tragedy of Darfur, but there has been an African Union mission and a UN mission, and we now have a hybrid mission. We have been trying to find a structure that works, but we need to have one in place before a tragedy happens, and not after.

Lastly, I endorse what the Secretary of State for International Development said at the end of our Darfur debate last week. It was a very powerful speech, and we all ought to endorse it. He asked:

"When are we going to live up to the fine and inspiring words of the UN declaration of human rights?"—[*Official Report*, 5 June 2007; Vol. 461,c. 228.]

He went on to quote from the declaration, which states:

'Whereas disregard and contempt for human rights have resulted in barbarous acts which have outraged the conscience of mankind, and the advent of a world in which human beings shall enjoy freedom of speech and belief and freedom from fear and want has been proclaimed as the highest aspiration of the common people... Everyone has the right to life, liberty and security of person."

The poorest countries of the world, including Sierra Leone, have the right to life, liberty and security of person. The message that the Special Court sends out is that those most responsible for crimes against humanity will be brought to book, prosecuted and sentenced.

My final observation is that I entirely agree with the hon. Member for Crosby. People who are found guilty of crimes against humanity of this kind should be sentenced to life, and that should mean that they remain in prison for the rest of their lives.

3.21 pm

Simon Hughes (North Southwark and Bermondsey) (LD): First, I apologise to the Minister and his opposite number for not being present to hear all of their speeches. I watched some of the debate as I was carrying out other duties in the House, but I wanted to contribute a few words in support of my hon. Friend the Member for Cheadle (Mark Hunter) and other colleagues.

At probably every weekly surgery over the past 10 years I have had to deal with the problems suffered by people originally from Sierra Leone. They still come, even now—either people whom I have never met before or those whose cases I have been dealing with. Their family histories contain the same story that other speakers have set out. Asked if their parents are alive, they say no, they were killed in the civil war, and the same is very often true of their brothers and sisters. Some of the stories are even worse, involving rapes, attacks, and the brutal removal of limbs as a matter of course. People who did not immediately agree with the war had their arms or legs hacked off by machete, so even if I had not followed the story as a Member of Parliament, I would have had no choice but to take a concerned interest in what was going on in Sierra Leone.

I visited Sierra Leone a few years ago, and hope to go back again later this year. On my visit, I learned that of all the countries that I have been to, Sierra Leone is the one that feels itself most close to Britain. It has a love for and a commitment to Britain, so it is absolutely right that our Government, fuelled by the conviction of the Prime Minister, decided to intervene when things were at their terrible worst. The sense of rescue when British troops arrived engendered a huge amount of joy and encouragement in the people of Sierra Leone, and across the country as a whole, regardless of party affiliation or region.

The decision to go in was right, as was the decision to continue our specific interests. Also, Britain was right to decide to help bring about the end of the civil war, and to support the initiative of the democratically elected President of Sierra Leone to hold an international tribunal. I have long considered that international law is no good if it is used only to resolve public disputes about boundaries, or sea lanes between continents, and so on. International law must also deal with international criminal activity, so I and my party have believed for many years that the ICC is a fundamental element of the post-war new order. As the hon. Member for Banbury (Tony Baldry) reminded us, it gives the world an opportunity to implement the principles of the UN. It is no good telling people that we stand for their liberty if no mechanism exists for dealing with leaders of countries who do not recognise the liberty of others.

It is obvious that President Taylor and others crossed Sierra Leone's border with Liberia because of diamonds. The appropriateness of borders left as a colonial legacy is still a cause for argument in Africa, but there is no doubt that the people of Sierra Leone

[Simon Hughes]

were not able to defend their country's border with Liberia. As a result, there was an open invitation for people to cross the border to pillage and rape the country of its wealth, and that is what they did. Going into another country without permission, authority or endorsement and supporting civil opposition to the elected Government is an international crime that deserves to be punished. The arrest of Charles Taylor is entirely justified, as is the fact that he is now facing trial.

We can have a debate about where that trial should be held, as the hon. Member for Banbury noted. He reminded us that that problem will always remain unresolved. Logic suggests that any trial should be held in an international centre that has the organisation, equipment and services to handle it. However, a trial is no good if it is not backed up by the resources needed to sustain it, and that is a principal responsibility of the UN. That holds true even in cases such as this, which are, as it were, a specially arranged adjunct to the process of international law by treaty agreement, as opposed to a straightforward implementation of the ICC.

I have three other points to make. Sierra Leone is a peace-loving country, and its people are very gentle but, as the hon. Member for Crosby (Mrs. Curtis-Thomas) reminded us, it is still bottom but one in the world's poverty league table. A foreign leader intervened to terrible effect in its affairs, and the Sierra Leonean community, both at home and abroad, wants the matter to be seen through to a conclusion. That must happen so that well-meaning and community-minded citizens of Sierra Leone around the world can believe that their still extremely fragile democracy will be safe.

The process of this year's general election in Sierra Leone will be no easier than the previous election. President Kabbah is not standing again, so there will be a new president. Some families have a dynastic interest, as is to be expected, but I am really encouraged by the fact that the Liberal Democrat group on my borough council contains two Sierra Leoneans who support different parties in their home country. That shows that there will be a democratic election in a country which both had to leave because of the tyranny there. That is a real sign of hope and an encouragement of democracy and the things that go with it.

I want to add to the support for the change proposed in the Bill by making a plea to the Foreign and Commonwealth Office and other Departments that they continue to support effectively organisations such as the Westminster Foundation for Democracy, so that the delicate democracies of countries such as Sierra Leone can continue to be supported and are never again put at risk by any intervening external power.

I pay tribute in passing to Peter Penfold, an extremely eminent former high commissioner to Sierra Leone, who has continued his much appreciated interest in the country. In my borough, we have Derek Partridge—another much appreciated former high commissioner to Sierra Leone—who, like all our senior diplomats there, did a fantastic job in supporting the local community.

I was reminded of the first of my final two points when I went the other day to a Sierra Leone fellowship event at the now full Methodist church in Bermondsey. Why is it full? It is because the congregation, which was relatively depleted 10 or 15 years ago, has huge numbers of west Africans, who are now in this country and replenishing our churches and many of our mosques. They are hugely committed to citizenship and participation. If people ever want role models of family life, community participation and engagement, they should look at the Sierra Leonean community both at home and here. However, in that support for Sierra Leone, the prayers for the country and the celebration of its beautiful country and prospects, there was the continuing wish and prayer that there should be continuing support beyond the trial and whatever happens to Charles Taylor.

The commitment that we made was not one that should finish even at the end of the criminal process. It is great that there is that process—it is right—but it is not the end. That is not a plea for never-ending funds from the United Kingdom, although it is a plea for continuing support. It is a plea that the Commonwealth do its bit, that the neighbouring richer states in west Africa do their bit and that we continue to ensure that that country can put that terrible conclusion behind it.

Mrs. Curtis-Thomas: I do not know whether the hon. Gentleman is aware that UN force representatives—the international military advisory and training team, or IMATT forces—have agreed and have support to remain in the country until 2015, to address the very concerns that he has expressed and to send a very loud signal to individuals in the surrounding countryside that the country is safe and protected.

Simon Hughes: I do know that, and that is a very strong message of, "We will recognise your independence and support it, but we will continue to be an ally, a supporter and a practical aid in all sorts of ways for as long as you need and want it." My judgment is that the country will continue to want it for a long time.

My last point is that the Bill is about a change that will allow us in this country to take another bit of international responsibility by imprisoning Charles Taylor if he is convicted. That is absolutely right and it is a very welcome initiative, but I take the view that, for people who are convicted of the sort of crimes that are on the indictment, there can be no conclusion other than that they serve their natural life in prison. No other message is acceptable. Heads of State, whether they get there by democratic election or by other means—in this case, other means were used—have a higher responsibility than anyone else to set a good example. Therefore, if they are responsible indirectly for the death, injury and rape of so many people by those under their control, they must pay the price.

In a world where capital punishment is not generally regarded as an acceptable price to pay any more, the sentence should be life imprisonment, which means life imprisonment. Then, bluntly, the difficult question of asylum and what happens on release does not arise. That has a cost implication for the United Kingdom, as set out in the papers connected with the Bill, but if that is the price that we must pay, not just as our contribution to Sierra Leone but to send the message to the international community that the international rule of law will be followed by heads of state and that they will pay the price if they do not follow it, it is a price that I hope every taxpayer will think is worth paying.

3.33 pm

Dr. Howells: With the leave of the House, I should very much like to thank all those hon. Members who have taken part in Second Reading. We have been privileged to have heard from my hon. Friend the Member for Crosby (Mrs. Curtis-Thomas) and the hon. Members for Banbury (Tony Baldry) and for North Southwark and Bermondsey (Simon Hughes) testimonies and analyses that are formed only from great and committed experience and sustained interest, and we are the richer for that.

I welcome the strong support expressed for the substance of the Bill and, more importantly, for the commitment both to international justice and Sierra Leone that the Bill represents. I shall try my best to address the points that hon. Members have made.

The hon. Member for Cotswold (Mr. Clifton-Brown), whose contribution I welcome very much, asked how much this would cost. That point was also raised by the hon. Member for North Southwark and Bermondsey. I can confirm that if Taylor were convicted by the Special Court and imprisoned in the United Kingdom, the annual cost to the Prison Service would be the same as the annual cost of holding one prisoner in the high security estate, which in 2005-06 was £43,904. If this individual is imprisoned in Britain and held for a very long time—for his lifetime—the bill will be large, but I agree with the hon. Member for North Southwark and Bermondsey that it is a price worth paying.

We would meet the cost—the hon. Member for Cotswold asked a question about this—because that is in line with established policy for commitments arising from sentence enforcement agreements with international criminal tribunals. It is preferable for the United Kingdom to meet the costs associated with prisoners inside the United Kingdom system—they are under our control—rather than agreeing to take on a more general, and possibly greater, financial commitment to contribute to the costs of those imprisoned in other states who are not under our control. The cost would be borne by the Home Office; the Foreign Office does not possess such sums. Of course, I cannot speculate about the conviction—nor would the hon. Gentleman want me to—or the length of the sentence. That is strictly a matter for the court.

The hon. Member for Cotswold and the hon. Member for Cheadle (Mark Hunter) asked about the funding of the defence costs. Clearly, it is for the court to decide how to allocate its resources. The hon. Member for Cheadle mentioned that the United Kingdom has already allocated £2 million to the court and the court will have to decide how to allocate that. I want to relate these points to the important observation made by the hon. Member for Banbury. I will come to that a little later, when I talk about where the money should come from. It is an important matter.

I fully expect former President Taylor to receive a fair trial. The Special Court for Sierra Leone has been established in accordance with international norms as they relate to all aspects of trial proceedings. I know that Lord Avebury expressed some reservations, but I do not think that they were about whether Taylor would get a fair trial. When Lord Avebury spoke in another place, he was worried about the remoteness of the trial. The hon. Member for Cotswold asked about complaints from Taylor and his defence team about inadequate resources. This may sound brutal, but I am merely reflecting what the hon. Member for Banbury said: the funding for Taylor's defence is a matter for Taylor, his lawyers and the court. It is of course essential that the defence is adequately resourced to ensure that Taylor is well represented and that the trial is fair and seen to be fair. Ultimately, those are decisions for the court. The United Kingdom is absolutely committed to ensuring that overall the court has the resources to carry out its vital work in accordance with accepted international norms.

As I have said, I cannot predict with any accuracy how long the trial will last and therefore what the ultimate cost will be. That depends on the approach adopted by the prosecution, by Taylor's defence and by the judges. I understand that, for planning purposes, the court's completion strategy has projected that the trial of the former President could last 18 months.

The hon. Member for Cotswold and the hon. Member for Cheadle asked an important question about asylum applications subsequent to any release of former President Taylor. Clearly any decision would be made in the light of the circumstances at the time, but if Taylor were convicted by the Special Court, served a sentence in the United Kingdom and was then released, I expect that he would leave the United Kingdom or face removal. Under current immigration law it is open to the Home Secretary to order the deportation of any non-British citizen whose removal from the United Kingdom is deemed to be conducive to the public good. Any asylum claim would be considered in accordance with the refugee convention, which contains provisions to refuse asylum to those involved in genocide, crimes against humanity or war crimes.

I want to clarify the position. The hon. Member for Cotswold is on to something. Where a convicted criminal is transferred to the UK to serve a sentence, it is Home Office policy to refuse that individual leave to enter, but to grant temporary admission for the duration of the sentence. That ensures that residency rights and benefits do not accrue to the individual as a result of imprisonment in the UK. That point needs making.

My hon. Friend the Member for Crosby gave us, as has been acknowledged throughout the House, a valuable and vivid account of the hell that was Freetown and Waterloo in Sierra Leone. Her contribution made us feel more determined than ever, as the hon. Member for Banbury put it, to send out a clear, unambiguous message that there will be no impunity and no escape for those dreadful war criminals. She also gave us a description of the Special Court for Sierra Leone and its limited facilities which I found invaluable in assessing the wisdom or otherwise of holding a trial of someone as central as Charles Taylor has been to the appalling atrocities that we heard about.

My hon. Friend reminded us not only of the vileness of the crimes that were committed, but of the danger that Taylor continues to present to the people of Sierra Leone, Liberia and that part of Africa, and of the vulnerability of the facilities in that area. We could not have got that from anyone else, and I am extremely grateful to my hon. Friend for telling us about it.

[Dr. Howells]

My hon. Friend asked me where Taylor should be held. She can try to second-guess, but I will not. We must not get ahead of ourselves. There is a presumption of innocence. The trial has yet to be held. Conditions and location of detention will be purely hypothetical until we need to make those decisions. We will not speculate on that until the decisions are made.

The hon. Member for Cheadle asked about the Cassese report. I remind him that Judge Cassese came in at our instigation and our representation. The UK was represented on the court's management team in New York that commissioned the report by Judge Cassese, the independent expert. We welcome the report and its recommendations. The management committee is supervising the implementation of the recommendations in consultation with the court. As the hon. Member for Banbury made clear, the report rightly draws attention to the need for long-term financial security for the court. The recent United Kingdom contribution of £2 million is another step forward. We are pressing management committee partners and other states to make further contributions. I remind the hon. Gentleman that the present management committee partners include, but not exclusively, the United States, the United Kingdom, the Dutch, Canada, Sierra Leone, Nigeria and the United Nations Office of Legal Affairs. We are pressing hard to ensure that adequate funding comes forward.

I was asked by a number of Members about what happens when the Special Court winds up. In the event that the court has ceased to exist in its current form owing to the completion of its trial load, judicial responsibility will pass to a designated successor body. Discussion has already taken place about an international successor body to take on the residual functions of the Yugoslavia, Rwanda and Sierra Leone tribunals once their work is mostly complete. I shall come back to that to deal specifically with what the hon. Member for Banbury called the problem of ad hocery. That is very difficult for a Welshman to say.

I was asked by the hon. Member for Cheadle whether the trial would be too remote from ordinary Sierra Leoneans. We thought long and hard about that. It is essential that, despite the physical distance, the Special Court's proceedings in The Hague are accessible and relevant to the people of Sierra Leone. After all, it is in their name that justice is being done.

Mrs. Curtis-Thomas: As a matter of interest, I am sure that my hon. Friend would like to know that the proceedings in the Special Court are downloaded on to the web every day. There are cafés throughout Freetown and the rest of the country where people can go to see what is happening.

Dr. Howells: That saves me reading out a paragraph of my briefing. It is an important point.

I am sure that the hon. Member for North Southwark and Bermondsey will welcome the fact that the Special Court has an outreach and education programme, which is recognised as a model from which other international criminal tribunals can learn. As well as our support for the court's outreach programme, the United Kingdom is contributing £160,000 to a major BBC World Service Trust project that feeds the outlets to which my hon. Friend the Member for Crosby has referred, and that develops, deploys and supports a team of six Liberians and Sierra Leonean journalists to cover the court proceedings from The Hague. I know that hon. Members will welcome that.

I pay tribute to the hon. Member for Banbury for mentioning the curse of the diamond trade. He knows this, but Sierra Leone has been working hard to achieve Kimberley process certification. It remains a fragile region and the UK is working hard with Sierra Leone to ensure that progress is maintained, including in preventing conflict diamonds from entering Sierra Leone from Côte d'Ivoire.

As I said, the hon. Gentleman drew our attention to the curse of ad hocery. He is right that we have to get the structure and system of international law properly organised and funded. The international community must tackle that project with much greater urgency and determination than it has shown until now. You would not, Madam Deputy Speaker, allow me to stray from the content of the Bill, but that should be one of the centrepieces of the reform of the secretariat and of the operation of the United Nations. The lack of reform has been nothing less than a scandal. So often one wonders why countries that seem to be the ones that would benefit most from that reform are those which oppose it. I think that it has everything to do with corruption and with the disgraceful behaviour that we have seen in the past from the leaders of those countries.

The United Kingdom Government, with the support of the House, have argued long and hard for much greater reform of the United Nations, of its secretariat and indeed of the priority that it gives to such issues. As the hon. Member for North Southwark and Bermondsey said, international law is much the poorer if it does not have a chapter that is effective, robust and able to try international criminals—not in an ad hoc way but in an organised way. I could not agree more. I have heard the message of the hon. Member for Banbury and I will try my best to ensure that the United Nations secretariat hears it, too.

Simon Hughes: I completely agree with the Minister's strong statements about the need for the United Nations to put a proper permanent structure in place. Not just countries such as Sierra Leone, but Liberia, which has had a fantastic transformation and has elected the first African woman President, need the security of knowing that, if anyone tried to take them back to a military regime and a system with no democracy, there would be somewhere where they would have to pay the price.

Dr. Howells: Absolutely; that is an important point. In fact, the hon. Gentleman mentioned, as did my hon. Friend the Member for Crosby, the hope that Sierra Leone's neighbours would help with the vital tasks of building capacity in governance. That is very important.

If the forthcoming elections in July do not succeed, Sierra Leone faces great problems. We view credible elections as crucial in consolidating post-conflict peace and stability. The United Kingdom has committed £4 million to the UN Development Programme fund, which finances the national election commission. In addition, the UK is implementing a £2.5 million

programme of electoral support that will, among other things, strengthen the capacity of national and local media to cover the elections. That is very important, too. We are supporting election monitoring, which must be in place for those elections.

I cannot comment on the plea by the hon. Members for North Southwark and Bermondsey and for Banbury that a life sentence should mean a life sentence. We cannot get ahead of ourselves. This must be seen to be a proper and fair trial, and it is up to the court to make those decisions. I know what my own preferences are, but I will not air them here.

As we have heard from Members on both sides of the House, it is not sufficient for us to speak of our support for international justice—we must act in support of it. That is what the Bill does, and I strongly commend it to the House.

Question put and agreed to.

Bill accordingly read a Second time.

Bill immediately considered in Committee, pursuant to Order [this day].

[SYLVIA HEAL *in the Chair*]

Clause 1

THE SPECIAL COURT FOR SIERRA LEONE

Question proposed, That the clause stand part of the Bill.

3.52 pm

Dr. Howells: Clause 1 inserts a new section into the International Criminal Court Act 2001 to confer a power to make provision by Order in Council in relation to the Special Court for Sierra Leone. The provision that may be made corresponds to that made in section 77(3) of the 2001 Act, which relates to the enforcement of sentences of imprisonment. The power in the clause will extend only to England and Wales. That is not because of any reluctance on the part of the Scottish Administration, but because we do not judge it necessary. Because it will extend only to England and Wales, and because some of the provisions of the 2001 Act mentioned in section 77(3) extend to other parts of the UK, it is made clear that an order can only make provisions corresponding to the 2001 Act provisions in so far as they apply to England and Wales. Clause 2 specifies that the Bill extends to England and Wales only.

Mr. Clifton-Brown: As we are dealing with a hypothetical situation involving an Order in Council, it is right to ask one or two questions about what it might contain. What costs will be involved in the provisions? The Minister mentioned enforcement costs. Will those relate strictly to the costs of imprisonment in this country, or will there be any connected costs in relation to legal representations—for example, if an appeal were mounted when the person was imprisoned? On Second Reading, I asked the Minister to comment on what powers the Special Court would have and on what matters the UK would decide. Can he confirm that the sentence may be varied only by the properly constituted Special Court or its successor? Will that also cover such matters as early release? What will be the handover arrangements from the Special Court? What sort of prison is the prisoner likely to be held in, if convicted? That is another matter that will have to be handled in the Order in Council. What arrangements would be made in an emergency medical situation? Those few questions are all that I have at this stage.

Dr. Howells: The Government do not envisage any extra costs arising. The issues that the hon. Gentleman raised are matters for the Special Court for Sierra Leone, which sits in The Hague, not for the British Government.

The prisoner would be held in part of the high-security estate of the English and Welsh prison system. The hon. Gentleman asked about the transfer of prisoners. That would be done in the normal way. He knows about the normal procedure: in general, experienced prison officers would go to the airport where the transfer of prisoners took place. In the case that we are considering, the airport would probably be Schiphol. They would proceed in the normal way to take charge of the prisoner and take him on to the aircraft that would return him to the United Kingdom. That happens every week—or rather, I assume that it happens every week; it certainly happens often. I do not envisage any problem with that.

The hon. Gentleman also asked about delegated power, which is important, but I shall try to tackle it briefly. The Bill provides for a delegated power because its exercise will depend on the successful conclusion of a sentence enforcement agreement with the Special Court. We have no proposal for an Order in Council until such an agreement has been reached. No particular difficulty with the agreement is envisaged, but the Government do not propose to conclude it until Parliament has granted the necessary powers. Orders in Council will be laid before Parliament after being made. That follows the precedent under the United Nations Act 1946. I hope that I have answered the hon. Gentleman's questions.

Mr. Clifton-Brown: May I say to the Minister, "Almost"? He has not quite clarified what matters the UK authorities will decide, what the court will determine and what the special imprisonment enforcement agreement will cover. On early release, downgrading prison security to low security, emergency medical treatment and conditions for release at the end of the sentence, which matters will be for the UK authorities to decide and which will be for the Special Court? Will a Special Court have to be convened every time a significant event occurs in the sentence? How will the mechanism work?

Dr. Howells: I am sorry that I did not answer all the questions—I could not write fast enough.

The Special Court or its successor body will have to make any decisions on early release. There will be no financial cost to this country as a consequence of those decisions other than the cost of keeping Charles Taylor in prison if he is found guilty and if the court decides that he will be imprisoned in this country. If the Special Court convicted Charles Taylor and he was imprisoned in the UK, there would be no role for the UK courts. That is important. Under sentence enforcement agreements with international criminal tribunals, the role of the imprisoning state is simply to implement the sentence imposed by the tribunal, which retains responsibility for all decisions about appeal, revision or reduction.

[Dr. Howells]

The hon. Gentleman asked what would happen if the Special Court were wound up. Let us consider the event of the court ceasing to exist in its current form. As I tried to explain earlier, for the completion of its current trial load, judicial responsibility will pass to a designated successor body. Discussion is already taking place on the form that it should take. He also asked about what would happen if something happened to the prisoner while he was in prison—illness, for example. I have been reliably informed that he would be dealt with in the same way as any other high-security prisoner. Indeed, he would be dealt with just like any other high-security prisoner in every respect. I hope that that satisfies the hon. Gentleman.

4 pm

Mr. Clifton-Brown: I have just one more question for the Minister, because it is important to get these matters on the record. If a high-security prisoner were imprisoned in one of Her Majesty's prisons in this country, the prison governor would be able to decide on a number of minor procedures—for example, curtailment of visitor rights for non-co-operative behaviour. Will the Minister confirm that the same regime would apply to Charles Taylor?

Dr. Howells: Yes, if Taylor were convicted by the Special Court and imprisoned in the UK, I can confirm that that would apply. Should his family wish to visit him here, for example, they could apply for leave to enter as visitors in accordance with normal immigration procedures. The day-to-day administration of the prison and the prisoner would have to be in the hands of the governor. He would act within the rules and norms laid down for the Prison Service, which would have been made clear to the Special Court for Sierra Leone prior to the trial—and indeed if questions were asked during the course of the trial—providing absolute transparency on the conditions under which Charles Taylor would be held if he were convicted and sent to a British prison.

Question put and agreed to.

Clause 1 ordered to stand part of the Bill.

Clause 2 ordered to stand part of the Bill.

Bill reported, without amendment.

Bill read the Third time, and passed.

EUROPEAN UNION DOCUMENTS

Motion made, and Question put forthwith, pursuant to Standing Order No. 119(9) (European Standing Committees).

SIMPLIFICATION OF LEGISLATION ON TRANSPORT RATES AND FOOD HYGIENE

That this House takes note of European Union Document No. 7371/07 and Addenda 1 to 4, Draft Regulation amending Regulation No. 11 concerning the abolition of discrimination in transport rates and conditions in implementation of Article 79(3) of the Treaty establishing the European Economic Community and Regulation (EC) No. 852/2004 of the European Parliament and the Council on the hygiene of foodstuffs; and supports the Government's view that attempts to reduce administrative burdens on food businesses are to be welcomed, but should not compromise public health protection.—*[Mr. Cawsey.]*

Question agreed to.

PETITION

Prescriptions for Students

4.3 pm

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op): I have with me a petition signed by students from the university of Plymouth students union, including Mr. Darren P Jones, Mr. James Redfearn, Miss Kathryn Rason and Miss Katie Shaw.

The petition:

Declares that, Students in Scotland and Wales do not pay any money towards prescriptions. Currently students in England are entitled to a reduced rate, depending on their financial circumstances; however, a fee must still be paid.

The Petitioners therefore request that the House of Commons urges the Chancellor of the Exchequer to abolish prescription fees for students in England and acknowledge that universal free prescriptions would be less expensive than the system of means testing that currently exists.

And the Petitioners remain, etc.

To lie upon the Table.

EU Migrants (Peterborough and Cambridgeshire)

Motion made, and Question proposed, That this House do now adjourn.—*[Steve McCabe.]*

4.4 pm

Mr. Stewart Jackson (Peterborough) (Con): I am grateful for the opportunity to raise an issue of major importance to my constituency and surrounding areas. I am delighted to see on the Treasury Bench the Under-Secretary of State for the Home Department, the hon. Member for Enfield, North (Joan Ryan). We got on well during the proceedings on the UK Borders Bill a few months ago and I hope that we have a fruitful debate today. I am also delighted that my hon. Friends the Members for North-East Cambridgeshire (Mr. Moss) and for North-West Cambridgeshire (Mr. Vara) have been able to join me for the debate today.

The Minister might be aware that I was lucky enough to secure an Adjournment debate in July last year on community cohesion in Cambridgeshire. It was a similar debate to this one, although not exactly the same. I hope that this debate will focus on how a national policy has been implemented without thought for the consequences for a small number of communities, in terms of the delivery of public services, adequate financial provision, local governance and the impact on community cohesion. I want to talk briefly about the policy of unprecedented large-scale migration from within the European Union, especially in the context of the lack of reliable data on which to base funding decisions, and of the impact on Peterborough. I will make several key suggestions, to which I hope that the Minister will give due consideration.

It is vital to revisit the larger political issues arising from the Government's decision to allow unrestricted migration into the United Kingdom from the eight accession countries to the European Union in May 2004. I want to make a few general observations on that. One is that, in future, we should avoid a situation in which we know so little about the people entering the United Kingdom that we fail to predict their likely numbers with any degree of accuracy. In this case, we were out by a factor of about 50. We were therefore unable to amend public policy accordingly.

It is self-evident that when a wealthy country such as the United Kingdom opens its borders to countries whose income per head is hugely lower than ours—Latvia, for example, has an income per head 40 per cent. lower than the UK average—large-scale migration will result. How did the Government fail to see that that would happen, given the obligation under the EU free movement directive for countries such as the UK to provide benefits to migrants that would exceed the real level of wages in their own country?

It bears repeating that the Government's estimate of the likely level of migration at the time, which was reiterated by the Prime Minister, was between 13,000 and 15,000. That estimate has been dwarfed by the actual numbers. According to figures released in July last year, 427,000 migrants from EU member states have registered to work here since May 2004, and most reliable estimates put the figure at between 600,000 and 700,000.

Mr. Shailesh Vara (North-West Cambridgeshire) (Con): Will my hon. Friend give way?

Mr. Jackson: I would be delighted to give way to my neighbour.

Mr. Vara: I am grateful to my neighbour for giving way. Does he agree that we are simply talking about figures that the Government are aware of, and that most commentators agree that a large number of people are not in the estimate system? The actual figures are therefore much larger.

Mr. Jackson: My hon. Friend makes a characteristically succinct and important point. I will discuss the demonstrable flaws in the workers registration scheme in a moment, particularly in respect of dependent adults and dependent children of EU migrants, and the impact of that on the delivery of public services in Peterborough and beyond. I thank my hon. Friend for his helpful intervention.

In the eastern region, the most recent figures obtained via the workers registration scheme to March 2007 put the number of migrant workers there at 68,020. The eastern region has received the third largest number of EU migrants after the south-east and London. Peterborough officially has the highest figures, recorded at 7,915, representing one in eight of the total for the whole eastern region, which comprises Hertfordshire, Essex, Bedfordshire, Norfolk, Suffolk and Cambridgeshire. The figure is higher than that for migrant hot spots such as Luton, which has received 6,980 migrant workers, or for places such as Fenland, King's Lynn and Breckland. I shall say more on the specific issues relating to Peterborough later.

The East of England Development Agency's report "Migrant Workers in the East of England" estimates that between 50,000 and 80,000 migrant workers are currently resident. In the eastern region, 20,743 new national insurance numbers were issued in 2005, 27,827 in 2006, and 3,276 in the first quarter of 2007. In Peterborough, 3,320 new national insurance numbers were issued in 2005, and 5,080 in 2006—more than 8,000 in just two years, in a small city that, according to the 2001 population census, has only 156,000 citizens.

It is clear, however, that we simply do not know how many migrant workers are in the United Kingdom. The Government's worker registration scheme is seriously flawed. It fails to monitor the total number of people in the country or the number of migrants claiming benefits. It fails to capture details of those who are self-employed, those who are posted workers or the number of dependants and non-workers who have migrated to the United Kingdom.

The Chairman of the Home Affairs Committee, the right hon. Member for Southampton, Itchen (Mr. Denham), said last August:

"The number of people at the local level is often estimated at between two or three times the number the Government thinks are on the Worker Registration Scheme".

[Mr. Stewart Jackson]

Figures from the Office for National Statistics international passenger survey show that more than 4.5 million citizens from the A8 countries—the accession countries—have visited the United Kingdom since May 2004, compared with just 1.4 million in the two years between 2002 and 2004. That figure seems incompatible even with the estimate of 700,000 new EU migrants in the UK to date.

I will now turn to the issue of benefits. In February 2004, the then Home Secretary, the right hon. Member for Sheffield, Brightside (Mr. Blunkett) promised:

"we will require accession nationals to be able to support themselves. If they are unable to do so, they will lose any right of residence and will have to return to their own country."—[*Official Report*, 23 February 2004; Vol. 418, c. 24.]

In practice, that is simply not the case. If we compare benefit claims by EU migrants in the United Kingdom in a random period since May 2004—for example, the second quarter of 2005 to the second quarter of 2006—we find that tax credit claims have risen from 1,781 to more than 14,000, child benefit claims from 5,021 to 27,280, and income-based jobseeker's allowance claims from 35 to 564. That is historical data, and the figures are liable to be higher still this year. Overall, the number of successful benefit claims during that period increased from 6,853 to 42,057.

The worker registration scheme does limit migrants' access to welfare, but not for all benefits, and only for one year. The debate is not primarily about EU directives or welfare benefits. There is a strong case to be made, however, for the Government to revisit or even amend the 2004 free movement directive, as it applies to the United Kingdom. The Government maintain that they have an appropriately robust policy and a special quota scheme for agricultural workers from January this year, with respect to Romanian and Bulgarian economic migrants. In practice, that claim is dubious. There are no border checks, the individuals only have to show an up-to-date ID card, and they are entitled to stay as "visitors" for up to three months. There is little, however, to prevent them from disappearing into the twilight world of the black economy, of unscrupulous landlords and of gangmasters.

Many commentators cite, with platitudinous generalities, the contribution that European Union migrants make to the United Kingdom economy. It is possible that they make a positive net contribution by making up for skills shortages and filling the Treasury coffers with taxes, but the evidence is far from clear; it is patchy and inconclusive.

The Ernst and Young ITEM Club report, which is often quoted by Ministers, is fundamentally flawed in that it fails to take into account the fiscal impact of contingent family dependants of EU migrants. Between May 2004 and August 2006, no fewer than 36,235 dependants of EU8 migrants were registered under the auspices of the Accession Monitoring Report. Moreover, Lord Turner's Pensions Commission has already rejected as spurious the argument that the new work force will somehow assist in "easing the pensions burden". Where the ITEM Club and Lord Turner agree is on the impact that EU migrants can have in the localised Labour market—

"the downward pressure the new workers exert on real wages".

I shall return to that later, with particular reference to my constituency.

It is a moot point whether the new work force do make a positive as opposed to a negative financial contribution to the economy. According to the Access Monitoring Report, 78 per cent. of registered workers earn between £4.50 and £5.99 per hour. That gives annual earnings of £11,800. In 2005, the average earnings of the employed working population overall were £22,000. Thus the earnings of A8 migrant workers were just over half those of the United Kingdom employed population as a whole. Measured by earnings per worker, the productivity of the A8 workers is therefore extremely low. However, they support just 17 dependants for every 100 workers, compared to 110 dependants for every 100 workers in the UK population as a whole. Average earnings per head are therefore about £10,000 for A8 registered workers and their dependants, compared to around £10,500 for UK employees and their dependants. That implies that their contribution to gross domestic product per head for the economy as a whole is probably slightly negative.

Output per migrant worker is also poor, as the workers are engaged mainly in low-productivity and low-value-added services and activities. If their productivity stays constant and the number of dependants increases, their contribution to increased GDP per head will become more negative. Their GDP and fiscal contributions would be reduced further if they had filled positions that resulted in UK workers remaining unemployed. The latest figures from the Office for National Statistics show that the number of people unemployed has increased by 280,000 over the last year, and it seems reasonable to assume that some of that increase results from A8 migration.

In October 2006, Migrationwatch UK published a detailed paper entitled "Economic contribution of A8 migrants". I hope that the Minister will not grimace too much, given that the Minister for Immigration and Asylum prayed in aid Migrationwatch during recent discussions on the UK Borders Bill, including the Third Reading debate. The report states:

"We conclude that, although immigration of people to fill low-paid positions may have limited...impact in the short-term, it is a highly negative strategy for the longer-term as it lowers productivity, will probably lower GDP per head and will lead to a fiscal deficit as the workers are joined by more dependants...In addition it will add to the strains on the country's environment, infrastructure and public services."

I now turn to the kernel of the issue: the flawed system for estimating the EU migrant population entering the United Kingdom, and for estimating where those people are settled in residence, even if only for a very short period. To its credit, the Office for National Statistics has conceded those weaknesses. Karen Dunnell, the national statistician, wrote in May 2006:

"There is now broad agreement that available estimates of migrant numbers are inadequate for managing the economy, policies and services."

In the same month, the chairman of the Statistics Commission, Professor David Rhind, wrote:

"It is clear to us that this is not a problem that can simply be left at the door of the ONS...The development of policy on immigration, monitoring the impact of current policies, and the provision of services targeted at immigrant communities may all be adversely affected by weak data."

It would not be prudent to rehearse all the arguments on analysing population statistics that have been made so powerfully by local officers and elected members of local authorities, and Members of the House, especially my hon. Friend the Member for Hammersmith and Fulham (Mr. Hands), who raised the matter in a Westminster Hall debate on 1 November last year. I pay tribute to Slough borough council for the enormous amount of work that it has done in analysing ONS population data, the under-counting of the migrant population in the borough, and the financial implications for local taxpayers and service users in its report, published in July 2006, entitled "There's no accounting for some people".

In a nutshell, and before I move on to discuss Peterborough specifically, methodologies urgently need revision, as the Minister will know. The ONS uses sub-national population projections to predict the population for each year up to 25 years into the future. The sub-national population projection for each year is calculated by ageing the population of the previous year. That is done by applying local fertility and mortality rates to calculate the projected number of births and deaths. The figure is adjusted for migration into and out of the area. Crucially, the population figures for the financial year 2007-08 use the 2003 mid-year population estimates as a starting point, but those figures are seriously flawed as the mid-2003 statistics take no account of the huge increase in inward migration following the accession of the A8 countries in May 2004; and if the original population figure or the projections are wrong, the Government's move to multi-year financial settlements—a move that is welcome to local authorities in many other respects—will seriously compound the original error.

That brings me to my constituency of Peterborough. It has a long history of welcoming and embracing newcomers, whether they are Pakistani, Italian, Irish or Portuguese. My constituents and I admire folk who want to make a new life for themselves and their families, and who are prepared to work hard and take part in—and become part of—the community. However, they also have a strong sense of fair play and they believe that the Government have a responsibility and duty to make provision for the wide-ranging ramifications of their policies.

Peterborough is a regional centre for food processing and packaging, horticulture and agriculture, and it has therefore attracted a low-wage and low-skill work force. However, although the literal and figurative fruits of that work force's labour are generated in neighbouring areas, the work force uses the services of Peterborough city council and other agencies. Ministers will know that almost 8,000 EU migrants have settled in the Peterborough area since May 2004. That is the largest number for any area in the eastern region—and that is based on flawed figures. Between 2002 and 2005, no fewer than 2,185 asylum seekers were dispersed to the city under the auspices of the National Asylum Support Service, but that was done without proper consultation with local people and, it would seem, without any accountability to this House. There was certainly no accountability to the elected representatives of Peterborough city council and others. That is Peterborough's burden, borne with good grace and forbearance. However, there is only so much hospitality that can be proffered.

Mr. Vara: Does my hon. Friend agree that if migrant communities are encouraged to go to a specific area by central Government, who fail to provide the necessary financial back-up, there is unnecessary resentment among the host community, which sometimes leads to disastrous consequences for harmonious race relations in the medium to long term?

Mr. Jackson: The House will know that my hon. Friend is an assiduous representative of the neighbouring constituency. Indeed, we share the city of Peterborough, so he will know that we have been extraordinarily fortunate as we have not been subject to the scourge of political extremism under the colours of the British National party and others who seek to stir up problems over community cohesion and racial tension. We have not gone the way of Burnley, Oldham, Bradford and other places, so he has made a telling point.

That burden is borne by my constituents. The matter may be unimportant to residents of Greater London, who may not have the same cultural affinity with the place where they live as Peterborians do. Londoners may move to another part of London or take another job, so they do not have that sense of loyalty to an area, and they certainly do not identify with a particular place. However, people in Peterborough, particularly long-term residents, identify strongly with the place where they live. They sometimes tell me that they regret what they regard as the degradation of their locality. That is not the same thing as scapegoating newcomers to the city, and they have every right to make their concerns known to their elected representatives on the city council and to their Member of Parliament.

The ONS mid-year population estimate for the city of Peterborough for 2006 is 161,000—up from 158,800 in 2003, which is a projected 1 per cent. rise. It is as if the 8,000 EU migrant workers, together with their children and adult dependants, did not exist. Because the revenue support grant awarded by the Treasury through the Department for Communities and Local Government to Peterborough city council is so dependent on accurate population statistics, the efficacy and rigour, or otherwise, of the methodology is vital. Even the East of England regional assembly concedes that the number of EU migrants in the city may be as high as 16,000. If that is true, the indicative rise in population between 2003 and 2007 is likely to be in excess of 10 per cent., but the Government's grant allocation is based on an increase of 3.7 per cent. between 2001 and 2007, leaving a cash shortfall of £3 million to £4 million, which is a huge amount for a medium-sized unitary authority with a revenue budget in the current financial year of £217 million. When the Lithuanian ambassador, Mr. Vygaudas Ušackas, visited the city before Christmas, he conceded that 1,200 Lithuanians and their families were living in Peterborough, and they are certainly not the largest national group to have come to Peterborough and the eastern region

I want to touch briefly on the practical, everyday ramifications of migration, which has proceeded with breathtaking speed in just three years, bringing unprecedented numbers. The impact has been experienced in particular in the New England and Millfield areas of the city, particularly the North, Central and Park wards. Housing is the biggest problem. Since 2004, the rules on houses in multiple

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occupation have been liberalised, so only larger HMOs are subject to regular inspection. We must look again at the Housing Act 2004 and the Environmental Protection Act 1990. The biggest problem in the city stems from HMOs, and particularly from overcrowding.

It is not uncommon for 10 or a dozen young men to live in one small terraced house in these areas, sometimes in desperate conditions and prey to Rachmanite landlords. That can cause problems with refuse collection and rodent infestation, as well as health and safety issues and neighbour disputes. A Cambridgeshire constabulary report published last year entitled "Policing Peterborough" drew attention to issues such as summary eviction, violence and sexual assault against women in HMOs, petty robbery and disputes within households, dangerous fire safety issues and neighbourhood tension to do with lifestyle and noise.

Let me share an experience that I and my hon. Friend the Member for North-West Cambridgeshire had on a visit last October with the regulatory authorities. We visited a restaurant in the Central ward, where a hot-bunking system was operating in the basement: half a dozen or more bunks in a tiny room were set aside for migrant workers. It was a pitiful sight: dirty, small, unpleasant bunks with rosaries and candles. They were a disgrace to modern society, and to all of us who were elected in the name of the people to represent our constituents in this House. However, that is what is happening in Peterborough, and in many other parts of the country as well.

The chair of the Labour party, the Minister without Portfolio, the right hon. Member for Salford (Hazel Blears), has correctly—and bravely, in my opinion—drawn attention to some of the pressures on community cohesion which arise, including a feeling of resentment and injustice, particularly among host communities, when immigration and migration are not managed coherently and with equanimity. The Audit Commission report of January 2007, "Crossing Borders", recognised officially community tensions centring on issues including street drinking, parking disputes and antisocial behaviour. Likewise, even the Minister for Immigration and Asylum was quoted in *The Daily Telegraph* in April this year as having said:

"Here are a set of changes which...have deeply unsettled the country".

On housing, it is worth mentioning that the ONS mid-2005 dwelling stock estimate for the three wards of Park, Central and North showed that there has been no increase in housing stock in the North ward in the last six years and only a 1 per cent. increase in Park and Central wards. Overcrowding is a natural consequence of there being too few properties and a huge rise in population. I should also point out to the Minister that more than 6,000 people are on the Peterborough city council housing waiting list.

This week, the Secretary of State for Communities and Local Government rightly bemoaned the lack of integration by some communities in the United Kingdom, and the increasing use of interpretation and translation services, the costs of which amount to more than £100 million on current estimates. Although her comments are welcome, they come at least three years too late. In the last financial year, Peterborough city council spent £121,000 on that area of work and Cambridgeshire constabulary spent £800,000 on the same part of its budget, including the specialist "language line" facility. Nationally, more than £21 million has been spent by police forces on translation and interpretation. We have not even taken into account the costs of this area of work in respect of the Courts Service, local NHS trusts and other agencies such as Her Majesty's Revenue and Customs.

Policing has become a more challenging and difficult undertaking in Peterborough. While the vast majority of newcomers are decent and law abiding, it is indisputable that their influx—I use that word although I know it causes some consternation—has had an impact on crime, particularly involving motor vehicles. My hon. Friend the Member for South Holland and The Deepings (Mr. Hayes) has drawn my attention to the issue of uninsured and untaxed cars, which is a problem in his constituency.

Drink-driving figures in the Peterborough area rose by 42 per cent. in 2005 and by 25 per cent. in 2006. Of course, as most of the EU migrants in the city are young men, they are also the victims of crime—often, the perpetrators are from other ethnic or cultural groups—be they Portuguese, Pakistani or others. The primary care trust reports significant pressures on certain GP practices in the city—I have seen evidence of that myself at the Thistlemoor road practice in New England, and at the Millfield practice—on the accident and emergency department at Peterborough district hospital, and on maternity services.

Similarly, schools such as Fulbridge junior school, in Keeton road, Peterborough—its head, Iain Erskine, has shown great leadership—Beeches primary school, Queen's Drive infants school, which is just round the corner from where I live, and Gladstone primary school are having to deal with severe pressures in educating young children new to the United Kingdom and to the area, with varied cultural norms, whose first language is not English. Sixty immigrant children were enrolled just last September at Fulbridge junior school—fully 10 per cent. of the entire school roll. The resource implications are a significant challenge to both the school and the local education authority. The ethnic minority achievement grant available from the Department for Education and Skills, although welcome, simply fails to keep pace with the increase in numbers.

I want to dwell on another important issue that is serving to strain the previously harmonious nature of community relations in Peterborough: the economic impact, especially on the labour market—particularly the low-wage, low-skill sector—of such a geographically concentrated and numerous new migrant work force. At a recent conference addressing the impact of migrant workers on the Scottish economy, the deputy director of CBI Scotland said:

"We cannot fall into the trap of thinking that immigration is the sole solution to the skills problems we face. It is not an alternative to upskilling our indigenous workforce, nor should immigration be seen as an alternative to labour market policies that target those on incapacity and unemployment benefits and help them back to work. Developing the skills and abilities of the existing and future working population must be a priority."

There is a consensus on this issue. Dave Moxham, deputy director of the Scottish Trades Union Congress, supported this position, saying that

"instead of migrant workers being targeted in low skill occupations, their qualifications should be properly accredited, their language skills improved and they should be encouraged to seek out better skilled occupations higher up the jobs ladder where there is a great deal of demand. Our concern is that employers use migrant workers because they pay minimum wage, with poor terms and conditions...We are looking to business to show social responsibility by employing indigenous workers in the lower skilled jobs and we are encouraged that the CBI is aware of that issue".

There are big, well-known companies in the east midlands and the eastern region that are exploiting migrant workers and are happy to do so until they get caught.

We have certainly seen an impact in this sector in my constituency. Between 2001 and 2006, inexplicably, youth unemployment rose from 8 per cent. to 14.1 per cent. The number of people claiming jobseeker's allowance and incapacity benefit is rising month on month, and 1,500 people in the Peterborough constituency are now not in education, employment or training. That is happening in a local economy that is part of the Stansted-Cambridge-Peterborough growth corridor, which is officially recognised by the ONS as one of the fastest growing areas in the whole of England and Wales.

Sadly, we see instances of unscrupulous employers exploiting migrant workers, physically mistreating them, depriving them of their rights and undercutting wages. That fuels those workers' own resentment, which cannot be good, but the corollary is that it fuels the resentment of those whom they have displaced: the less well-educated and the less highly skilled in the host communities. That provides fertile ground for extremists and their apologists. As Professor Ted Cantle, who chaired the inquiry into the riots in the north of England in 2001, said last year:

"Community tensions are sometimes caused by the perception of competition between groups over resources...The Government needs to look with some urgency at funding areas appropriately where statistics are not keeping pace with what is happening on the ground."

That is not happening in my constituency. Peterborough city council and other agencies and stakeholders are being made to pick up the tab for a policy over which they have no control, and to cope with pressures on local public service provision and strains on community cohesion. That is neither right nor fair on my constituents. It puts at risk all that we have achieved in our city since Councillor Charles Swift, then the Labour leader of the city council, proudly welcomed the Vietnamese boat people to Peterborough more than 25 years ago.

The city council is having to use scarce resources, via a service level agreement with Cambridgeshire county council, to prepare a similar case to that of Slough about the disparity between migrant population undercount and the revenue support grant funding. It is using national insurance registrations and data from the early years team. I hope that the work done by local authorities such as Barking and Dagenham, the City of Westminster, Telford and Wrekin, Slough and others will result in a complete review of the ONS methodology in that area, under the auspices of the improving migration statistics taskforce, which will report later this year. In addition, the Greater Peterborough partnership has also asked for a study to examine what the population of the area is likely to look like in the longer term, so that it can plan effectively.

I have some suggestions for the Minister about changes in policy. We need a proper review of the methodology of the ONS in respect of the collection of migrant data. We need to consider such issues as house price increases, household size, GP registration, council tax receipts and, prosaic as it may seem, sewage flows. None of those issues is taken into account when the ONS considers population growth, especially in the migration hotspots. We also need to consider the general fertility rate in each local area to get a truer picture of the situation and be able to react with more alacrity to the change of circumstances.

Andrew Blake-Herbert, the strategic director of finance and property for Slough, has this to say about the area:

"Slough has a number of particular characteristics that make its population hard to count: it has a highly mobile population which is becoming more ethnically diverse; it is densely populated; its economy is strong and growing and its housing market is experiencing unprecedented demand."

He could have been talking about Peterborough. We need an urgent review and financial audit of public service delivery in the migrant hotspots such as Luton, Breckland, Fenland and others, where the pressure on public services is greater.

We also need to consider the efficiency or otherwise of the workers registration scheme. The university of Surrey centre for research on nationality, ethnicity and multiculturalism—a well-respected institution—postulated last year that for various reasons, not least its bureaucratic nature, the undercount on that scheme is probably some 36 per cent. In summer last year, the official figure was 427,000, so the true figure was probably nearer 525,000—a huge difference.

We also need a points system based on contemporaneous economic data from a regional analysis. That is done in Australia and it cannot be beyond the wit of Government to consider what jobs are available and what skills and training are needed in each region of the UK and change the workers registration scheme accordingly through a points system for all 27 countries. I ask the Minister to make specific reference to that in her response.

I am proud of my constituency. It is the epitome of middle England. My constituents were told that mass migration brings in taxes and increases the national wealth. Not unreasonably, they want a fair share of that wealth. I record with sadness the fact that people constantly tell me, "Peterborough is not the city that we grew up in. It's full of foreigners, and we're moving out."

I end with an anecdote reported in the *Financial Times* magazine of 12 May. The family of Councillor John Holdich has been in civic life in Peterborough for more than 50 years. He is a well-known figure, the cabinet member for housing, and he was approached by an elderly resident as he walked along a street in New England. His story goes:

"One little lady came up to me in the street. She looked like somebody out of "Last of the Summer Wine". She said to me, "Do you speak English?" and I said, "Yes". She said, "That makes two of us in the whole street."

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Peterborough has borne a burden for three years. It is time that the Government lived up to their rhetoric and helped the people whom I represent share that burden. My constituents deserve nothing less.

4.46 pm

Mr. Malcolm Moss (North-East Cambridgeshire) (Con): It is a great pleasure to follow my neighbour and colleague, my hon. Friend the Member for Peterborough (Mr. Jackson). We share a long boundary, and the boundary changes for the next election mean that a significant portion of my constituency will be passed over to him.

I congratulate my hon. Friend the Member for Peterborough on securing this debate, and on the remarkable tour de force to which he treated the House. His speech was thorough, wide-ranging and detailed. He was speaking on behalf of his constituents, as shall I in my remarks. We are both lucky that this Adjournment debate has begun so early. I do not wish to cause the Minister to have a late dinner, but I relish the fact that I do not have to rush to fit my observations into half an hour. I shall be as brief as possible, but I hope that the Minister will be able to give an ample response.

We are dealing with a very important matter, for all the reasons that my hon. Friend the Member for Peterborough set out. Every week, our constituents tell us that they perceive a problem and they want their elected representatives to do something about it. If we tell them that we cannot do very much because these are EU rules, that the EU has been enlarged and these people are entitled to come here, our constituents are not interested in such fine points.

Mr. Vara: Does my hon. Friend agree that when we try to explain that the problem arises from EU regulations, our constituents say that we should have fought for the interests of Britain when the deals were negotiated?

Mr. Moss: My hon. Friend makes an excellent and valid point. The Conservative Administration joined the single market, which ensured that there would be free movement of labour and people. However, the present Government missed a trick in the enlargement negotiations when they did not make absolutely certain that we could control the flow of migrant workers. Other countries managed it much more efficiently and better than we have done.

Such criticism could indeed be levelled at the Government, because they underestimated the whole problem. They underestimated not only the numbers who would come, but the type of migrant worker who would come. The accepted knowledge at the time was that they would be single people, that they would be fairly transient and temporary, and that they would come to work for a period and then go home. That is not the case; there is no such evidence in my constituency. From listening to my hon. Friend the Member for Peterborough, we know that it is certainly not the case in Peterborough either—or, I suspect, in North-West Cambridgeshire.

My speech and that of my hon. Friend will, no doubt, hit our local papers and, no doubt, our political opponents will say, as they did the last time that I spoke on this issue, "Ah, they're playing the racist card again." This is nothing to do with racism. We are the same race as our friends from Lithuania, Latvia, Poland and other places in eastern Europe. We are almost the same people. The difference is that they speak a different language, so we cannot communicate with them. They also have very different cultures, which, of course, in every-day community life, are an abrasive front in the contact between indigenous peoples in our small towns and cities and the migrant community.

Of course, as my hon. Friend rightly pointed out, the Government are finally waking up to the problem, but three years too late. The burden has been carried by local communities, such as mine and those in Peterborough, for all these years, and only now do we find—this is to be encouraged—that some Ministers are speaking up about the problems. The Minister for Immigration and Asylum recognised the difficulties and the fact that, to quote my hon. Friend, some communities in this country are deeply unsettled as a result of migration from eastern Europe.

The Labour party chairman was also quoted by my hon. Friend as saying that there are now difficulties in our communities. Only the other day, the Secretary of State for Communities and Local Government said that migrant workers must learn English. That is a bit rich after all this time and all the problems that are associated with providing translation services to people who turn up to GP surgeries, for example. Those people know their rights, and they insist that the doctors and nurses bring in translators. That has been going on for years, and no one has done anything about it.

I recently visited my local citizens advice bureau, which wrote back to me after our meeting to say that it has become a port of call for migrants who have been abused by rogue gangmasters, and that the issues that they

"bring to the Bureau relate largely to employment and housing rights plus entitlement to benefits"—

nothing new there.

It continued:

"Employment and housing are often linked as the gangmasters supply both the jobs and the accommodation, much of which",

as my hon. Friend has pointed out,

"is deeply unsatisfactory."

Those at the CAB say:

"We need access to interpreters and translators and the translation of benefit and tax credit forms into other European languages. Our own funding does not allow us to pay for these services and we feel that more should be provided by central Government."

Armed with that letter, I wrote to a Minister, only to be told that the funding for CABs was flexible enough to cope with those new pressures: end of story—no help, no recognition of the problem, so my local CAB soldiers on.

As I pointed out earlier, the migrants are not just single people who are accommodated in houses in multiple occupation, but families who are increasingly moving into our communities for permanent settlement. These people are welcome. They are welcome in our factories.

They work hard. They have terrific reputations. Many of them are positive attributes to the community. But the mere fact that families are now coming into our communities is creating a burden, particularly in relation to the provision of services.

I would like to highlight the problem, as I see it, in the local education system. I toured some of my schools recently and I was surprised by the number of children who speak English as an additional language—EAL as it is called—not only in secondary schools, but primarily in primary and infant schools. I take my hat off to teachers for the fantastic work that they do. They have embraced the problem and have not moaned or castigated anybody; they have just got on with the job, because these are children. They do not see them as foreign children; they see them as children who need to be educated in the best possible way given the resources available.

Some of the head teachers—in particular, Lesley Mardle of the Nene infant school—have sat down with their staff and written protocols. They have written down a way to embrace the local community, liaise with parents and make sure that both sides understand what is needed. That protocol is being adopted by the LEA—Cambridgeshire county council—as a blueprint for the way in which to face up to such difficulties.

Mr. Robert Goodwill (Scarborough and Whitby) (Con): Will my hon. Friend pay tribute to Catholic schools around the country, which are embracing the Polish community? In my constituency, St. Augustine's Roman Catholic secondary school is taking the initiative in engaging with those communities and helping them to feel at home. It is employing local people who can help with language teaching to enable people to integrate.

Mr. Moss: I am sure that that is indeed true. I am not just talking about my schools; I am sure that schools in other areas, particularly Catholic schools, are doing the same thing. The Catholic church in Wisbech in my constituency is overjoyed at the congregation that it gets from the Polish community. It has two sittings on a Sunday simply to accommodate people. In fact, there is quite a joke about that. The first time the Poles arrived, they looked at the town and went to the biggest church, which of course is the parish church, which would have been the Catholic church before Henry VIII got stuck into it. So, all these Poles turned up at the Church of England church and the vicar was absolutely overjoyed. His congregation must have multiplied overnight by a factor of about eight. Then they realised that they were in the wrong place and duly found the Catholic church on the other side of town.

I have done some research as a result of my findings in my local schools. I take the point made by my hon. Friend the Member for Peterborough that we cannot really rely on the figures because they always lag behind the situation on the ground, but this year there are some 2,176 EAL learners in primary schools and 1,862 in secondary schools in Cambridgeshire. That is a significant rise on the 2006 figures, which were 1,840 in primary schools and 1,263 in secondary schools. In my main town of Wisbech, in North-East Cambridgeshire, which has seen the largest proportion of migrant workers, there are 314 EAL learners in primary schools and 161 in secondary schools.

In Wisbech, most of those EAL learners are concentrated at the Nene infants school, which I have already mentioned, as well as at Orchards school, Peckover school, the Queens school and, to a lesser degree, the Clarkson infants school. As I have said, those schools have been proactive in welcoming the new arrivals, providing them with access to the curriculum, and recruiting and training support staff for them. However, in my correspondence with them, the officers responsible for children's services at the county council have confirmed that the county is financially stretched when it comes to coping with the large influx.

More Government support and funding are needed to recognise that. In 2004 the Department for Education and Skills reduced the Cambridgeshire ethnic minority achievement grant by some 30 per cent. Furthermore, it appears that an extra £400,000, which was announced in late 2006 and earmarked to address the increasing number of EAL learners, has now been allocated for central training at a national level, rather than moving down to the coal face for local authority use where the difficulties are experienced.

As my hon. Friend said, there are assimilation problems. It is no good the Minister saying when she replies to the debate, "We know you have a problem, but there are other parts of the country with even bigger problems," meaning that the Government are likely to direct the resources primarily to areas where there are huge numbers of population involved or, dare I say it, where their own Members of Parliament are affected. I know that the Minister does not like that, but it is true. How many hospitals are the Government closing in areas where there are Labour Members of Parliament, as opposed to areas where there are Conservative Members of Parliament? *[Interruption.]* I hear the tutting from the Whip. In my day Whips were supposed to be quiet.

What matters is the proportionality of the migrant worker population. I have small towns in my constituency—Wisbech, March, Whittlesey and Chatteris. Wisbech is particularly influenced by the problem because it has the larger number of food processing and packaging industries. It is to those industries, as my hon. Friend said, that the low-paid worker is attracted. The problem is the little town centre being taken over by people who do not speak English, resulting in a feeling of alienation or pressure. As my hon. Friend pointed out, there are problems in the community in accepting an influx of people who are not seen by my constituents as clearly and obviously making a big effort to assimilate. On that count, those with children are making a much bigger effort, and a more successful effort, than those without.

As my hon. Friend observed, we now have houses in multiple occupation, but the law does not deal with the problem effectively. When I speak to my council about it, officials say that they know what they should be doing, but they do not know where those houses are. Unless people complain and they go and investigate, they do not know which houses to take action on. In some cases officials turn up at the time that shifts are changing over. They find only three or four people in the house, but of course another three or four are working. There are eight people living in the house, as officials would find if only they went at the right time—but they do not, because like other people they

[Mr. Moss]

finish work at 5 or 5.30 pm. We are not addressing the problem and it is only a matter of time before there is a serious fire and loss of life at a house in my constituency. It will not be because the council has not been warned.

One of the problems that the CAB put to me, which I have looked into in more detail, is the fact that most of the migrant worker labour is organised by gangmasters—or agencies, as they call themselves. The Gangmasters (Licensing) Act 2004 relates only to food processing and packaging. We had a ten-minute Bill today which sought to extend it to cover constructions workers. It should be all-embracing, so that any worker who is involved in finding work through a gangmaster or an agency comes within the remit of the Act. The regulatory body should be given more money, more teeth and more power to step in, because there is, as my hon. Friend rightly pointed out, a great deal of abuse by companies in respect the new labour force.

Of course, the gangmasters have bought a great deal of the housing stock so they control the accommodation of the workers. When the payroll comes to the gangmaster from the company, he or she deducts huge amounts of money for accommodation before the migrant worker is paid. It is a massive abuse and no one seems to be doing anything about it. That is a tragedy. If those workers are welcome in our society and are doing the work that we want them to do, what kind of society do they think they have come to when they are exploited in that way? Much needs to be done. The unions have written several papers to the Government supporting the rights of workers in that predicament.

Not only do the gangmasters charge exorbitant rents to the people on their books, but, by buying up properties, they have made house prices rise much more quickly. There is only a limited supply and those people are grabbing whatever they can. They can put three, four, five or more people into them at high rents, so they can afford to pay above the market price for the house. That has affected not only the house price market, but the level of rents in my communities. I now find myself receiving people regularly at my surgeries who cannot afford to pay rent in the private sector. Rents are so far above the rent allowance that is provided that those people cannot go into the private rented sector. Therefore, the council waiting list is increasing all the time and, of course, we are not building anything like enough houses for rent in the public sector. There is an increasing housing problem and increasing resentment on the part of people in the local community that they cannot get a council house and cannot afford to rent privately.

That is a growing problem. People come to my surgeries and rightly look me in the eye and say, "What are you going to do about it?" It is only in debates such as this that we can make those points. I hope that the Minister will take on board some of those points and actively seek, through her Department, to do something about them. I recognise that this is a multi-issue situation. There are overlapping problems for various Departments to look at. It is probably not possible for one Minister or one Department to solve all of them in one go, but co-ordination is needed to ensure that people are talking to each other in the right way.

The people who seem to be benefiting from the situation are, as my hon. Friend pointed out, the companies that are taking on labour exclusively through gangmasters and agencies. As each new wave of migrants comes in, the pressure is on the existing worker to take a slightly lower wage—because if he or she does not do the job at that rate, there are plenty of people who have just come into the country who will. Therefore, there are problems on that front, too, and they are beginning to stir up problems within the migrant worker communities, as well as between the migrant workers and the indigenous community. The gangmasters are milking the system. Not all of them are unscrupulous and rogues, but many are, so we need to tighten up the Gangmasters (Licensing) Act to ensure that there is real discipline and that the regulatory authority steps in to ensure that those people are receiving at least the minimum wage, if not more.

If the companies are benefiting, their shareholders are benefiting. What are they doing in return? Absolutely nothing, as far as I can see. They might say that they pay the business rate. Well, that goes into a central pot. If they are making extra profit, no doubt they will lose that anyway if they are multinationals, so I cannot see what those people are giving back to the local community. They are just milking the low-wage migrant worker and not putting anything back into the community. They are as responsible as anyone else for the problems that we face. They need to ensure that wages are at the right level and that their workers are looked after.

Someone came to my surgery and said, "My daughter went to an agency to get a job and was told by the gangmaster, 'If you don't speak Polish I can't put you on the assembly line, because they all speak Polish, they won't accept you, and you won't be able to communicate with them in any way.'" If that is happening, it is no wonder that youth unemployment is on the rise. Local people cannot now get jobs in the factories in which historically they worked. I have tried each and every way to find a solution to the problem. As far as I am aware, in the past five or six years no new company or organisation has arrived in my constituency. There has been some expansion in jobs, but not a great deal. Five or six years ago such low-paid jobs were done by local people; now, they are done by migrant workers.

Where have the indigenous population gone? These are people who do not have cars and cannot travel to Peterborough or Cambridge to find a job, so where are they in the local community? I table questions about invalidity benefit, jobseeker's allowance and so on, but there seems to be no correlation that defines where those displaced workers have gone. Many may have been women who were part-time and are now sitting at home or working in the black economy—nobody benefits from that—or are unemployed so that the income into that household has diminished. Let us not kid ourselves: there is displacement. It is no good saying—we hear this argument all the time—"They're coming in to do the jobs our people don't want to do." In my constituency, they are doing jobs that my people did a few years ago. I am not saying that everything should change—we cannot go back—but I want the Minister to understand that the people who have been displaced deeply resent what has happened to them.

Nevertheless, there is some hope on the horizon and there are positive things to say. Only the other week, I opened the office of a new private enterprise—small at this stage, but I hope that it will grow—called Cambridgeshire Training and Consultancy Ltd., which has opened up a facility to teach English to migrant workers. It is a private enterprise and receives no grant from anywhere, so it is charging migrant workers who are prepared to pay to learn English. Not all migrant workers are a problem—many want to learn English and to get on. It advised me today that it is extending its services to give advice on the law and what the local police would expect of somebody.

Mr. Stewart Jackson: My hon. Friend is making a very powerful case, as one would expect from such an experienced Member who has been in the House for 20 years. As regards teaching English in my constituency, Peterborough college of adult education and Peterborough regional college were completely full and many times oversubscribed last September. At the same time, the local authority, the police and others are being prevailed on to spend thousands of pounds of taxpayers' money on translation and interpretation services. Does he agree that that is a perverse situation?

Mr. Moss: I do indeed. I suspect that the Secretary of State for Communities and Local Government has come to the same conclusion, namely, that it would be far better to invest in English language courses at further education colleges and other places instead of having these huge translation costs. There are not many people we can call on, and it is very expensive. Worse than that, as there are not many of them, it takes time to arrange to bring someone in, which delays the whole process of giving advice and helping these people with the information that they need. So I take my hat off to the small company and I wish it luck. It has no public funding as such, although it has approached various bodies and made applications for funding. We could encourage such activity within the training remit, and I believe that the migrant community would respond positively to that.

We have had a lengthy debate and it is time for the Under-Secretary to make a fist of replying to some of the points. I do not want to leave the impression that all is lost, or to be alarmist and say that the breakdown of the social fabric is imminent. That may eventually happen if we do not tackle some of the problems, but there is time to face up to them and allocate resources. Understanding is also vital. Teachers, citizens advice bureaux and people in local authorities are soldiering on, doing their best and wanting to do more, but without the resources to deliver.

If we want people to assimilate, remain in this country for the longer term and be part of our society and contribute to it, we have a responsibility not only to be welcoming, but to provide facilities to make the transition as easy and quick as possible.

5.16 pm

The Parliamentary Under-Secretary of State for the Home Department (Joan Ryan): I congratulate the hon. Member for Peterborough (Mr. Jackson) on securing the debate. The issues that he raised are important and I am pleased that we had a substantial amount of time in which to cover them. I thank him for his gracious comments about our useful discussions when we served together on the Committee stage of the UK Borders Bill. That was a fine example of good scrutiny. The Bill that left for the other place was well served by our work in Committee and on Report. It relates to some of the issues that the hon. Gentleman mentioned today.

I also thank the hon. Gentleman for the calm and considered way in which he made his points. He obviously put a great deal of work into preparing his remarks, and that has been helpful. Let me comment at the outset on something that he said at the end of his contribution. It is not my view that it is racist to discuss matters of migration and immigration—the Home Secretary said that, or words to that effect, many months ago. We should bear that in mind. I am therefore happy to have the debate. However, I complimented the hon. Gentleman on the presentation of his contribution because that is important, and I bear in mind his remarks about extremist parties, not least the British National party.

I regret the fact that the hon. Members for North-West Cambridgeshire (Mr. Vara) and for Scarborough and Whitby (Mr. Goodwill), who made interventions, are no longer present—I hoped that they might be able to remain to hear some of the responses. However, I hope that they will avail themselves of *Hansard* later.

I thank the hon. Member for North-East Cambridgeshire (Mr. Moss), who made a valuable contribution to the debate. He is right to say that the issues that the hon. Member for Peterborough raised ranged across several Departments. For that reason, I am not in a position to cover all the subject matter and detail that have been presented to the House today. Those issues of cross-departmental working and agencies working together in local areas are important. Many of the issues raised about migrant communities—their possible transitional impacts and matters of integration, for example—obviously require a multi-agency and cross-Government response. I will talk later about some of the relevant developments that are well past the pipeline and on the verge of springing into life. I hope that that will help to provide answers to some of the points that hon. Gentlemen have raised.

I visited Peterborough just a few weeks ago when I saw the new passport interview centre. It was the first time that I had ever visited Peterborough and I must say that I thought it a very nice town centre with a very pleasant feel and nice atmosphere. I congratulate the hon. Gentleman on representing such a nice place.

Migration from the European Union has certainly brought significant benefits to the United Kingdom, in terms of its contribution to our labour market and economy as well as to the diversity and vibrancy of our culture. Recent expansion of the EU has seen an increase in the numbers coming to the UK and a corresponding increase in the benefits that this brings. However, although we believe that migration is of benefit to the UK, the public rightly expect it to be managed and controlled. We have therefore taken a considered approach to the way in which nationals from the accession states can access our labour market. Our approach allows us to monitor the impacts and use the information to inform future policy areas.

[Joan Ryan]

I am aware that Conservative Members were not suggesting that migration brought no benefits or that there should be no migration. It is important to take a balanced view. Hon. Gentlemen made some valid points, but I do not agree with what they said on some other issues. I hope that we can explore that a little further.

On the monitoring of migration from accession states, the UK Government have set up two schemes to manage the migration of workers. The hon. Member for Peterborough has already mentioned the worker registration scheme, which applies to the eight states that acceded in 2004. That requires workers to register their employment and it restricts their access to benefits. Those arrangements were right for the time and have delivered major economic benefits, with nationals from those countries contributing billions to the economy.

The worker registration scheme is effective at providing a profile of those A8 nationals who joined our labour market as employees and at restricting access to income-related benefits. The scheme provides information at an aggregate level on the profile of A8 nationals coming to the UK for employment. It gives us a profile of their age, gender, dependants, the sectors that they register to work in, occupations, hours of working, wages, intended length of stay and geographical distribution. It does not—nor was it intended to—provide information on the stock of migrants in the country, because it does not count those leaving or the number of self-employed migrants.

The WRS restricts access to income-based benefits—income-based jobseeker's allowance, income support, pension credit, housing or council tax benefit, tax credit and homelessness assistance. It is actually very effective in restricting access to benefits. Only 130,030 of all those who have registered with the WRS—that is, some 632,285, as the hon. Member for Peterborough said—have applied for tax-funded, income-related benefits. Of those applications, 2,648 have been allowed. That is important information, because it is important to keep these matters in perspective. It would be wrong to give the impression that large numbers of people were accessing benefits, because that is not the case. We need to give our constituents that reassurance.

The hon. Gentleman made a point about the number of people coming in, and it is probably appropriate to say something about that. He referred to the underestimate, and mentioned a figure of between 13,000 and 15,000. This point has been raised before; indeed, I have addressed it before in an Adjournment debate in Westminster Hall. Those figures were never part of an official Home Office estimate. They were the result of one piece of research undertaken by University college London, among a number of others, that helped to inform the Government's decision on the free movement of workers. That is why those pieces of research were submitted. However, that was not official Home Office research, and those were not figures that we developed. I understand that University college London developed them on the basis of a view that other member states would not restrict access, which explains why there is such a difference.

The WRS tells us about those who are coming into this country from the A8 accession states to work but, as hon. Members know, we do not know how many are leaving to return home. We do not have that kind of information because in 1994 the embarkation controls were, to all intents and purposes, cancelled. Obviously, we are working towards being able to count in and count out all the people who enter and leave the United Kingdom, through the strengthening of our borders and through the development of programmes such as e-Borders. Those are important developments that I believe are well supported by Opposition Members.

Mr. Moss: I take it from what the Minister has just been saying that the Government have the means to track these migrant workers who are on the registration scheme, in terms not only of the work that they take on but of any benefits that they draw, or may seek to draw further down the line. I would like confirmation that we have the facility to determine that, say, X per cent. of those on the scheme have drawn benefits. I should also like to raise a couple of points relating to my constituency.

First, a family with children were allowed to rent a housing association property and, of course, received housing benefit from the local council—much to the indignation of the person who was berating me about it in my surgery. When I contacted the council, I was told that they were perfectly entitled to do this, and that the council could not differentiate between a worker in that situation and someone who had been local for some time. Secondly, a complaint reached me that a Slovakian family were drawing housing benefit for private rent. Will the Minister confirm that both those situations are normal in the current climate?

Joan Ryan: As the hon. Gentleman will be aware, if someone presents themselves to claim a benefit, an interview takes place in which information is exchanged. If the person is not entitled to that benefit, they will not receive it. On tracking, as I have said, we do not have figures on people who have left, so we are not able to track people out. We need to be able to do that, so we are working to develop that capability as quickly as possible.

Mr. Jackson: The Minister is proceeding in a typically reasonable way to answer the point that my hon. Friend the Member for North-East Cambridgeshire (Mr. Moss) and I have highlighted. Given that she has sought to disavow the university of London study on the likely number of EU migrants who came to the UK, does she agree that it is quite an admission that the Government had no empirical or academic evidence whatever to predict the number of EU migrants who would come to the UK? Had such research taken place under the auspices of the Government, it would have assisted them—and any Government, of any party—to direct public policy towards those local authorities that have experienced such issues and pressure points.

Joan Ryan: I did not say that we had no information—I am not sure that it can be called evidence, as projections are not what I would refer to as evidence. Clearly, pieces of work were done to inform the decisions, and Ministers received that work, and requested some of it, from our policy officials. As I

have said, we think that we made the right decision about the A8. We stand by that decision and the benefits that it has brought to our economy. That is not to say that situations do not change, or that we do not need to take account of transitional impacts; I fully acknowledge that that is the case.

I do not think that the admission is strange—we do not have a crystal ball. Obviously, looking ahead, a lot of work is going on, as it did in relation to the accession of Bulgaria and Romania. In that case, we made the right decisions about restricting access to our labour market. The information that we can get, not least from the worker registration scheme, which does provide some evidence, enables us to do that better. The decision about the A2 was not taken because we thought that we got it wrong on the A8; we think that we got it right. The benefit to our economy is evidence of that. Some three years have passed since the A8 accession, and it is now evident that we have a growing population and more older people in the work force. It was therefore right to take a different decision in relation to the A2 accession.

Mr. Jackson: I beg the House's indulgence, as my next point, in respect of EU migrants with criminal records, will be slightly controversial. The Minister was mentioned in dispatches not long ago, in *The Sunday Times*, for drawing to her officials' attention—perhaps it was the other way round—that 45,000 people who had criminal convictions or were engaged in some criminal activity were likely to come into this country from Romania and Bulgaria. Does she regret the Government's decision not to take part in the pilot project to share criminal records data between some European Union countries? Is she in a mood to be the sinner repenting on that issue?

Joan Ryan *rose—*

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I think that we are in danger of straying from the particular to the general. The debate is supposed to be about Peterborough and Cambridgeshire, but it seems to be moving on to a national basis. I merely issue that cautionary word.

Joan Ryan: I will certainly take note of your cautionary word, Mr. Deputy Speaker. Members have raised the issue of crime in relation to Peterborough and Cambridgeshire, and I trust that anyone who commits a crime in this country will feel the full force of the law wherever their origin and whatever their status.

Following the accession of Bulgaria and Romania, safeguards were introduced in relation to issues such as those raised by the hon. Member for Peterborough. That was unprecedented in the European Union, but we believe that it was the right decision at the time. As the hon. Gentleman will know, we are working hard with our European Union partners to bring about greater co-operation on exchange of data. I am not talking about access to data on a hit/no hit basis; I am talking about protecting the privacy of our citizens, while also affording them greater protection by ensuring that information—which is one of the most important tools that we can give our police and law enforcement agencies—can be exchanged. I am afraid that crime knows no borders, and we must be able to allow our law enforcement agencies to work together across borders. Such measures will undoubtedly benefit the hon. Gentleman's constituents, and those of the hon. Member for North-East Cambridgeshire.

I have described the workers registration scheme as one of the ways in which we monitor workers from EU accession states. There is another scheme covering workers from Bulgaria and Romania. As I have said, it was decided that while we assessed the implications of the accession of the A8 countries, it would be desirable to impose greater limits on workers from Bulgaria and Romania. It is right for the Government to respond when issues relating to transitional impacts are raised, not least by Opposition Members. I draw no distinction between listening to my hon. Friends and listening to Opposition Members who raise matters about which they are concerned on behalf of their constituents, and the services and infrastructure that support life in their constituencies—and frankly, I resent the remarks of the hon. Member for North-East Cambridgeshire, which were rather out of keeping with the tone of our exchange. I dispute them as well. I think it behoves any Government to serve all the people, whoever their Member of Parliament may be and to whatever party that Member of Parliament may belong. I am pleased to be able to work with Members across the Chamber on issues such as this, and I think it important that we are able to do so. It is important to our constituencies as well.

Mr. Moss: Having received a mild rebuke from the Minister, I should point out that I prefaced my remarks with the word "may". I said "they may", not "they will".

Joan Ryan: That is a useful clarification, for which I thank the hon. Gentleman.

Low-skilled A2 workers have been restricted to existing quota schemes to fill vacancies in the agricultural and food-processing sectors. I point out to the hon. Member for Peterborough that we cannot introduce a points-based system for European Union states. We may as well be completely open about that, because it is a fact, and he knows it. He knows that that is related to the point that the hon. Member for North-East Cambridgeshire made about freedom of movement and freedom of labour. Those policies did not just somehow leap into being 10 years ago, and it is not just Government Members since 1997 who signed up to them. As the hon. Member for North-East Cambridgeshire pointed out, freedom of movement and freedom of labour are policies that the Conservative Government signed up to, and that we support.

I also point out to the hon. Member for Peterborough that his view may not reflect his party's view, or the view of his Front-Bench colleagues. The free movement directive was transposed into UK law by the Immigration (European Economic Area) Regulations 2006, which came into force on 30 April 2006. His party did not pray against the regulations, so I can only assume that if it does not go so far as to support the regulations, at least it does not oppose them. Perhaps he wants to raise those points with his Front-Bench colleagues, rather than with me.

Mr. Moss: The Minister is now encouraging me, on the political front, to make sure that she does not get away with all sorts of things in *Hansard*. She said that we did not pray against the regulations, but she will admit that they were introduced as a statutory instrument that was dealt with under the negative procedure, of which hundreds are printed every day. I would not for one moment say that my Front-Bench colleagues missed the regulations, but given that the issue is important, praying against a statutory instrument is not quite the same as having a debate under the affirmative procedure, or a debate on the Floor of the House.

Joan Ryan: The original Bill that included the power to introduce the statutory instrument, subject to negative procedure, was common legislation that passed through the House. Legislation was passed in a similar way by the hon. Gentleman's party, in the many years in which it was in government. I do not accept what he said; he is talking about a procedure of the House that is not seen to be inappropriate or inadequate. On many days of the week, we find ourselves in Committee Rooms off the Committee Corridor dealing with statutory instruments that have been prayed against by his party, so I think that my point is valid, and that his comments on the issue are not.

Mr. Jackson: I am touched that the Minister believes that my Front-Bench colleagues hang on my every word when it comes to formulation of EU and home affairs policy. On a serious note, she must agree that there is intrinsic merit in the suggestion, because it involves the exact system that was applied in respect of citizens from outside the European economic area who seek to come to the United Kingdom. That system was lauded by the Minister for Immigration and Asylum. If the scheme can work for non-EU citizens, it must have inherent merit, notwithstanding the possible legal issues.

Joan Ryan: The hon. Gentleman invites me to go well beyond the subject of the debate, but the points-based system, which I will come to, is an important development for all our constituents, including his. It applies to third countries—those outside the EEA—and we do not have the same relationship with those countries as we do with countries in the EU. There is not the same level of reciprocity, in terms of our citizens having free movement and free access to labour. Many of our citizens go to EU countries and avail themselves of those rights, just as there are EU citizens who come here. It is not a comparable situation, and I do not accept the merit of what the hon. Gentleman says, because I think that our relationship with the European Union is crucial to our country and to our economy.

We should not seek to turn the clock back on that relationship but, as I said, I support the proposition that the public expect migration to be controlled to meet our needs. The Government must endeavour to control it.

In introducing a points-based system for third countries—we have limited Bulgarian and Romanian workers to agricultural and low-skilled work and removed the right of third-country workers to come in and fill those jobs on the accession of the A2—we have demonstrated our ability to deal with migration from third countries and accommodated the fact that we have a different relationship with European Union countries. Knowing that there would be an increase in low-skilled workers from Bulgaria and Romania, we restricted the employment that they could take to agricultural and food processing work. Meanwhile, we removed the right of third countries to fill those roles. That is a good way to manage migration, and it demonstrates an important way forward.

The schemes in the agricultural and food processing sectors are necessary, as I said, and we may continue to need them. It is right that we should monitor them to ensure their continuing relevance. We will therefore undertake a cross-Government review of the restrictions on A2 nationals to inform our future approach. On accession, citizens of new member states gain the right to free movement within all EU states. The terms of accession mean that member states cannot impose more stringent terms and conditions on individuals than existed before accession. We believe that such a proposal is neither viable nor desirable, and that accession is managed most effectively by using the type of schemes that we have implemented. Our approach to EU accession, in conjunction with the points-based system for migration from outside the EU, will ensure that the UK continues to have a labour market that supports economic growth.

The hon. Member for Peterborough raised the issue of statistics and the need to improve the data. The labour force survey is the principal source of employment statistics, information on the UK household population and breakdown by country of birth. From October 2007, following the introduction of modernised labour force survey processing systems, the Office for National Statistics plans to release improved data, consistent with the latest population estimates, which we all welcome. When calculating the formula grant allocations, the Department for Communities and Local Government uses the best data available that treat all authorities consistently. Population projections and estimates are produced by the ONS, which always focuses on ways in which it can improve those statistics. The improvement to the labour force survey processing systems will assist with that. The calculation of sub-national population projections and population estimates is a matter for the ONS, and queries about their derivation and accuracy must be addressed to it directly. I am sure that the hon. Gentleman will do that, if he has not already done it.

I should like to respond to what the hon. Members for Peterborough and for North-East Cambridgeshire said about community cohesion, as it is an issue that we take seriously. My right hon. Friend the Secretary of State for Communities and Local Government set up the Commission on Integration and Cohesion under the chairmanship of Dara Singh, the chief executive of Ealing council. We expect the commission's report tomorrow, and we await it with great interest. I am heartened by what Mr. Singh has already said about the importance of a shared language and sense of identity. We in the Home Office have done much to promote that by introducing the new requirements on people seeking to settle here, that they are able to speak English and know something about life in the UK, and by introducing citizenship ceremonies. I can tell Members from my own experience of attending such a ceremony that they are uplifting and moving occasions which do a great deal to instil a sense of shared identity and an appreciation of the privilege of UK citizenship.

It is important that we move from a requirement to speak English for citizenship to a requirement to speak English for those wishing to settle here. If we expand it in that way, we will bring many more people into the net. There has been much evidence to show the importance of speaking the language, not least in respect of employment opportunities. In that context, my comments are of relevance to all migrants, not only those from EU accession states.

We are aware that impacts arise from large-scale migration, and in order better to understand them we have decided to set up a migration impacts forum. I hope that it will address some of the points made about the need to work across Government and in a multi-agency manner, and the need for local agencies and local government to be able to talk directly to central Government on such matters.

The migration impacts forum will have a fourfold task. It will consider information from its members about the social benefits of migration and any transitional impacts or adjustment requirements that might derive from migration. It will identify and share good practice in managing such transitional or adjustment requirements. It will bring together existing evidence about the impacts of migration. It will also suggest areas for Government research on the impacts of migration. Therefore, it will address a number of the concerns of the hon. Member for Peterborough.

Mr. Moss: I am grateful to the Minister for giving way; she has been extremely generous in allowing interventions. What she says is good news, but she uses the word "will". Should I take it from that that the body will be formed at some point in the future, or is it up and running? If it is not, when will it be formed?

Joan Ryan: That is a valid question. The migration impacts forum's first meeting will be on 21 June, which is next week, at which the rest of the forum's membership will be agreed. It is moving forward rapidly. We expect it to work in partnership with the migration advisory committee, in that it will learn from the committee's information and advice to Government regarding skills shortages and gaps, and what we need from where in respect of migration. The MAC and the MIF working together will be an important development in managing the issues raised in the debate and in enabling us to manage migration and meet our needs in that regard.

We have invited senior and experienced public service providers and representatives of other key sectors of the economy to be members of the forum. Their expertise will cover policing and law and order, health and social care, housing—which has been much mentioned—and education. There will also be senior figures from the TUC, the CBI, the Government offices for the regions and the voluntary sector. We also intend to ensure that at least one representative is based in each of the countries and regions of the United Kingdom, and that local authorities are engaged.

The forum will meet quarterly and will be chaired by my hon. Friends the Minister for Immigration and Asylum and the Minister for Local Government, who has responsibility for communities; that is an example of important cross-Government working. As I have said, the forum will meet for the first time on 21 June, when we will announce its membership. Its work will be in the public domain and we believe that it will provide a major contribution to the important debate on the impacts of large-scale migration on our communities and public services. I am glad that Opposition Members welcome that important development.

We have announced plans for the transformation of the Border and Immigration Agency—the immigration and nationality directorate, as was. Part of the transformation process has involved the recent appointment of six new regional directors, who will have real authority, freedom and flexibility to improve performance and local accountability. That will give local communities a much stronger sense of how the agency is performing and how decisions affect people in their area. The directors will focus on delivering joined-up immigration services and will lead joint working with other services agencies at a local level. That is a very important development in ensuring that impacts at local level really are known about, considered and taken into account.

I want to mention a project that the hon. Member for Peterborough might have referred to in previous debates. Peterborough city council, which runs a new arrivals project, successfully applied in 2004 to the Treasury's invest to save initiative. It secured funding of some £2.2 million from 2004-05 to 2006-07, so the funding is still current. The project aimed to create a new model for managing new arrivals in the city, with a net saving to the national and local economy, and to deliver long-term benefits to agencies and communities engaged in this process. Nine individual projects were established to contribute to the integration of new arrivals and increased cohesion in the city. They focused on a resource centre for new arrivals, interpretation and translation, information and computer technology, citizenship and orientation training, training in awareness, education, celebration events in schools, and enhanced health and community capacity. We should congratulate Peterborough city council on its success in bidding for that money and putting those projects into action. Given what the hon. Gentleman has said, they have been needed and have served a good purpose.

Mr. Jackson: The Minister prompts me to pay great tribute to the manager of the New Link project in Lincoln road, Leonie McCarthy, who also happens to be a member of the Commission on Integration and Cohesion. She has done a fantastic job. I record for the House's benefit that we have spent a very difficult six months securing ongoing revenue funding for New Link. We were told, as elected Members of Parliament and councillors, that it was one-off funding that would not continue past 1 April 2007. It has taken the intervention of the East of England Development Agency to continue that funding. I do not want to rain on the Minister's parade, but securing that funding in order to carry on the superb work of New Link has been like pulling teeth.

Joan Ryan: I am very pleased that the one-off funding enabled all this to be put in train, and I congratulate New Link on securing further funding. A very thorough process always has to be gone through in securing revenue funding, because public money has to

[Joan Ryan]

be well spent and spent where there is need. However, I congratulate the project and the city council on securing the funding and making that provision.

We have implemented a comprehensive regime that provides for the effective management of migration from the EU in terms of access to the labour market and benefits. Illegal working has been mentioned and I hope that the hon. Gentlemen who have spoken will appreciate that we are increasing enforcement and bearing down on illegal employers and illegal migrants. We have increased sanctions, especially for knowingly employing illegal workers. Some small employers just have chaotic systems, but others knowingly employ illegal workers. The significant sanctions will include unlimited fines and up to two years' imprisonment, because that activity brings great harm to all, not least to the person illegally employed, who is unlikely to have decent health and safety provision or decent wages.

I hope that the hon. Gentlemen will also support our biometric identity documents—or ID cards—for foreigners, which we hope to introduce in 2008. They will make it possible for employers to be more certain about the legal status of those whom they employ, and give them much less excuse for employing illegal immigrants. The documents will also make it possible for us to identify people who are here illegally and/or attempting to work illegally.

In conjunction with my hon. Friend the Minister for Local Government, we are assessing and managing the impact of large-scale migration to the UK. Our approach ensures that migration brings maximum benefits to the United Kingdom. I thank the hon. Gentlemen for their thoughtful contributions and I am sure that the debate will continue, as it is of some importance to our constituents.

Question put and agreed to.

Adjourned accordingly at one minute past Six o'clock.

House of Commons

Thursday 14 June 2007

The House met at half-past Ten o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

TREASURY

The Chancellor of the Exchequer was asked—

Employment Trends

1. **Mr. Jim Devine** (Livingston) (Lab): What recent assessment he has made of the economic effect of trends in employment levels over the last 12 months. [142561]

The Chancellor of the Exchequer (Mr. Gordon Brown): There are a record 29 million people in work—more than at any time in our history and 87,000 more than this time last year, making our growth last year 2.8 per cent. To create more jobs, we will maintain economic stability, intensify the new deal and, as we are announcing today, improve adult skills and seek excellent standards in every school in the country.

Mr. Devine: I am grateful to my right hon. Friend for that answer. As he knows, unemployment in my constituency is 2.4 per cent., but that will rise substantially if the Scottish National party council has its way. It has recently written to more than 5,000 staff, telling them that unless they sign a new contract, they will be dismissed by 30 September. Does my right hon. Friend agree that, far from bullying its staff, the SNP should withdraw the letter, apologise and get back to the negotiating table?

Mr. Brown: I am grateful to my hon. Friend for telling me that 5,000 jobs could be at risk as a result of the Scottish National party's policies. We have created 200,000 jobs in Scotland over the past 10 years. Any economic policy or any policy pursued by the Scottish nationalists that puts jobs in Scotland at risk would be taken very seriously by the Scottish people. I hope that the Scottish National party will think again before it puts more jobs at risk in the Scottish economy.

Mr. Michael Fallon (Sevenoaks) (Con): Given that the right hon. Gentleman has now promised to be more open and accountable and govern differently, can we have a factual answer to the question of why long-term youth unemployment has risen by 32,000 in the last quarter and why it is now back to the level he started with in 1997?

Mr. Brown: That is completely incorrect. Long-term youth unemployment is down 75 per cent. since 1997. The hon. Gentleman himself went on television just before the Budget to congratulate us on our economic stability. Perhaps he should recognise that in his and other constituencies there are 2.5 million more people in work than in 1997. Together with economic stability and the growth in our public services as a result of new investment, that is a record on which he should congratulate us, rather than condemn us.

Dr. Ashok Kumar (Middlesbrough, South and East Cleveland) (Lab): May I tell the Chancellor that there are more people working in my constituency today than there were 10 years ago when the Conservative party was in power? One sector is very important for the economy of Teesside: steel. Has he had any discussions with Tata management since the recent takeover of Corus by Tata Steel? If he has not, I urge him to talk to Tata Steel and give it any help and support that it wants to ensure that we have a viable, strong steel sector and that we can keep and protect the 3,000 direct jobs and 30,000 indirect jobs in the economy of Teesside.

Mr. Brown: I am grateful to my hon. Friend for being a champion of both the steel industry and jobs in his constituency. I have talked to Tata management since they bought Corus and they have assured me that they intend to invest in the steel industry in Britain for the future. The whole country faces the issue of building modern manufacturing strength for the future. Whether we are talking about aerospace, pharmaceuticals, information technology or steel, the issue is not manufacturing versus services; the issue is building modern strength in both services and manufacturing. I am sure that that is what we can go on to do.

Dr. Vincent Cable (Twickenham) (LD): It is obvious that employment growth, low claimant unemployment and general economic stability are among the Chancellor's successes. In the same spirit of generosity, and since this is his last outing as Chancellor, will he acknowledge that there have been some mistakes in the past 10 years? They include, among other things, the London Transport public-private partnership, individual learning accounts, U-turns on film tax credits, company incorporation, operating financial reviews, the Treasury's treatment of Railtrack, dividend tax credits, tax credit overpayments, rampant inflation in the housing market, widening inequalities in—

Mr. Speaker: Order. The question is a bit narrow.

Mr. Brown: I am grateful to the hon. Member for Twickenham (Dr. Cable) for his customary generosity. If there have been mistakes, it is usually when we have listened to the Liberals. Does he now agree that it was a mistake for the Liberal Democrats to urge us to join the euro immediately and to oppose the new deal and many of the measures that have reduced child and pensioner poverty in this country? I think he would agree that, over the past 10 years, not only has personal wealth increased, but we have taken more people out of poverty—unfortunately, that is not because we listened to the Liberal Democrats.

Stephen Hesford (Wirral, West) (Lab): The hon. Member for Sevenoaks (Mr. Fallon) mentioned youth unemployment. I am sure that the House agrees that we look forward to my right hon. Friend the Chancellor becoming Prime Minister. Will he confirm that he will support and advance the new deal that has been so successful in dealing with youth unemployment throughout the years?

Hon. Members: Give him a job!

Mr. Brown: I am talking about jobs, and the jobs of young people in this country. It is one of the greatest misfortunes of the past 10 years that the Conservative party still insists on opposing the new deal, which has affected 2 million young people, and more than 1 million of them have got jobs. The Conservative party still opposes that opportunity, which should be available to millions of people. At some time, the Conservative party will have to make a choice: will it support opportunities for all people in the country, which requires us to have the new deal, or will it simply support opportunities for the few, as its obsession with grammar schools shows?

Mr. George Osborne (Tatton) (Con): May I, too, join in congratulating the Chancellor on the remarkable achievement of surviving 10 years at the Treasury, even if it was twice as long as he wanted? On the question of employment and jobs, may I ask him about the biggest employer in the country, the Secretary of State for Health? This week, the Chancellor is reported to have said of her:

"I have to sit here while she loses me the next election."

Can we take it, then, that she will soon be joining the record numbers of people who are economically inactive?

Mr. Brown: Our Government have invested more in the health service, with more results. When we came to power, there were 12 million people treated in accident and emergency; now it is 17 million. When we came to government, in-patient treatment rates were low; they are now high. When we came to government, 120 hospitals needed to be built, and we are building them. As for the shadow Chancellor, it is very difficult to listen to what he says on any one day, because he will usually have changed his mind by the next day, as he did on grammar schools. I understand that he has just given an interview to *Glamour* magazine. The interview has been issued with a free pair of flip-flops. He should take advice from the leader of his party, who said only a few days ago that we have a successful economy. He said:

"We're incredibly fortunate, we've got the English language, we've got a successful economy."

Why? Because we have a Labour Government.

Mr. Osborne: At least I do not appear in glossy magazines talking about what I listen to on my iPod. My question was about the Health Secretary, and the Chancellor has just hung her out to dry. No wonder he writes books about political courage instead of appearing in them. The fact is that the NHS job losses, the ward closures and the crises are his doing, because it was his NHS plan, his Wanless report, and his money without reform. Does the anger that junior doctors feel about their employment prospects explain why one Downing street aide this week said of the Chancellor:

"I actually think...he'll be the first prime minister to be carried out of No 10 by the men in white coats"?

Or was he getting at something else?

Mr. Brown: I have been up against seven shadow Chancellors in the past 10 years, but the hon. Gentleman is the only shadow Chancellor who never asks me about inflation, interest rates or the economy. Every time that there is a question about employment and economic activity, he wants to change the agenda. First of all, on the national health service, it is because we have invested twice as much in the NHS that we do not have the waiting times and waiting list crises that the last Conservative Government had. It is because we have managed the economy well that we are able to invest in public services. If he does not think so, why does he always say to business audiences outside the House—he knows that they have to hear the truth about it—that Labour has had great success on the macro-economy? Why does he have to admit that the Tories left the economy in a mess? *[Interruption.]* Oh yes. There were interest rates of 15 per cent. under the Conservatives in the 1990s. *[Interruption.]* Well, who was the political adviser to the Chancellor of the Exchequer in 1992? It was none other than the Leader of the Opposition. The Conservative party stands and falls on its economic record; we stand and succeed on ours.

Mr. Dennis Skinner (Bolsover) (Lab): Will the Chancellor accept that in the real world, a remarkable change has taken place in many regions throughout Britain? Nowhere is that better exemplified than in the coalfields. In the last month, we started a junction on the M1 with £14.5 million that was derived from having a good economy. That means that there will be another 8,000 jobs where there used to be four pits that were closed by the Tories. As for the man from the Opposition, my right hon. Friend the Chancellor should not worry too much about those who were educated at Eton, because they were all educated beyond their intelligence.

Mr. Brown: My hon. Friend does what the shadow Chancellor does not do—he asks questions about the economy. When it comes to the real economy, jobs are being created. Jobs that were lost, unfortunately, as a result of the policies pursued by the previous Government are now being replaced by new investment. My hon. Friend is one of the great sponsors of the new investment in his region and near his constituency. Now we are seeing, as he said, not only 14,000 jobs but another 8,000 jobs. We are creating more jobs, and moving the country further and faster to full employment, and that is the result of a Labour Government.

Savings Ratio

2. **Mr. Richard Spring** (West Suffolk) (Con): What assessment he has made of the trend in the savings ratio over the last 10 years; and if he will make a statement. [142562]

The Financial Secretary to the Treasury (John Healey): Households are benefiting from steady economic growth, and they are benefiting from low and stable interest and inflation rates. The level of household savings ratio

since 1997 reflects that stability, with households having the confidence to reduce their contingency savings, unlike in the early and mid-1990s.

Mr. Spring: Will the Minister confirm that the household savings ratio is now one third of what it was in 1997, and is the lowest of any sizeable EU country? Can he explain why?

John Healey: The UK is not unusual, as the savings ratio has declined in the United States, Australia, Japan and Canada, and is lower in the US than in the United Kingdom. The level of the savings ratio in the UK is broadly similar to the level in the 1960s, when there was also high employment, a stable economy and low inflation, so people had less need for the cushion of security that savings can offer.

John McFall (West Dunbartonshire) (Lab/Co-op): The savings ratio for low-income householders and individuals has not moved much in the past 10 years, but a Government initiative—saving gateway phase one—has helped people, because it has provided assets for people on low incomes. The Economic Secretary will appear before the Treasury Committee next week, but will my hon. Friend have a word with him before then to extend saving gateway phase one, which is simple and has been well received, to ensure that people on low incomes increase their assets and play a more active part in the economy?

John Healey: My right hon. Friend is right to draw attention to the importance of savings, and his Committee has consistently examined the issue. We recently completed the second pilot on the saving gateway, which shows promising signs of success. He will know that twice as many people hold the individual savings accounts that we introduced as their predecessors, personal equity plans and tax-exempt savings accounts. He will know, too, that one in four families and people on low incomes hold ISAs, which is far better than the performance of previous schemes. The savings ratio in the UK hit its peak at the very time that repossessions and negative equity hit their peak, and I can assure him that what we will not do is introduce economic policies that will drive us back to the point in the early 1980s, when an estimated 1.5 million households suffered from negative equity.

Mr. Desmond Swayne (New Forest, West) (Con): My constituent complains to me that when he chides his grown-up children for not making any savings they laugh in his face and call him a mug, because he saved and consequently lost not one but two pensions. He blames the Chancellor. Who does the Minister blame?

John Healey: Clearly, the hon. Gentleman and I share the view that savings are important, so I am disappointed that he has not got behind the pensions reforms that the Government have introduced, the child trust fund and ISAs—all schemes that we introduced to raise the level of savings, particularly for the young and those on lower incomes.

Mr. David Kidney (Stafford) (Lab): Given the changes to demography that we are all witnessing, will my hon. Friend give the Treasury's view of the report by Sir Derek Wanless, requested by the King's Fund, about the cost of long-term care? Does the Treasury hold talks with the financial services sector about bringing together public and private policies so that we can have a range of financial products in which it makes sense for people to invest when they are young for their care when they are old?

John Healey: My hon. Friend is an active and articulate advocate for stronger policies and support in that area. Following the Wanless report, and particularly in preparations for the comprehensive spending review, we are looking at precisely those areas.

Mr. Christopher Fraser (South-West Norfolk) (Con): An article in the *Eastern Daily Press* yesterday states that one in 10 East Anglian families cannot afford food or medicine, or risk eviction because they are

"too poor to pay rent".

Research shows that that is due in part to poor financial management and inadequate saving. Does the Minister accept that he needs to do much more to encourage people on low incomes in constituencies such as mine to save money and learn how to manage their finances more effectively?

John Healey: We need to do a good deal more not just in constituencies such as the hon. Gentleman's, but right across the country. I hope that he will recognise the potential of the child trust fund, particularly alongside the greater education on financial affairs that we are looking to put in place through the education system. I hope that he and his party will be prepared to weigh in and support the efforts that we are making in that regard.

World Trade

3. **Chris Mole** (Ipswich) (Lab): What recent assessment he has made of the impact of world trade on the UK economy; and if he will make a statement. [142563]

The Chancellor of the Exchequer (Mr. Gordon Brown): According to the World Bank, full trade liberalisation could bring up to $300 billion of benefits and contribute to reducing world poverty. There must be no going back to protectionism. Reaching a Doha trade deal is a crucial step. Europe and America must urgently make progress on agriculture, and further offers on industrial goods by India and Brazil are needed. That would help both the developed world and developing countries.

Chris Mole: Growth in world trade is manifestly crucial to the UK. The most recent statistics show that the UK has taken the lion's share of foreign direct investment. What can my right hon. Friend do to ensure that regions such as the east of England continue to benefit from that?

Mr. Brown: I am grateful to my hon. Friend. Foreign direct investment in Britain from the rest of the world has been very high indeed. Of company headquarters located in Britain over the past 10 years, about 400 have been located from the rest of the world as regional or

world headquarters to Britain. In France, Germany and Ireland the figure is fewer than 100, so we have done well. Maintaining our rate of growth in exports is crucial, as is maintaining business investment at a high level. It is by these means that we will maintain and extend the industrial and services sector of the economy, and hopefully bring additional jobs to my hon. Friend's constituency.

Mr. David Laws (Yeovil) (LD): Can the Chancellor tell us whether UK trade has been affected at all in recent years by the payment of bribes on defence orders? Can he give us an assurance that since the legislation banned bribes in 2002, there has been no Government connivance by any Department, including his own, in the payment of such bribes?

Mr. Brown: It was our legislation that banned something that had been a practice under previous Governments, and it was our party that led the way to making that change. On trade—I know the hon. Gentleman wants to know the figures illustrating the growth in trade—exports are growing by 6½ per cent. this year. We expect them to grow by 5¼ to 5¾ per cent. next year. That shows an economy that is far more balanced than in previous years.

Angela Eagle (Wallasey) (Lab): My right hon. Friend has already pointed out the crucial nature of achieving a positive end to the trade round in Doha, but as the American congressional mandate runs out in July, how optimistic is he that that great prize can be claimed?

Mr. Brown: I am grateful to my hon. Friend, who has taken an interest in both the trade deal and in what is happening as a result of trade to developing countries. I believe that there is still a window of opportunity for a trade deal. A meeting of all the major negotiators is to be held next Wednesday, and it is incumbent on all the major parties—that is, Europe, America, India and Brazil—to see what they can do in the next few days to move matters forward. The failure to reach a world trade deal will allow protectionist forces to grow, and I hope there will be all-party support for pushing forward with moves that will make possible a trade deal in the not too distant future.

Damian Green (Ashford) (Con): The Chancellor knows that one of the sectors in Britain that struggled most in world trade is manufacturing. When he took over, the manufacturing trade deficit was £7 billion. Last year it was £59 billion. It is hardly surprising that 1.25 million jobs in manufacturing have been lost in his 10 years at the Treasury. While he is in elegiac mode at the end of his term at the Treasury, can he explain whether that is a deliberate result of his policy, or whether it has been an accidental attack on British manufacturing, for which he would now like to apologise?

Mr. Brown: The hon. Gentleman is conveniently forgetting that in two recessions under the Conservative Government, not 1 million but 3 million manufacturing jobs were lost, and that manufacturing went down from 7 million to 4 million during the period of a Conservative Government. He also knows that in every advanced industrial country, a restructuring is taking place—in America, the rest of Europe and Japan—because there is a shift of manufacturing activity to China and Asia. He knows also that Asia is now out-producing Europe. The question is which economies are going to adjust, modernise, reform and have modern manufacturing strength to enable them, if not to create additional jobs, to have additional wealth as a result of manufacturing industry. I believe that in aerospace and pharmaceuticals, in information and technology and the creative industries, and even in the modernisation of industries such as steel, we are showing that by high levels of investment—and now high levels of training, with apprenticeships and new people coming into these industries with skills—we can compete with the best in the world. I hope that there will be all-party support for building modern manufacturing strength.

Anne Snelgrove (South Swindon) (Lab): Nearly 40 top international companies have their UK headquarters in Swindon, thus creating an economic powerhouse in our part of the south-west. Does my right hon. Friend agree that in the week when it was reported by the World Bank that Russia was on track for high gross domestic product growth and China's trade surplus with the EU was nearly £160 billion, it is absolutely vital that, as Prime Minister of this country, he continues his strong economic record and work with the global economy?

Mr. Brown: I am grateful for the work that my hon. Friend does to bring new jobs and new industry to Swindon. As a result of the policies that are being pursued, the growth rate in Swindon has been higher than in the economy as a whole. I can assure her that we will not follow the failed policies of the Conservative party. We will not allow interest rates to get out of control, we will not allow inflation to get out of control, and we will not cut public investment in universities, in the new deal or in apprenticeships, as the Conservatives threaten to do. We will ensure that we have balanced economic growth in this country.

Tax Burden

4. **Mr. Philip Dunne** (Ludlow) (Con): What assessment he has made of the change in the overall burden of taxation in the last 10 years; and if he will make a statement. [142564]

The Chief Secretary to the Treasury (Mr. Stephen Timms): This year's Budget Red Book estimated that net taxes and national contributions were 37.2 per cent. of GDP in 2006-07. The Red Book also showed that that will stay below the peaks of the 1980s over the period ahead and well below the average for the EU 15.

Mr. Dunne: This Chancellor likes to remind the House of historical context. Will the Chief Secretary acknowledge that over the past 10 years the Chancellor has introduced more than 100 new stealth taxes, doubling the tax code, raising more than £40 billion in extra tax each year, costing every family more than £1,300 each, and making every taxpayer have to work a week longer to pay for it? Is not he the biggest tax-grabbing Chancellor in history?

Mr. Timms: I am glad to be able to refute all that. Let me remind the hon. Gentleman that the ratio that I mentioned was lower in the 1970s. In the 1980s, it rocketed, and for most of the 1980s it was at a higher level than it is now. His historical comparison is therefore entirely misplaced.

Mr. Denis MacShane (Rotherham) (Lab): Does the Chief Secretary agree that if there are 2.7 million more people in work and 700,000 new firms, all paying taxes, tax revenue will rise? Has not this Chancellor cut corporation tax and income tax to some of the lowest levels that we have seen in Britain and shown that 21st century socialism equals cutting taxes, and will he keep it up as Prime Minister?

Mr. Timms: My right hon. Friend is absolutely right. Not only are there more people in jobs and therefore paying taxes, but their earnings are up as well. Those are the results of economic success and the policies that my right hon. Friend the Chancellor has been pursuing over the past decade.

Adam Afriyie (Windsor) (Con): A recent YouGov poll said that the majority of Labour party members would like a higher tax band for higher rate taxpayers. Does the Minister agree with them, or does he think that they are wrong?

Mr. Timms: I can reassure the hon. Gentleman that the UK remains lightly taxed by international comparison. We are determined to maintain the approach that we have taken. It would have been helpful if he and his hon. Friends had been more supportive in the Finance Bill Committee of the measures that we have been taking to tackle tax avoidance, because that would have been a valuable step. What is true is that we have taken steps to put right chronic underinvestment in public services and will continue to do so.

Mr. John Grogan (Selby) (Lab): On the balance of taxation, does my right hon. Friend agree with Nicholas Ferguson, chairman of private equity firm SVG Capital, who recently said that highly paid private equity executives paying less tax than a cleaning lady could not be right? Has he any measures in mind to assuage Nicholas Ferguson's conscience—possibly raising the effective 10 per cent. rate that many partners in private equity firms currently pay?

Mr. Timms: I have seen the recent debate about the matter in the newspapers. My hon. Friend knows that we had a review on the subject in March, well before the recent public debate, and we await its outcome.

Mr. David Gauke (South-West Hertfordshire) (Con): In 1997, the UK's tax burden was lower than Germany's by 6 per cent. of GDP. Ten years later, that competitive advantage has been lost as our tax burden overtakes Germany's. That reflects a trend of Organisation for Economic Co-operation and Development countries cutting their tax burden while ours has increased. Given the economic challenges of the 21st century, will the Chief Secretary explain whether that helps or hinders the UK's long-term competitiveness?

Mr. Timms: Let me begin by welcoming the hon. Gentleman to the Front Bench. The OECD comparison makes it clear that the UK remains a lightly taxed economy internationally. Enterprise and competitiveness in the UK have benefited hugely from the unprecedented decade of stability in the economy that we have just experienced. That is why the UK enjoyed more foreign direct investment last year than any other country in the world—certainly more than Germany. A brief examination of the economic record of this country and that of Germany in the past decade shows that ours is a great deal stronger.

Rob Marris (Wolverhampton, South-West) (Lab): My right hon. Friend referred to the Finance Bill Committee. I have served on six of the last seven Finance Bill Committees—*[Interruption.]* As a volunteer. Does my right hon. Friend share my experience that, in those Committees, the Conservative Opposition often made proposals to featherbed the rich and preserve their tax loopholes such as that of family trusts?

Mr. Timms: My hon. Friend served with distinction on all those Finance Bill Committees. He is right about the approach that Opposition Members have taken far too often.

No. 11 Downing Street

5. **Mr. David Jones** (Clwyd, West) (Con): What procedures are in place to ensure that additional costs associated with holding events at No. 11 Downing street are met by the organisers of those events. [142565]

The Chief Secretary to the Treasury (Mr. Stephen Timms): Every external organisation that uses No. 11 Downing street is required to meet in full the additional costs associated with holding the event.

Mr. Jones: Given that the householder is in the Chamber, one might think that he would want to answer for himself. However, perhaps the Chief Secretary can assist the House. We know that the Smith Institute has enjoyed the Chancellor's hospitality on no fewer than 160 occasions in the past 10 years. Of the other 66 charities that used No. 11 in that time, which used it most often and on how many occasions?

Mr. Timms: The hon. Gentleman's question was about the extent to which organisations had met the costs. As I said in my initial answer, the organisations pay all those additional costs. The 67 to which he refers on the Treasury website contract directly for catering and equipment. It is a similar arrangement to the one that applies in the Jubilee Room, with which hon. Members are familiar. It operates without difficulty.

Barbara Keeley (Worsley) (Lab): This is carers week, the highlight of which for carers, young carers and the seven carers organisations that support them was being invited to a reception at No. 11 Downing street, which the Chancellor hosted yesterday. Given the contribution that carers make to the health and social care of this country, does my right hon. Friend agree that, in carers week, that was a most appropriate way in which to recognise what they give to this country?

Mr. Timms: My hon. Friend is right. My right hon. Friend the Chancellor appreciated the opportunity to address the carers who attended the reception. In every community throughout the country, carers do a fantastic job. The Government should congratulate and thank their representatives, as that reception made possible.

Sir Peter Tapsell (Louth and Horncastle) (Con): As one of the most costly events to the taxpayer held at No. 11 during the Chancellor's time there must undoubtedly have been that at which it was decided to sell half of Britain's gold reserves at rock-bottom prices, will the Chief Secretary inquire of his shy right hon. Friend whether he will be taking his cross of gold with him to No. 10 or will he leave it behind as a grim relic of disaster for his successor?

Mr. Timms: Let me give the hon. Gentleman a little reassurance that the European Central Bank was not one of the 67 charities that has used No. 11 Downing street over the past 10 years.

David Taylor (North-West Leicestershire) (Lab/Co-op): Will my right hon. Friend confirm that one of the most expensive events at No. 11 Downing street in recent years was on 16 September 1992, when the then Chancellor lay in a bath singing French popular songs, with future Leaders of the Opposition dancing in attendance? Will he confirm that the cost of that event to the British taxpayer was a minimum of £4,000 million? Was an invoice ever sent to Conservative party headquarters?

Mr. Timms: I think that my hon. Friend's calculation is absolutely right. Sadly, the cost of that event was never refunded to the Exchequer and, also sadly, I fear that no Labour Member was present to see it.

Mr. Mark Hoban (Fareham) (Con): Will the Chief Secretary confirm that the Treasury paid more than £11,000 for two seminars organised for its trustees by the Smith Institute, which was a donor to the Chancellor's leadership campaign? Will he also confirm that it was only two years later, when the Charity Commission started asking questions, that the Treasury noticed that mistake? Will he now guarantee that all direct and indirect support for the Smith Institute from the Government has been properly declared and is in the public domain?

Mr. Timms: There has been no direct financial support or contribution to the Smith Institute from any Department of Government. I have one confession to make on this topic, however, which may be of interest to the hon. Gentleman. At the No. 11 children's Christmas party this year, organised with the Booktrust charity, it paid for the invitations, the Christmas decorations and the food and drink—but it is true that the Treasury paid for the Christmas tree.

Banking Services

6. **Mary Creagh** (Wakefield) (Lab): What steps he is taking to ensure that people in receipt of benefits have access to high quality banking services. [142566]

The Economic Secretary to the Treasury (Ed Balls): The Government's goal is for everyone to be able to manage their money effectively and securely through a transactional bank account. Since the move to direct payment started in 2003, 98 per cent. of Department for Work and Pensions benefits are now paid into accounts, which is up from 28 per cent. in 1997. Of those paid into accounts, 79 per cent. are paid directly into a bank account, including a basic bank account and 19 per cent. into a Post Office card account—only 2 per cent. of payments are made by cheque.

Mary Creagh: I thank my hon. Friend for that reply. I have been contacted twice by a constituent whose benefits are paid directly into his account, but they have been paid late twice and he has been penalised by the bank for going overdrawn. Will my hon. Friend work with the Department for Work and Pensions to ensure that benefits are paid correctly and on time all the time? Does he share my abhorrence at the banks, which make millions in profits, skimming them off from the poorest members of our society when they go overdrawn, often through no fault of their own?

Ed Balls: I know from our conversations that that is a particularly sad case and I am happy to take up the details with my hon. Friend and make contact with my DWP colleagues. Of the 680 million payments made by the DWP in 2006, only 21,000—0.0003 per cent.—were reported as either late or missing. In the minority of cases where that does happen, the DWP, if found to be in error, refunds in full any penalty charges that may result to the individual concerned. I also agree with my hon. Friend that when the banks are presented with the facts of this sort of case, they should act in a sensitive manner with respect to those individuals.

Mr. Colin Breed (South-East Cornwall) (LD): It seems clear that the big banks are not really interested in providing basic accounts. Is it therefore time to consider an enhanced role for the credit unions, or even the creation of a community banking network similar to that in the United States and in Europe, to provide that kind of banking service?

Ed Balls: I do not think it fair to say that the banks are not interested. Since 2004, we have reduced the number of adults without a bank account from 2.8 million to 2 million. Part of the reason that we have been able to do that is the growth in the number of basic bank accounts being offered by the banks to lower income customers. The hon. Gentleman is absolutely right, however, that if we are to meet our goal of getting everybody a bank account, we need to do more, and to do it in new ways. That is why we are encouraging credit unions, in particular, to move into the current account banking market. There are now nine credit unions offering current accounts, including the White Rose credit union in Wakefield, the constituency of my hon. Friend the Member for Wakefield (Mary Creagh). We want to see more of that. We are also working with the banks to ensure that they help us to spread current account banking to more credit unions. That could be an effective way of spreading the habit of banking to the 2 million people in this country who still do not have a bank account.

Mr. Mark Todd (South Derbyshire) (Lab): One of the critical needs that everyone has is the ability to gain access to the money in their bank account free of charge. Following the initiative of the Treasury Committee in proposing an extension of free access cash machines to areas that currently lack them, I have proposed two in my constituency, in Midway and Hartshorne. Will the Minister tell us what progress has been made in extending the network of free access cash machines?

Ed Balls: We are making really good progress. I would particularly like to pay tribute to the Chairman of the Treasury Committee, my right hon. Friend the Member for West Dunbartonshire (John McFall), for the personal leadership that he has shown in this area. I am hoping to be able to update the House next week on the progress that we have made. More than 400 new free ATMs in low-income areas have now been provided or are in the planning stage. That is two thirds of the way towards our goal, but there is still further to go. I urge Members on both sides of the House with low-income areas in their constituencies without a free ATM to contact either myself or my right hon. Friend the Member for West Dunbartonshire. We will contact the ATM organisers and the banks to try to ensure that we meet our goal of getting a free cash machine in every low-income community in the country.

Mr. Roger Gale (North Thanet) (Con): In his opening response, the Economic Secretary to the Treasury said that he wanted everyone to have the facility to enable them properly to manage their money. Might it not help people to do that if Her Majesty's Revenue and Customs managed its money properly, so that 300,000 people were not facing reclaims for child tax benefits?

Ed Balls: It is important that we work with HMRC to extend the habit of financial literacy in our country. I commend to the hon. Gentleman the work that HMRC is doing on the child trust fund. There are now 2.6 million families with a child trust fund and, this September, the first tranche of schoolchildren to have such a fund will be starting school at the age of five. We are hoping to use that as an opportunity to expand financial literacy. We need to do everything that we can to help everyone who is challenged by money, including people who have difficulties with overpayments, and I am happy to work with HMRC to ensure that that can happen.

Mr. Wayne David (Caerphilly) (Lab): Does the Minister agree that we need to see more co-operation between the credit unions and the Post Office?

Ed Balls: I agree with my hon. Friend. I recently met him and a group of other Welsh MPs to discuss the matter. At the moment, there are individual arrangements between credit unions and particular sub-postmasters, and we would like more of those arrangements to be established. As we discussed in our meeting, it is possible to access 25 different bank accounts at a post office, including 17 basic bank accounts, but if we can do more to get the credit unions to offer current accounts through the post office network, it would be a real step forward towards financial inclusion and genuine choice for the people in our country.

Inflation Rate

7. **James Brokenshire** (Hornchurch) (Con): What the average retail prices index inflation rate was in the first quarter of (a) 1997 and (b) 2007; and if he will make a statement. [142567]

The Financial Secretary to the Treasury (John Healey): RPIX inflation averaged 3.7 per cent. in the first quarter of 2007, largely as a result of high energy prices and high food prices. It was down to 3.3 per cent. last month and independent forecasts expect inflation to be back at its target level by the end of the year. I hope that the hon. Gentleman will recognise that since the Bank of England gained its independence in 1997, the UK has had the best inflation performance for almost a century.

James Brokenshire: Alliance Trust recently reported that the poorest households in the UK face an inflation rate as much as a third higher than the average. That comes hot on the heels of Institute for Fiscal Studies research indicating a real increase in poverty in this country in the past year. Does the Minister share the concerns expressed by some of his colleagues running for the deputy leadership of the Labour party about the rising inequality under this Government?

John Healey: One of the best and most important things for families, particularly those on lower incomes who aspire to be able to afford their own homes, are low and stable interest rates, which come with low and stable inflation. That is one of the reasons that this country now has 1.8 million more homeowners than in 1997, and it is the reason that we will not return to the sort of policies that we saw under the previous Government and that are advocated by the current Opposition. During the 18 years that they were last in power, average interest rates, for the entire period, were about 10 per cent.

Mrs. Theresa Villiers (Chipping Barnet) (Con): Last year, disposable incomes rose at the slowest rate for nearly a quarter of a century, and yesterday the Office for National Statistics announced that, for the sixth month in a row, regular pay failed to keep up with inflation, so living standards fell again. The Council of Mortgage Lenders has now reported that homeowners are suffering the highest mortgage burden for 15 years. Does the Minister agree that life is getting much tougher for thousands of hard-working people after the Chancellor's 10 years in office? People are already struggling with 101 stealth tax rises, and many of them are also hit by the chaos in the tax credit system.

John Healey: The hardest burdens for many families to bear are interest rates that run out of control, which they experienced under the previous Government, and inflation running out of control, which they also experienced under the previous Government. In contrast, the consumer prices index of inflation remains low by historical standards, at 2.5 per cent.—incidentally, it fell by 0.6 per cent. last month. Consistent with the Treasury's forecast in the Budget, and with the Bank of England's May inflation report, independent forecasters expect inflation to return to its target level by the end of the year.

Financial Inclusion

8. **John Mann** (Bassetlaw) (Lab): What discussions he has had on using pre-school learning establishments in providing information on financial inclusion. [142569]

The Economic Secretary to the Treasury (Ed Balls): As my hon. Friend is aware from my recent visit to his constituency, the financial inclusion fund is providing money advice in outreach locations, including Sure

Start and other family and children's centres, as well as in many credit unions around the country. Early evidence shows that outreach provision has been effective in bringing information on money matters and financial services to financially excluded consumers, particularly women.

John Mann: The evidence from my constituency is that families previously torn apart by unemployment and drug addiction are increasingly strengthened and empowered by the Government's financial inclusion policies, not least tax credits. As those policies and the children's centres—which families can now use to raise aspirations—are undoubtedly the Government's two greatest achievements, should not we bring the two together, not only to allow families increasingly to benefit, but to expose the fact that the Conservative party would remove both of them?

Ed Balls: I completely agree with my hon. Friend. All around the country, Sure Start children's centres are doing a great job in providing financial advice to lower-income consumers. Only a few weeks ago, in Ilkeston, I saw a credit union in a Sure Start centre that provided both debt advice and a much better way of saving for low-income families than the rip-off, Farepak-type savings schemes that we heard about last year. I agree with my hon. Friend that we should do everything that we can to defend Sure Start in our communities and to resist any attempt to cut back its budgets, which I fear would be the inevitable consequence of the third fiscal rule, which those on the Tory Front Bench continue to promote in order to pay for the tax cuts that they promised.

Danny Alexander (Inverness, Nairn, Badenoch and Strathspey) (LD): While the Economic Secretary is looking for outreach locations from which to promote financial inclusion, will he revise his opinion of the role of post offices in that matter? In his recent report, he described the Post Office card account as a barrier to financial inclusion, whereas it should be seen as a gateway to it. Will he work to ensure that the new contract for the Post Office card account goes to post offices, so that people in rural areas, especially, can continue to benefit from the financial inclusion that those vital public services offer?

Ed Balls: The hon. Gentleman should know that we intend to spend £1.7 billion over the coming years to preserve the post office network and to ensure that thousands of post offices around the country continue to provide the services to which he referred. However, while we will continue with the Post Office card account after 2010, it is not a properly functioning account and does not provide the services that should be available to the lowest-income consumers. I would much rather people move on to either basic bank accounts or proper credit union accounts. However, we need to preserve the network to ensure that we can support the people in his constituency and in constituencies around the country who need to access reliable and local services.

Mr. Andrew Love (Edmonton) (Lab/Co-op): The biggest barrier to financial inclusion is the very low level of understanding of basic financial services, yet there is very little in the way of teaching in our school system to increase that. What steps has my hon. Friend taken to discuss that matter with the Department for Education and Skills, and when can we look forward to having more pilots on developing such teaching in schools?

Ed Balls: My hon. Friend is right that we need to ensure that we strengthen the way in which our schools curriculum can support financial education. In our report in January, we set out the steps that we will take, and I met ministerial colleagues in the DFES to take that forward. A particular opportunity for financial education will come from the child trust fund. In two years' time, when every seven-year-old in our country gets an extra top-up into their child trust fund account of £250, or £500 for those from lower-income families, we will ensure that we take the opportunity to embed the proper teaching of financial education and financial literacy into our system, using the child trust fund as a real way to communicate that message to both young people and their parents.

Child Trust Funds

9. **Mr. Ben Wallace** (Lancaster and Wyre) (Con): What proportion of child trust funds have been opened by low-income families since their inception. [142571]

The Economic Secretary to the Treasury (Ed Balls): The child trust fund is available to all families in our country. So far, we have opened 2.6 million accounts, of which 75 per cent. have been opened directly by parents. We published constituency information in January and will be able to publish information on low-income families later in the year.

Mr. Wallace: Given that it is more than two years since the child trust fund was launched, and that it is vital that the children of low-income families are the first to benefit from them, is it not disappointing that the Treasury still has no idea whether children from low-income families are indeed benefiting, and that the only general figures available to the Treasury indicate that one in four children do not take up that child trust fund? The Treasury should be doing more to ensure that those funds benefit low-income families.

Ed Balls: The hon. Gentleman should know that every child is benefiting. Even in a minority of cases when an account is not opened by the parent, an account is opened by HMRC within the year to ensure that nobody loses out. We published the constituency information in January. I can tell him, as I am sure he knows, that 76 per cent. of families in his constituency actively opened the account. He is right to say that the take-up rate is higher in higher-income constituencies, and that the take-up rate is lower in lower-income constituencies. We need to redouble our efforts to increase take-up. As part of that, we have collected the information, which we will publish as soon as we can, to show exactly what the figures are. The reason we had a child trust fund week at the beginning of the year was to ensure that we raised awareness of the child trust fund among all families, including those on lower incomes.

John Robertson (Glasgow, North-W[illegible]) (Lab): I congratulate my hon. Friend, and my right hon. Friend the Chancellor in particular, on behalf of my son-in-law and daughter, who has just given birth to a bouncing baby boy—[HON. MEMBERS: "Hear, hear."] I thank hon. Members for that. May I point out that the 2 million people who do not have bank accounts are the same people who will not have the privileges that my grandson will have?

Ed Balls: My hon. Friend is absolutely right. As I have said, there is a correlation between low-income families not having bank accounts and their not opening child trust funds. That is exactly why we need to ensure that low-income families can benefit from opportunities such as those that my hon. Friend's grandchild will have. I congratulate him, on behalf of the whole House, on the very happy event that has just befallen him.

Mr. Speaker: I call Mr. Selous. *[Interruption.]* Order. The hon. Member for Falmouth and Camborne (Julia Goldsworthy) should not show her displeasure when she is not called. It offends the Speaker.

Employment (Young People)

10. **Andrew Selous** (South-West Bedfordshire) (Con): What recent assessment he has made of the employment prospects of 18 to 24-year-olds. [142573]

The Chief Secretary to the Treasury (Mr. Stephen Timms): A total of 3.6 million 18 to 24-year-olds are now in employment, 11 per cent. more than in 1997. More young people are in higher education than ever before, and the number of young people claiming jobseeker's allowance for more than six months has fallen by 70 per cent. since 1997, to just over 50,000.

Andrew Selous: Yesterday's labour market statistics showed an increase in unemployment among 18 to 24-year-olds to 518,000, and a 20 per cent. increase in long-term unemployment among that group. Does the Chief Secretary agree that employers have a right to expect young jobseekers to be able to read and count, and that it is truly appalling that, according to the CBI, a third of employers have to teach those skills to new job entrants?

Mr. Timms: The hon. Gentleman omitted to mention that yesterday's unemployment figures showed another sharp fall. The claimant count has been less than 1 million for six years—it was never less than 1 million under the 18 years of a Tory Government—and now it is below 900,000. Yesterday's figures also showed that we have the highest employment rate among the G8 countries. Moreover, as I said earlier, more young people are in employment, and the proportion of 18 to 24-year-olds who are not in education, employment or training has fallen over the past 10 years.

There is more to be done on skills, but I hope that the hon. Gentleman welcomes the recommendations of the Leitch report, published before Christmas. We will make further announcements about that today, and our response in the form of an implementation plan will be published in a few weeks' time.

Mr. Brian H. Donohoe (Central Ayrshire) (Lab): The trend in general unemployment in central Ayrshire dropped significantly again this month, but there is one slight problem—the deficit in public service jobs. What progress has the Chief Secretary made in the context of the Lyons report and the dispersal of civil service jobs, with a view to giving more employment prospects to 18 to 24-year-olds?

Mr. Timms: I am very pleased with the progress that is being made in my hon. Friend's constituency. As he will know, our target for the period up to April 2008 is for 20,000 jobs to move from London and the south-east to the regions. There have now been transfers to every region and country in the United Kingdom, and we are well on track towards our target. However, if there are specific opportunities for relocations in my hon. Friend's area and if he draws them to my attention, I will ensure that the Office of Government Commerce, which is managing the programme, is made aware of them. We want to make certain that full advantage is taken of such opportunities.

Inflation Rate

11. **Mark Pritchard** (The Wrekin) (Con): What the average retail prices index inflation rate was in the first quarter of (a) 1997 and (b) 2007; and if he will make a statement. [142574]

The Financial Secretary to the Treasury (John Healey): As I explained to the hon. Member for Hornchurch (James Brokenshire), inflation has fallen in the past month. The consensus among independent forecasters is that it will be back on target by the end of the year.

Mark Pritchard: Outside the retail prices index, energy inflation is hitting pensioners hard, especially those in Shropshire. What discussions has the Financial Secretary has with his colleagues in the Department of Trade and Industry, and directly with the utility companies, about the speedy passing on of any reduction in wholesale prices so that retail customers, particularly pensioners, need not suffer?

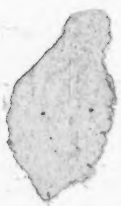
John Healey: We monitor such matters closely. We are obviously concerned about the position of pensioners, especially poorer pensioners. Pricing and price changes are the responsibility of Ofgem—the Office of Gas and Electricity Markets—the independent regulator that we established for the purpose.

Not only has inflation in the United Kingdom been lower and more stable under the present Government than under past Governments, it has been lower and more stable than inflation in other major economies during the period in question, despite difficulties caused by increases in world oil prices. This Government have an outstanding record on inflation and macro-economic management. That is why there are 1.8 million more homeowners and 2.6 million more jobs in the British economy than in 1997.

Mr. Bob Blizzard (Waveney) (Lab): What I remember about the first quarter of 1997 is that there was no Monetary Policy Committee and the Chancellor at that time artificially held down interest rates in a desperate

and fruitless attempt to win the 1997 election. Did that not distort the economy, and does it not make the comparison asked for in the question meaningless? Is not the only real comparison the fact that the Conservatives failed and we have had 10 years of success?

John Healey: That is precisely the principal comparison. Under this Government we have had low and stable interest rates, low and stable inflation and historically high levels of employment, and that has led to greater wealth in this country.



Business of the House

11.31 am

Mrs. Theresa May (Maidenhead) (Con): Will the Leader of the House give the forthcoming business?

John Bercow (Buckingham) (Con): Only one more to go, Jack.

The Leader of the House of Commons (Mr. Jack Straw): No.

The business of the House for next week is as follows:

MONDAY 18 JUNE—Remaining stages of the Mental Health Bill [*Lords*]—day one.

TUESDAY 19 JUNE—Conclusion of remaining stages of the Mental Health Bill [*Lords*]. It is also expected that a statement will be made on the Fulton and Hall reports into the hostage situation in Iran.

WEDNESDAY 20 JUNE—There will be a debate on European affairs on a motion for the Adjournment of the House.

THURSDAY 21 JUNE—There will be a debate on armed forces personnel on a motion for the Adjournment of the House.

FRIDAY 22 JUNE—The House will not be sitting.

The provisional business for the week commencing 25 June will be:

MONDAY 25 JUNE—Remaining stages of the Finance Bill—day one.

TUESDAY 26 JUNE—Conclusion of remaining stages of the Finance Bill.

WEDNESDAY 27 JUNE—Remaining stages of the Tribunals, Courts and Enforcement Bill [*Lords*].

THURSDAY 28 JUNE—If necessary, consideration of Lords amendments, followed by remaining stages of the Concessionary Bus Travel Bill [*Lords*].

FRIDAY 29 JUNE—Private Members' Bills.

Mrs. May: I thank the Leader of the House for giving us the future business.

Today is Falkland Islands liberation day, marking the 25th anniversary of the liberation of the islands. I am sure that the Leader of the House will join me in encouraging all members to sign early-day motion 1685, tabled by my right hon. Friend the Leader of the Opposition to mark the courage of Her Majesty's armed forces and to acknowledge the sacrifice of the 255 men who fell.

[That this House notes that 14th June is Falkland Islands Liberation Day; recalls the enormous courage and determination of Her Majesty's armed forces in liberating the Islands; pays tribute to the inspirational leadership of Prime Minister Margaret Thatcher who, with the support of Parliament, helped restore the Islanders' democratic way of life; remains resolutely dedicated to strengthening the historic ties between Britain and the Falkland Islands; reaffirms Britain's sovereignty over the Falkland Islands and her commitment to defend their right to choose their own future; and acknowledges with deep gratitude the sacrifice of 255 men who gave their lives for this cause.]

The motion is a reminder of the debt we owe all our armed forces for the service they have given, and continue to give, to our country.

The humanitarian situation in Gaza is grave, as fighting continues between Hamas and Fatah. Reports suggest that Hamas is now in control of almost the whole Gaza strip. That obviously has serious consequences for the middle east peace process. May we, therefore, have a debate on the situation in Gaza and on the peace process?

This week, Mahmod Mahmod and Ari Mahmod were convicted of the murder of Banaz Mahmod, a 20-year-old woman who fell in love with the wrong man. The human rights lawyer, Usha Sood, says that

"honour crimes are being perpetrated in the hundreds every year".

The police say that there are as many as 12 honour killings in the UK each year. Miss Mahmod was clearly let down by the authorities, who failed to protect her from her father, despite several warnings. May we have a debate on how we can prevent these despicable crimes?

According to a study published today, hundreds of thousands of elderly people are suffering physical and psychological abuse, neglect and theft. The care services Minister has committed to new guidelines for handling cases of abuse. With an ageing population, the fear is that this terrible problem will become increasingly prevalent, so may we have a debate on how to protect vulnerable elderly people?

Ahead of the EU intergovernmental conference, the French President says that he has agreed

"the framework for a simplified treaty"

with the Prime Minister, and the German Chancellor says that the treaty will have the same "legal substance" as the failed constitution. Surely any treaty on the transfer of powers to the EU must be put to the country in a referendum, so may we have a debate on the circumstances required for a referendum?

I reiterate my request for a debate on home information packs. This week, the Secretary of State for Communities and Local Government and the Minister for Housing and Planning have got into another fine mess. Now, taxpayers' money is being spent on subsidising the first home information packs, the Home Information Organisation is threatening to sue for billions of pounds, and the Government tell us that they have not even been able to find a legal definition of a bedroom, so may we have a debate on home information packs?

Finally, the Chancellor's camp says that he is going to scrap the Department of Trade and Industry and create a Department for energy—but we have heard that before. Two years ago, the Government changed the DTI's name to the Department for Productivity, Energy and Industry, but they changed it back again within days—I see the Deputy Leader of the House smiling—when they realised what the initials spelled out. I am too much of a lady to mention it in this House—[HON. MEMBERS: "Go on!"] I am sure that hon. Members can work it out for themselves. The Lord Chancellor's Department became the Department for Constitutional Affairs, and is now the Ministry of Justice. The Department for Transport became the DETR, then the DTLR, and now it is the Department

[Mrs. May]

for Transport again. But after all those changes, voters have seen no improvement in delivery. How much has that cost? In total, this Government have blown £2 million of taxpayers' money on shuffling the Whitehall pack, so may we have a debate on this Government's obsession with spin and presentation?

Mr. Straw: I endorse what the right hon. Lady says about the Falkland Islands. All of us, whether we were Members of Parliament or not, remember the dreadful events that led, in the end, to the liberation of the Falklands, and the terrible loss of life among British soldiers and personnel and, I may say, among Argentine personnel, most of whom were conscripts. As I have said before, those of us who were Members of Parliament recognise the steadfast courage and leadership shown by Margaret Thatcher. I salute that again, but above all I salute the courage and bravery of those who fell and of all who fought in that military action.

The situation in Gaza is indeed grave. Violence, whoever is causing it, provides no answer to the deep-seated problems in the occupied territories; nor does it provide any future. There is a heavy responsibility on Hamas and Fatah, and on the Government of Israel, to recognise, in their own separate ways, their responsibilities to work towards the only peaceful prospect for that area: a political process leading to negotiations and the fulfilment of United Nations resolutions. I will certainly bear in mind what the right hon. Lady says about the need for a debate and, I might add, a statement before that.

I note what the right hon. Lady says about honour killings. The term is a misnomer as there is no honour in those crimes, which are despicable, as are all murders and crimes that take place within families, regardless of the ethnic background of the people involved. It is our responsibility to ensure that the police, and the communities, do all that they can to ensure that such crimes do not take place.

The report published today on vulnerable elderly people is of profound importance. I am glad that it was sponsored by the Government, as it contains much food for thought about how we recognise the signs that vulnerable elderly people are being abused, and about what better measures we can take to detect those who abuse elderly people in the guise of family carers. The problem is very difficult to get at, but I hope that the report will generate a great deal of discussion and, in time, action too.

Unusually, the right hon. Lady is getting a bit ahead of herself with the EU treaty proposals. Nothing has yet been agreed. I am afraid that I was not privy to the discussions between President Sarkozy and the Prime Minister, but my right hon. Friend has set out his interpretation of them already. It is absolutely right for any British Prime Minister to engage in discussions with his opposite numbers in Europe. In the unlikely event—and it is becoming more and more unlikely—that the right hon. Member for Witney (Mr. Cameron) ended up as Prime Minister, I hope that he would do the same; otherwise he would be selling this country short. By the way, he would be assisted in his attempts to persuade Angela Merkel and Nicolas Sarkozy of his point of view if he decided to keep the Conservatives in the centre-right European People's party, instead of attaching his party to a far-right rump currently occupied only by the very far-right conservatives in the Czech Republic.

If previous experience is anything to go by, I am sure that the Conservative party will find plenty of opportunities to debate a referendum on the EU constitution, but the real question is whether there would be any significant transfer of power from the UK to Brussels as a result of any treaty. When the matter was discussed before and after the 2005 election, I spelled out endlessly that much in the constitution works to Britain's advantage. I suggest that the whole House examine the proposals on their merits, and not anticipate decisions that have not been taken yet.

The right hon. Lady asked about HIPs. In her statement in May, my right hon. Friend the Secretary of State for Communities and Local Government made it clear that HIPs for larger houses of four or more bedrooms will come into force on 1 August, and that they will be phased in for other properties after that. Moreover, I do not think that there will be any difficulty in determining whether a bedroom is a bedroom.

The right hon. Lady's final question was about the changes of name of Government Departments. The Conservatives made changes to how Departments were organised—some of them perfectly sensible—but we are proud of the delivery that those Departments have been able to achieve since 1997. For example, Britain has, in many ways, enjoyed its best economic record since records began, and there are now 2 million more people in work and 760,000 fewer unemployed. Investment is at record levels, education standards are at record highs and we have had record improvements in the health service.

I am surprised that the shadow Leader of the House did not continue the leadership theme begun by the Leader of the Opposition yesterday. Perhaps the Conservatives have learned a lesson about that, because I was hoping to have an opportunity to give a wider audience to the blessed Simon Heffer of *The Daily Telegraph*—

John Bercow: He is a right-wing extremist nutter!

Mr. Straw: I think that the jury is out on that.

I am warming very much to what Simon Heffer says. *The Daily Telegraph* is the official organ of the Conservative party, and only yesterday he wrote:

"Where there should be policies, there are stunts. Where competence is required, there has been blithering obtuseness. And, all too often, such open wounds extend and join up with each other."

Martin Salter (Reading, West) (Lab): How does the Leader of the House intend to ensure that correspondence from MPs on behalf of their constituents is not subject to public disclosure if the Freedom of Information (Amendment) Bill fails to make progress in the other place?

Mr. Straw: We are taking every step, in consultation with the Ministry of Justice and with a great deal of consideration by the House of Commons Commission and the Department of Finance and Administration in this place to ensure that it is made absolutely clear to

public authorities that where they receive requests for the disclosure of correspondence that involves Members of Parliament, first, in every case the Member of Parliament must be consulted and, secondly, it is probable that in almost every case such correspondence is covered either by the exemptions, which are absolute in respect of confidentiality, or by data protection or by many of the other qualified exemptions within the Freedom of Information Act 2000. Detailed guidance has been drafted. I went through it again last night. Opposition Front-Bench spokesmen are also being consulted. It should lead to a better situation than we faced before. I underline that Members of Parliament, for very good reasons, are not public authorities and therefore are not subject to freedom of information legislation. That was agreed without argument eight years ago.

Mr. David Heath (Somerton and Frome) (LD): That guidance will be very welcome in explaining the position to authorities that do not understand the existing law.

May we have a debate on the decision of the National Institute for Health and Clinical Excellence to restrict access to lucentis and macugen for wet age-related macular degeneration? I recognise that NICE does a very necessary and difficult job, but often the methodology it employs seems better for assessing life-prolonging therapies than for those that enhance the quality of life. As a former optician, I am only too well aware of the awful devastation that can result from AMD. I hope that the House will discuss the matter.

Last week, I asked the Leader of the House about the Ministry of Defence's involvement in the al-Yamamah affair. It is ironic that the United States Congress is taking more interest in the matter than the House of Commons. The Attorney-General has now written to my right hon. and learned Friend the Member for North-East Fife (Sir Menzies Campbell) saying that the decision to withhold vital information from the Organisation for Economic Co-operation and Development was taken by officials rather than by accountable Ministers—decisions that were politically inept and clearly unsustainable. I renew my request for a statement on the matter.

May I ask the Leader of the House to find time for a debate and the passing into law of the Corruption Bill, which finished its remaining stages in the House of Lords yesterday and would at least enable us to rectify the law?

May we have a debate on the draft Community Drivers' Hours and Recording Equipment Regulations 2007? There were several unanswered questions in the Delegated Legislation Committee yesterday. The regulations remove the exemptions for rural bus services with a route of more than 31.6 miles. I know that the Leader of the House not only knows the south-west well but knows public transport well. He will know that if he were to catch the 632 service from Taunton to Yeovil via Martock, he would be all right because the route would be 30.3 miles, but if he caught the 54 service from Taunton to Yeovil via Long Sutton, he would not be all right because the route would be 31.8 miles. Is this not nonsense, and should we not revisit the regulations?

Mr. Straw: In respect of the first point, the hon. Gentleman comes to this issue with a great deal of professional expertise. All of us understand that age-related macular degeneration is a distressing condition for patients and their carers. We are committed to supporting the national health service to deliver improved eye-care services for patients. All primary care trusts are funding photodynamic therapy as a treatment for what is called wet AMD. I underline that what NICE has said is not its final guidance; the guidance has been issued for consultation and the Department of Health will respond in due course. I will make sure that the chief executive of NICE is aware of the hon. Gentleman's view from his position of expertise.

On BAE, far from the matter not being discussed, it has been discussed at every recent business question time that I can recall, and at Prime Minister's questions. The suggestion—the insinuation—by the leader of the Liberal Democrats that my noble Friend the Attorney-General ordered investigators to withhold information from the OECD is completely wrong. Instead of wriggling, the Liberal Democrat leader should apologise for making completely unsubstantiated allegations.

Secondly, if the Liberal Democrats are serious, as I think some of them are, about ending their 90 years in opposition and going into government—as a charitable sort of fellow, I have always seen it as part of my role to assist them along that path in whatever way I can—they need to think about the considerations that my right hon. Friend the Prime Minister had to take into account in making his judgment. The simple fact is that security and co-operation with the Saudis, which is absolutely fundamental not just to the middle east but to our safety in this country, would not merely have been threatened; it would have been undermined had we continued with an inquiry that, on the merits of the case, many of us believe would have proved abortive. There is no point in the hon. Member for Somerton and Frome (Mr. Heath) trying to pretend that it is not an issue—it is an issue for everybody in the House. The Conservatives, to their great credit, understand that, and I am just sorry that the Liberal Democrats try to avoid it altogether.

The third issue that the hon. Gentleman raised was the draft Community Drivers' Hours and Recording Equipment Regulations 2007, which were, as he said, subject to considerable discussion in a Delegated Legislation Committee. I do not want the House to get the wrong idea; I know the south-west very well, I was just confused last week—unusually, let me say for the record. I am tempted to try the 632 and the 54, but I have always had a conscientious objection to getting on a bus with a Liberal Democrat, so I shall have to avoid that.

Mr. David Winnick (Walsall, North) (Lab): If indeed the Freedom of Information (Amendment) Bill is dead and, I hope, buried for ever, my right hon. Friend should be aware that if there is a genuine problem over the disclosure of MPs' correspondence, I should support a measure that will deal with it. It is a pity that the problem was not dealt with at the beginning, rather than trying to exempt Parliament from freedom of information provisions. Perhaps the Data Protection Act 1998 should be considered with regard to MPs' correspondence.

Mr. Straw: I am grateful to my hon. Friend for his conciliatory words. As the right hon. Member for Maidenhead (Mrs. May) knows, as soon as the issue

[Mr. Straw]

was raised with me—by two Opposition Members who represent Kent constituencies—I took it up. I held meetings with them and the Information Commissioner, which involved the other parties, too, to try to sort through things. However, the difficulty that had arisen—not caused by the House or the then Department for Constitutional Affairs—was that public authorities were getting ready to issue correspondence without so much as a by your leave from Members of Parliament, still less any consideration of the exemptions that might apply. As there was not a word of argument about the fact that Members of Parliament, as Members of Parliament, should not be classified as public authorities for the purpose of the Act, such an action would have been very serious indeed and would have destroyed the relationship between Members and their constituents, which is fundamental to the way in which we operate on their behalf. That is the issue. If we can arrive by other means at the end that everybody sought, we shall all celebrate.

Mr. Greg Knight (East Yorkshire) (Con): Has the Leader of the House seen the latest report from the Procedure Committee on corrections to the *Official Report*? Is he aware that a number of Ministers who inadvertently mislead the House still adhere to the obscure and unsatisfactory practice of putting a correction letter in the Library, which of course nobody sees? Does he know that the Procedure Committee is suggesting an innovation—that errors made in the *Official Report* should be corrected in the *Official Report* by way of a corrections page, published when necessary, for the benefit of Members, the public and the press? May we have a debate on the report next week? If not, will the right hon. Gentleman assure members of the Procedure Committee that he will take steps to implement its excellent recommendation as soon as possible?

Mr. Straw: The answer to the right hon. Gentleman's key question is yes. I welcome the Procedure Committee's report. He will know that I followed up the representations first made in the House about nine months ago by the hon. Member for South-West Bedfordshire (Andrew Selous) and others, and indeed spoke to the right hon. Member for East Yorkshire (Mr. Knight) about the suggestion. It is not satisfactory for Ministers either that corrections to the record are scattered through *Hansard* or are to be found in the Library by those who can scurry through letters in the Library.

The Government welcome the Procedure Committee's sensible proposals that there should be a dedicated section of *Hansard* for corrections by Ministers in respect of any proceedings, oral or written, in the House, cross-referenced with the original error. I shall table a motion later today to allow the House to approve the Committee's report with a view to its coming into force at the beginning of the next Session.

Mr. Gordon Prentice (Pendle) (Lab): I do not know whether I am on or off message, but may I join the Prime Minister in calling for a wide-ranging debate on the relationship between politics and the media? It has long concerned me that good policies, such as home condition surveys, can be abandoned or bad policies adopted simply to placate the media. There should be more straightforwardness and transparency in the way we make our policy.

Mr. Straw: I warn my hon. Friend that he is in danger of getting the Chief Whip's prize for loyalty—

The Parliamentary Secretary to the Treasury (Jacqui Smith): No, he's not.

Mr. Straw: For this week.

My hon. Friend the Member for Pendle (Mr. Prentice) raises a serious problem and I am glad he approves of what my right hon. Friend the Prime Minister said yesterday. The issue is serious not only for politicians on both sides of the House but for the press. I know from many serious political journalists that they, too, share the frustration felt throughout the Chamber and by many others about the way in which serious reporting of Parliament and politics is squeezed out in the ever-competitive scurry that leads to the dumbing down of newspapers.

Julia Goldsworthy (Falmouth and Camborne) (LD): Will it be possible to make time for a ministerial statement on the effectiveness of the child trust fund? Today, a Treasury Minister said that information would be made available about participation in the scheme by different socio-economic groups, but a Freedom of Information Act request shows that research already carried out states that

"those who open an account are considerably more likely than those who haven't to be older (30+) and from higher social classes".

Given that the research has already been undertaken, will the Leader of the House ask the Treasury to make a statement as soon as possible so that we can discuss the value for money and effectiveness of the policy?

Mr. Straw: I will certainly take that up with Treasury Ministers. There is always a problem in that the more articulate are readier to take up benefits, but that does not undermine the principle behind them. We have to ensure that everybody understands they are available and makes use of them.

Mrs. Claire Curtis-Thomas (Crosby) (Lab): This is a great month for engineers and engineering in the UK. We celebrate the 100th birthday of Frank Whittle, the inventor of the jet engine and, crucially, the Olympic Delivery Authority announced yesterday that its first construction project has been delivered on time and on budget under the stewardship of Howard Shiplee. When can we make time in the House to discuss the role of engineers and engineering and their contribution to our British economy?

Mr. Straw: I pay tribute to what the ODA has been able to do—I am chairman of the Cabinet Committee on the Olympics, and have therefore watched progress. We must make sure that progress continues, but projects could not be delivered without the fine service and great skill of British engineers. I shall certainly bear what my hon. Friend says in mind.

Mr. Bernard Jenkin (North Essex) (Con): Although the police in our country face daily perils, for which I salute them, the tasks and hazards involved in making arrests and detentions in, say, Brixton pale in comparison with the tasks and hazards faced by our

armed servicemen trying to arrest insurgents and terrorists in, say, Basra. It is desirable that there should be different legal jurisdictions for those activities, reflecting the very different circumstances. May I take it that that is still the Government's view? If it is, what are they going to do about the House of Lords ruling that has applied the Human Rights Act 1998—on top of the tri-service discipline legislation and the International Criminal Court—to all the legal problems faced by our armed servicemen, thus putting them in an increasingly impossible position? I invite the Leader of the House to allow a debate on this subject. Is there any chance that a Minister will give a statement to the House at an early date?

Mr. Straw: The hon. Gentleman raises an important issue. My right hon. Friend the Secretary of State for Defence and the Law Officers are studying the judgment with care. As I understand it, the judgment indicated that the Human Rights Act applied in respect of British-run detention facilities in Basra, and not elsewhere. The House of Lords did not make a judgment on the merits of the particular proceedings initiated on behalf of Baha Mousa, who died while in British custody. That has to be the subject of a separate trial. We will consider the matter very carefully.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): May I ask for a debate on pricing policies at UK departure points? I bring to my right hon. Friend's attention early-day motion 1599, which has the support of all parties in the House.

[That this House expresses its concern that the British travelling public are treated as captive audiences at the UK's ports, airports and railway stations in terms of charging for goods and services; and calls on the Office of Fair Trading to investigate the pricing policies at these departure points on behalf of British consumers.]

The motion calls on the Office of Fair Trading to investigate why the British travelling public are seen as a captive audience when they enter an airport, an aircraft, or a train. Surely the travelling public have a right to know why they are being charged inflated prices at departure points throughout the UK.

Mr. Straw: My hon. Friend raises an important issue for retailers, as well as for Government. I will pass his concerns on to my right hon. Friend the Secretary of State for Trade and Industry.

Patrick Mercer (Newark) (Con): Will the Leader of the House allow a debate in the near future on the hospital conditions at Selly Oak? It was my sad privilege last Saturday to visit Corporal Nick Davis from Newark, who lost his right leg and buttock in an incident in Afghanistan. Conditions of security were curious, but the staff were absolutely first class and our wounded heroes conducted themselves wonderfully. That is curiously at odds with the words of the hon. Member for Birmingham, Selly Oak (Lynne Jones), who said:

"The soldiers seem to want a little empire consisting of their own designated staff and facilities, a fiefdom."

Will the Leader of the House join me in distancing himself from those disgraceful words?

Mr. Straw: I understand the concerns that the hon. Gentleman raises, and I pay tribute to all the staff at Selly Oak hospital, as well as saluting the courage of the very brave men and women who find themselves there. There will be a debate next Thursday on defence personnel, which will be a good opportunity for him to raise his concerns.

Paul Flynn (Newport, West) (Lab): When can we debate early-day motion 1690 about the refusal yesterday by the Government to support a proposal to have a commemorative stamp on veterans day to mark the sacrifices of those who have been lost in Iraq?

[That this House notes the Government's refusal to support the proposal to issue commemorative stamps displaying the work of war artist Stephen McQueen on Veterans' Day, because that day's events are celebratory; and believes that the work, Queen and Country, which depicts photographs of 98 British soldiers killed in Iraq, printed in a stamp format, should be used for a commemorative issue on Remembrance Day to respect the wishes of the artist and the loved ones of the fallen soldiers and to provide a powerful reminder of the true cost of war.]

The stamp would be based on the work "Queen and Country" by the war artist Steve McQueen, which shows the portraits of 98 of those who have fallen in Iraq. If that cannot be done on veterans day—for understandable reasons, because the day is designed as a celebration of the work and sacrifices of soldiers—why can we not have a commemorative stamp on Remembrance day to remind us of the true cost of war?

Mr. Straw: I understand the basis of my hon. Friend's proposal. There will be an opportunity for him, too, to raise that matter more extensively today week in the debate on defence personnel. That will be an ideal opportunity.

Pete Wishart (Perth and North Perthshire) (SNP): The Chancellor has been talking a lot recently about reforming the House and making Members of Parliament more accountable. Surely a good place to start would be by looking at the Scottish Member of Parliament and his role in the House. May I helpfully suggest that we try to resolve the issue consensually? Perhaps we could consider an all-party initiative to report to the House and make some recommendations.

Mr. Straw: I know that the hon. Gentleman, who is entitled to his view, wishes to see Scotland wholly detached from the United Kingdom. I do not think for a second that he has the support of the Scottish people for doing that. The role of Scottish Members of Parliament is the same as that of English, Welsh and Northern Ireland Members of Parliament. We are happy to have a debate with him at any stage about the nature of devolution, but he knows that this House is sovereign in respect of the whole United Kingdom, and that is why Members of Parliament, wherever they come from, deserve equal rights.

Kate Hoey (Vauxhall) (Lab): Has my right hon. Friend had any success in finding a date on which the Foreign Secretary can be here for a long-awaited debate

[Kate Hoey]

on Zimbabwe? That is particularly important in the light of the view expressed by Chancellor Merkel last week that Mugabe should be invited to any summit between the European Union and the African Union.

Mr. Straw: As I made clear last week, we continue to seek to identify a date when the debate will take place. I have promised—and I continue to do so—that, God willing, it will take place before the summer recess. I recognise its importance and the impatience of my hon. Friend—and Opposition Members as well—when it comes to the urgent need to debate this issue.

Andrew Rosindell (Romford) (Con): As the right hon. Gentleman has such a proud record of ensuring that the flag of our country is flown on the parliamentary estate, may I draw his attention to early-day motion 1653, and ask him to raise the matter urgently with the Secretary of State for Culture, Media and Sport to ensure that this Saturday, for trooping the colour, the flag of the Falklands Islands, and those of all Her Majesty's overseas territories and Crown dependencies, are flown from Horseguards parade?

[That this House looks forward to the 2007 Trooping the Colour ceremony on Saturday 16th June to mark the Official Birthday of Her Majesty Queen Elizabeth II; notes with pride that the flags of all the nations of the Commonwealth are already displayed in and around Horse Guards Parade in preparation for this great occasion; and calls on the Government to ensure that the flags of all Her Majesty's Realms and Territories are also flown in time for the ceremony, including Her Majesty's Crown Dependencies of The Isle of Man, The Bailiwick of Jersey and the Bailiwick of Guernsey and Her Majesty's Overseas Territories of Anguilla, Bermuda, British Antarctic Territory, British Indian Ocean Territory, British Virgin Islands, Cayman Islands, Falkland Islands, Gibraltar, Montserrat, Pitcairn, Henderson, Ducie and Oeno Islands, St. Helena, Ascension Island, Tristan da Cuhna, South Georgia and the South Sandwich Islands and the Turks and Caicos Island.]

Does the right hon. Gentleman agree that it is bizarre that the flag of a republic such as Mozambique is flown, but the flags of British territories are not?

Mr. Straw: The hon. Gentleman raises a good point. I am not quite sure that I will be able to deliver that as quickly as he wants, but I will take it up.

Julie Morgan (Cardiff, North) (Lab): On Saturday, the Cardiff-based Actors Workshop will be putting on extracts of a play called "The Lady of Burma" to mark the 62nd birthday of Aung San Suu Kyi, who is in her 12th year of house arrest in Burma. When may we have a debate to discuss what more the Government can do to end that deplorable situation?

Mr. Straw: Like the whole House, I pay tribute to Aung San Suu Kyi for her courage and forbearance in the face of a most terrible regime in Burma. We will certainly look for an opportunity to do what my hon. Friend seeks.

Sir George Young (North-West Hampshire) (Con): May we have an early debate in Government time on the two reports by Sir Hayden Phillips on party funding, neither of which has been debated in the House despite their importance to every hon. Member? If the right hon. Gentleman cannot promise a debate, will he give an assurance that, before his possible transfer elsewhere in Whitehall, he plans to bring to a successful conclusion the inter-party talks that he is chairing?

Mr. Straw: We did have a full discussion on the day of the publication of the Hayden Phillips report, on an oral statement that I made to the House. The right hon. Gentleman—he is normally well informed, and I am sure that he is well informed on this matter—knows very well that part of what was agreed between the parties was that Sir Hayden Phillips, not I, should chair cross-party talks on the issue, and those cross-party talks continue. I am sorry that, as I am not clairvoyant, I cannot predict when they will end.

Dan Norris (Wansdyke) (Lab): Following the welcome statement on child sex offenders made yesterday by the Home Secretary, which has received universal support, may we have an early debate on child protection issues so that we can not just examine the excellent record of the Labour Government in the past 10 years in this area, but look seriously at the real challenges that we face in the future if we are to make our children even safer?

Mr. Straw: I pay tribute to my hon. Friend for his expertise and the way in which he has pursued the issue. We will certainly look for an opportunity to hold a debate.

Mr. Paul Burstow (Sutton and Cheam) (LD): In response to the question asked by the shadow Leader of the House about elder abuse, the Leader of the House said that he hoped that the report published today would stimulate discussion, and perhaps lead to action later. Given that the report shows that more than 342,000 older people are the victims of neglect, theft and even sexual assault, surely it is not a question of discussion; it is time for action. May we have a statement from the Department of Health setting out that action, and assuring us that it will go beyond simply reissuing the guidance that has so far failed? We should instead place on a statutory footing the measures that are necessary to safeguard vulnerable adults.

Mr. Straw: Of course there is a serious problem, but if my right hon. Friend the Secretary of State for Health had come before the House today and said, "A report has just been published; this is what we're going to do", the Liberal Democrats would have been the first to complain that we had not had a chance to digest the report and come to sensible conclusions on it. They need to get serious. Of course the issue is urgent, but the report is the first objective scientific assessment of the prevalence of abuse against the elderly. The prerequisite for effective action, which is what we all want, is to consider the report carefully, although as quickly as possible.

Ann Coffey (Stockport) (Lab): Next week is national markets week, and the all-party markets industry group is encouraging Members of Parliament to visit

their local market to show their support. Will my right hon. Friend make time for a debate next week on the importance of markets in providing employment, strengthening communities, promoting healthy eating, protecting the environment and regenerating town centres?

Mr. Straw: I shall do my best—and I might add that I use Blackburn market, which is one of the best in the north-west, especially its very fine fish market.

Mr. Michael Fallon (Sevenoaks) (Con): Given the right hon. Gentleman's remarks about the Union, will he arrange an early debate on the size of the Scottish block vote, so that we can consider the unfairness of English taxpayers having to pay for the cost of scrapping graduate tax, even though English students will not be eligible for that relief at Scottish universities?

Mr. Straw: That issue was settled in the devolution legislation, and I would like to hear from the hon. Gentleman whether the Conservatives now propose to go back on that. He should also be told that in the House, the English block vote completely outweighs the Scottish, Welsh and Northern Irish block votes by a margin of about 5:1, yet the House completely controls the size of the block grant that goes to Scotland. Devolution means difference, and I celebrate that, even if he does not. The truth is that there is no evidence that differences in fee regimes encourage more English students to study in Scotland, or deter significant numbers of Scottish students from studying in England. University applications in England are up 6 per cent. to the highest rate ever, and the proportion of applicants from lower socio-economic groups is up, too.

Mr. Tom Watson (West Bromwich, East) (Lab): For the third week in a row, my right hon. Friend has failed to grant the House a debate on the future of grammar schools, so I shall change tack: will he allow us a debate on the future of secondary modern schools, and does he think that the 102,160 pupils who attend secondary modern schools deserve at least an explanation from the right hon. Member for Witney (Mr. Cameron)?

Mr. Straw: I do. I am sorry; I usually try to help my hon. Friend, and the House, but we continue to look for an opportunity to debate grammar school policy, as it is a really important matter. What people used to forget when they celebrated grammar schools is that 20 per cent. of children went to grammar schools, and 80 per cent. were labelled failures and went to secondary moderns. I am sorry that the hon. Member for Congleton (Ann Winterton) is not here, but as I agree with her, I hope that you, Mr. Speaker, will allow me to put on record what she told *The House Magazine*:

> "The whole issue of grammar schools has been handled very badly indeed."

I agree with that—and I say to the hon. Member for Buckingham (John Bercow) that she is not a "right-wing nutter" at all, but a Member of the House. I hope that there will be an opportunity for her to explain her views in more detail in the near future.

Jo Swinson (East Dunbartonshire) (LD): May we have a debate on the relocation of 70 Crown post offices to branches of WH Smith? In my constituency, consultation has started on proposals to move the Kirkintilloch post office, and I have no doubt that other areas face a similar situation. Given that the issue is causing a great deal of concern, is it not time that we had a debate in the House specifically on that major change to the post office network?

Mr. Straw: We have had plenty of debates on the subject, and my right hon. Friend the Secretary of State for Trade and Industry has been assiduous in coming before the House to explain the position, which is not one that any of us wished for. May I offer a bit of helpful advice to the Liberal Democrats? They have to think about the fact that in the past 10 years there has been increased use of the internet. It is now in 55 per cent. of homes, and people now use it when they used to go to the post office. Unfortunately, that has changed the market in which the Post Office has to operate. We have put £2 billion into subsidising the Post Office and helping it to deal with transitional problems.

Mrs. Sharon Hodgson (Gateshead, East and Washington, West) (Lab): May we have a debate on the disproportionate effect that debt has on the poor, especially with regard to companies such as BrightHouse, which specifically targets the poor and charges them extortionate rates of interest? The price of the goods is marked up to begin with, too. The poor sometimes feel that they have nowhere else to go, but they do: there are credit unions. Wearsidefirst is one such credit union in Sunderland; it offers hope and an alternative to millions of the poorest and most vulnerable consumers in the country.

Mr. Straw: I commend my hon. Friend for raising that important issue. I had a terrible case along those lines in my constituency advice service just last Friday, in which usurious rates of interest were being demanded from a poor lady. My hon. Friend is right, but I cannot make a promise about a debate, although we will certainly look for an opportunity.

Mr. Christopher Fraser (South-West Norfolk) (Con): The Department for Transport's high-level output specification for the passenger railways is due to be published in July, and it will focus on reliability, safety and capacity. Naturally, those are important issues for every Member of the House, and Ministers have rightly declined to comment on them while the report is in preparation. Next month, will the Leader of the House provide time for a debate on the implementation of the document, before the recommendations can get buried in the long grass of the summer recess?

Mr. Straw: I shall certainly look for that opportunity. I might add that I have been encouraging my right hon. Friend the Secretary of State for Transport to include in the high-level analysis a recognition of the case for the doubling of the track between Blackburn and Bolton.

Keith Vaz (Leicester, East) (Lab): My right hon. Friend will know that I have raised the issue of violent video games on a number of occasions. Will he join me

[Keith Vaz]

in condemning Sony for the publication of a new video game that depicts scenes of Manchester cathedral, without the permission of the Church authorities, in a game that is very violent and bloody? Will he join the Prime Minister in stating clearly that there is a responsibility beyond profit on those who produce such games? Can we ask Sony at least to withdraw the game and pay compensation to a Church charity, and may we have a debate on that important matter?

Mr. Straw: My right hon. Friend is right about the issue, and there has been totally unacceptable practice on Sony's part. It has a moral duty to withdraw the game and make reparation to a Church charity, but it ought also to have some enlightened self-interest about the damage that it is doing to what was a reputable brand.

Mike Penning (Hemel Hempstead) (Con): I welcome the fact that we are to debate defence next Thursday; that will give the House greater opportunity to celebrate the courage, bravery and professionalism of our armed forces, especially those serving in Iraq and Afghanistan. Can we make sure that the Secretary of State for Defence comes before the House with evidence about why we pay only £1.51 a day to feed our soldiers in the UK, and £2.63 to feed servicemen abroad? That money is not enough to feed our soldiers in the field, which is why so many servicemen's families are sending high-protein products out to soldiers in the field, as the Government are not feeding them correctly.

Mr. Straw: I know about the hon. Gentleman's experience in the forces; he was a member of the Grenadier Guards for some years. The Ministry of Defence is clear that the allowance for UK-based forces is significantly above that for dogs, and so it should be. That is the information with which I have been provided—*[Interruption.]* Army dogs. Army dogs have to be fed, too—*[Interruption]*—as the hon. Member for Buckingham will understand.

John Bercow: I didn't say a word!

Mr. Straw: Okay. That is unusual, because the hon. Gentleman normally provides a running commentary on everything I say. The hon. Member for Hemel Hempstead (Mike Penning) was certainly talking about Army dogs in the *Daily Mail* yesterday. *[Interruption.]* If I missed the point of what he was saying, I am sorry, but I thought that he was continuing what he said in the *Daily Mail* yesterday—*[Interruption.]* Well, I could be forgiven for thinking that he was.

We are all concerned about the fact that our troops need to be properly fed. We may have different anecdotal evidence, but I know a number of people who have served in Iraq—

Mike Penning: I have been there.

Mr. Straw: I have, too. Although those people were concerned about many things, they were not concerned about the food. None the less, the hon. Gentleman can raise that subject next week in the debate.

David Taylor (North-West Leicestershire) (Lab/Co-op): In 17 days' time, we shall see the banning of smoking in public places, which is an enormous leap forward in the prevention of smoking-related disease. However, there is still an awful lot to do. In the 48 minutes that business questions have lasted so far, 12 of our citizens have died of lung disease. Today, in the middle of "breathe easy" week, which was organised by the admirable British Lung Foundation, will the Leader of the House announce that we will have a debate in the House on lung disease? There is a shortage of respiratory specialists and community support, and death rates have remained stubbornly high for a generation, so there is an awful lot more to do. I am sure that, as a Government, we will take further steps to tackle that continuing problem.

Mr. Straw: My hon. Friend is right to raise that important issue. We have done a very great deal. My right hon. Friend the Secretary of State for Health has been in the vanguard of ensuring that the ban is introduced, which has already led to change in public attitudes and to much greater consideration by those who smoke of the importance of no longer smoking. We will certainly look for an opportunity for a debate.

Mr. Andrew Mackay (Bracknell) (Con): The Leader of the House will have noted in today's *Financial Times* a report that the Chancellor's chief fund raiser, Sir Ronnie Cohen, who is also a leading figure in the private equity world, believes that the Government should change a tax loophole by getting rid of the taper on capital gains tax. Should not the Chancellor come to the House next week to let us know what he is doing on that issue—or would it be better for us to wait until the end of the month for the Leader of the House to do so himself?

Mr. Straw: The Chancellor has just appeared before the House for a whole hour. It is a very important issue, and I understand that the Treasury Select Committee is considering it.

Tony Baldry (Banbury) (Con): Could we have an urgent debate on the Chicago convention on international civil aviation, because the only way in which we can reconcile repeated ministerial statements that the Government have no evidence of detainees being rendered through the United Kingdom with the evidence collected by the Council of Europe and the European Parliament—the most recent instance was on 2 June at Mildenhall—of prisoners being rendered through the UK is by reference to a loophole in the convention whereby the US Government are not obliged to inform the UK Government if they are rendering prisoners through UK territory? That is a stain on us.

Mr. Straw *indicated dissent.*

Tony Baldry: It is: if prisoners are rendered through UK or European airspace, that is a stain on us. I have to tell the Leader of the House that one of the things that have lost the war for the United States is Guantanamo Bay and the issue of civil rights, so can we have an early debate on the Chicago convention?

Mr. Straw: The reason why I shook my head is that I made it clear in a statement in December 2005 that Ministry of Defence records, which were examined with the greatest care, showed that there was absolutely no

evidence of any cases of rendition having taken place through our airspace or our airports—none whatever. Despite extensive inquiries by the European Parliament and others, they have not been able to produce any evidence whatever. I shook my head because, uncharacteristically, the hon. Gentleman was giving force to wholly unsubstantiated allegations. It is my belief, on the basis of the most substantial examination, that apart from the two cases, of which I informed the House, and which took place in 1998 in entirely justifiable circumstances and are on the public record, there has been no rendition through the United Kingdom. If he thinks about it for a second he may realise that if there had been, there might have been a scintilla of evidence from somebody somewhere at a British airport saying that they had spotted something. There has been no such evidence, nor do I believe that the United States would have broken clear understandings with us and done this without our knowledge.

John Bercow: Could we please have a full-day debate in Government time on the Floor of the House on the role of the Back Bencher and the use of non-legislative time, given that both those important topics fall within the scope of current inquiries by the Select Committee on Modernisation of the House of Commons, so ably chaired by the Leader of the House himself, and the fact that we need to decide how to improve the means of scrutiny and the opportunities for representation? Will he take it from me that it would be cruel beyond endurance, both for him and for the House, if he were denied the opportunity to listen and respond to a full-day debate on those matters before he moves to pastures equally lush?

Mr. Straw: I know of no pasture as lush as that of Leader of the House. If anyone aspires to the position, may I tell them it is a great job? We will leave to one side what will happen, or will not happen, in future—you never know. The hon. Gentleman gave evidence to the Modernisation Committee, on which I commend him. We have concluded our report, and it should be published shortly. I hope and believe that there will indeed be a full debate, as he proposed. Improving the role of the Back Bencher and the use of non-legislative time is of profound importance to the House.

Mr. Peter Bone (Wellingborough) (Con): A constituent of mine was set upon by a group of thugs in a vicious assault, and ended up in hospital for more than a week. The Northamptonshire police did a very good job, and arrested the alleged culprits. The Crown Prosecution Service did its job, and the case went to the magistrates court. However, when it reached the Crown court, the defence lawyer pointed out that there was an error on a form—a court clerk had misrecorded something that the judge had said—and the case was dismissed. The Northamptonshire *Evening Telegraph*—a fine paper in my constituency—has taken up that case under the banner "Rough Justice". Can we have a statement or a debate to clarify the reason why clerical errors apparently allow justice not to be done?

Mr. Straw: The hon. Gentleman will forgive me if I do not comment specifically, as I know no more about that case than what he has told us, but it sounds as if it is a serious matter. Discretion rests with courts to deal with non-material errors without having to require acquittal in certain circumstances. I will pass on his concerns to my right hon. Friends the Attorney-General and the Secretary of State for Justice. If the hon. Gentleman can provide me with more information, I will follow this up.

Mr. Henry Bellingham (North-West Norfolk) (Con): Can we go back to the issue of Crown post offices? We should have a full-scale debate in Government time on the closure programme. Is the Leader of the House aware of the anger and dismay in King's Lynn about the fact that services housed in a great historic building are to be moved to a nondescript counter in WH Smith? Despite what he said the other day about the public not using those services, people use that building regularly, so what can he do to help hon. Members on both sides of the House to make the Post Office and the Department of Trade and Industry see sense?

Mr. Straw: Of course I understand the concerns that arise when those changes take place, but the Post Office and my right hon. Friend the Secretary of State for Trade and Industry face a dilemma that must be shared with the House. How is it possible to maintain the viability of the Post Office when the internet has led to a significant reduction in personal mail as a result of e-mail, and in over-the-counter transactions at post offices because people can now, for example, renew their road fund tax on the internet, rather than going to a post office? That dilemma affects all of us. I understand the anxieties expressed by the hon. Gentleman's constituents—as he knows, I am familiar with the main post office in King's Lynn—and I shall certainly pass on his concerns to my right hon. Friend.

Mr. Mark Harper (Forest of Dean) (Con): I want to take the Leader of the House back to the question raised by my hon. Friend the Member for North Essex (Mr. Jenkin) about the House of Lords judgment. It is interesting that the Ministry of Defence was quoted in today's press as saying that the ruling changed nothing, and that it was a helpful clarification. That raises the question why the MOD appealed the matter to the House of Lords in the first place. I listened carefully to the response from the Leader of the House, who said that the Law Officers and the Secretary of State for Defence were reviewing the judgment carefully. I do not think I heard him say—it would be helpful if he could clarify this for the House—whether, once they have completed that consideration, the Law Officers, the Secretary of State or both will make an oral statement to the House to set out the current legal position of our service personnel when operating abroad.

Mr. Straw: My understanding is that it was not the Ministry of Defence, but the family, who appealed to the House of Lords. That is how the case ended up there. I will pass on the hon. Gentleman's concerns and alert my right hon. Friend to the fact that the hon. Gentleman is likely to raise the matter in the debate that takes place a week today.

Mr. Philip Hollobone (Kettering) (Con): May we have an urgent statement from the Minister for Industry and the Regions about the proposed closure at the end of this month of the Kettering Business Venture Trust,

[Mr. Philip Hollobone]

and the role of the East Midlands development agency in its demise? KBVT has been helping local businesses start up over the past 22 years, creating thousands of jobs in and around the Kettering constituency. When 43,000 new jobs are required in north Northamptonshire in order to comply with the Government's sustainable communities plan, the loss of KBVT comes at entirely the wrong time. The Government should step in urgently and save this worthwhile local enterprise agency.

Mr. Straw: The hon. Gentleman will appreciate that I have no briefing on the subject, as it is a question without notice. I understand the concerns that he expresses and I will make them known to my right hon. Friend the Secretary of State for Trade and Industry.

Points of Order

12.31 pm

Patrick Mercer (Newark) (Con): On a point of order, Mr. Speaker. During business questions I named the hon. Member for Birmingham, Selly Oak (Lynne Jones) without having informed her office beforehand. I have been in the House long enough now to realise that that was a mistake, and I apologise to the House.

Lynne Jones (Birmingham, Selly Oak) (Lab): I thank the hon. Gentleman for his apology. I would add that he also did not take the trouble to contact me to check whether the comments attributed to me, which were taken directly from a Sunday tabloid, were accurate. I wish to inform the House that the comments attributed to me in no way reflected the lengthy conversation that I had with the reporter involved. I am just as concerned as any Member of the House to ensure that our armed forces receive excellent medical treatment, which they are receiving at the Royal Centre for Defence Medicine at Selly Oak. They are receiving treatment at the cutting edge of what is available, healing wounds that in the past would never have been able to receive treatment. I hope that the inquiry by the Defence Committee will reflect—

Mr. Speaker: Order. If I may stop the hon. Lady, she has put the record straight.

Mike Penning (Hemel Hempstead) (Con): On a point of order, Mr. Speaker. As a humble Back Bencher, may I seek your assistance and advice? With the aid of the Table Office, I have for some time been trying to find out how much the Ministry of Defence spends on feeding Ministry of Defence dogs. With the aid of the Table Office, I received an answer on 5 March which stated:

> "The information requested is not held centrally and would vary depending on the breed . . . of the dog." —[*Official Report*, 5 March 2007; Vol. 457, c. 1648W.]

We tried again, with the aid of the Table Office, and on 23 March I was told that I could not be given the answer as the cost would be disproportionate. Last night a very good journalist from the *Daily Mail* phoned the Ministry of Defence to ask the question, and 15 minutes later received an answer—an answer that we do not believe, but the journalist was given an answer. Is it not disrespectful to the House if we do not get answers to questions, but journalists do in 15 minutes?

Mr. Speaker: Order. Just before the Leader of the House answers, may I say that it is disrespectful to the House and disrespectful to a former Grenadier guardsman that such answers should be given. I hope we can find out how much it costs to feed Army dogs.

The Leader of the House of Commons (Mr. Jack Straw): The hon. Gentleman raises an important issue. I have some information, though not all of it. I am happy to provide him with the information that I have, and I will also follow up the point that he raises. Let me make this clear, and I am sure I speak for my right hon. Friend the Secretary of State for Defence: if information can be made available to the press, it ought to be made available to the House.

DIGITAL SWITCHOVER (DISCLOSURE OF INFORMATION) BILL (PROGRAMME) (NO.2)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A(7) (Programme motions).

That the following provisions shall apply to the Digital Switchover (Disclosure of Information) Bill for the purpose of supplementing the Order of 18th December 2006 (Digital Switchover (Disclosure of Information) Bill (Programme)):

Consideration of Lords Amendment

1. Proceedings on consideration of the Lords Amendment shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement at this day's sitting.

Subsequent stages

2. Any further Message from the Lords may be considered forthwith without any Question being put.

3. The proceedings on any further Message from the Lords shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement. —*[Liz Blackman.]*

Question agreed to.

Orders of the Day

Digital Switchover (Disclosure of Information) Bill

Lords amendment considered.

Clause 5

INTERPRETATION

Lords amendment: No. 1.

12.35 pm

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Mr. Shaun Woodward): I beg to move, That this House agrees with the Lords in the said amendment.

On Report the House agreed to an amendment to extend the Bill to information held by local authorities on registered blind and partially sighted people. The amendment was in response to representations made by the Digital Switchover Consumer Experts Group and to amendments tabled by Opposition Members in Committee.

The definition of "local authority" in the amendment needs further clarity to avoid ambiguity, as it could be read as excluding metropolitan district councils in England. The amendment clarifies that. It may also be helpful if I give further clarification on the progress of the scheme. On 30 April, we and the BBC reached agreement on the terms of the help scheme and—

Madam Deputy Speaker (Sylvia Heal): Order. I must point out to the Minister that this is a debate on the amendment, rather than a general debate.

Mr. Woodward: I am grateful for your advice, Madam Deputy Speaker.

Mr. Greg Knight (East Yorkshire) (Con): On a point of order, Madam Deputy Speaker. Without in any way seeking to challenge your ruling, it would be helpful to the House if the Minister could, en passant, refer to the progress that is being made.

Madam Deputy Speaker: The ruling that I have given the Minister applies to all other Members as well. The debate is on the amendment.

Mr. Woodward: Therefore, Madam Deputy Speaker, with your expert guidance, and in the interests of brevity, and complying totally with your implicit and explicit wishes, I commend the amendment to the House.

Mr. Edward Vaizey (Wantage) (Con): The House will now, unfortunately, not be treated to the full-length disquisition on the merits of the Bill that I had prepared, as I shall speak only to the amendment.

As the Minister might have said if he had decided to speak at greater length about the amendment, it is an important technical drafting amendment. As the House is aware, clause 1(3) allows local authorities to give visual impairment information to the BBC or to

[Mr. Edward Vaizey]

the Secretary of State in order to allow assistance to be given to the visually impaired for digital switchover. As we understand it, in many areas it is a county council that holds this information, so it is the body covered by the definition of a local authority. In some areas, however, it is a district council that holds the information on those with visual impairment. The Bill needs to take account of that. Clause 5(1)(ii) referred to

"a district council for an area in relation to which it has the functions of a county council".

In his opening remarks the Minister was not clear about the need for this technical change, so perhaps I could illuminate the House in case any hon. Members wish to tease out some of the technical details. The original amendment tabled by the Government would have adequately covered the definition for shire areas with two-tier systems. However, the problem arose because although some metropolitan district councils are the relevant authority, it could be argued that they do not have the functions of county councils. The definition was therefore changed to:

"a district council, other than a council for a district in a county for which there is a county council".

That is a very important technical change. *[Interruption.]* I think that the hon. Member for Bath (Mr. Foster) used the word "boring". I disagree with him on that; I would say that it is interesting, although it could be made more so. I could discuss Roman governance systems, as I did at length in Committee, but that might make it too interesting.

This is a very important change, because there may have been confusion with metropolitan district councils—that is, virtually all unitary authorities not covered—if they were deemed not to have the functions of a county council. In order to help hon. Members to understand the technical and important nature of the amendment, the Minister could have pointed out that a similar amendment was made in the Public Bill Committee to the Local Government and Public Involvement in Health Bill, and that this technical change will bring the definition of a local authority into line with the corresponding provisions of that Bill. I think that that is correct, but I would be grateful for his guidance.

You have made the important ruling, Madam Deputy Speaker, that we cannot discuss—nor should we—the other issues to do with digital switchover, so focusing solely on this technical amendment I should like to ask the Minister a number of questions.

Mr. Greg Knight: I understand and accept the ruling from the Chair, but we would all like to know what the Minister was about to tell us when it was decided that he would be out of order. Will my hon. Friend urge him to impart that information in another way, perhaps by placing a letter in the Library or by making a written statement to the House at a later date?

Mr. Vaizey: I hear what my right hon. Friend says. In Committee, we pressed the Minister to put into the Bill a mechanism whereby the Government could report back regularly to the House.

The Minister promised—I do not know whether this is in the spirit of the earlier remarks by the Leader of the House—to take me to Whitehaven to see digital switchover in action, but that promise has not been fulfilled. I await a trip to Whitehaven with him to see what is happening on the ground. Having placed in the House copies of the agreement with the BBC, it is important that he writes to the shadow Secretary of State for Culture, Media and Sport or places in the Library a letter bringing us up to date with digital switchover.

Mr. Don Foster (Bath) (LD): I hope that the hon. Gentleman is not just going to leave it at the shadow Secretary of State, as all Members present are clearly showing an interest in this matter. The amendment will change the range of people who will be identified for assistance through the targeted help scheme. Although the ruling by Madam Speaker means that we cannot hear about progress for all those people, does he agree that it would be helpful to hear what progress is being made in providing help to the new group of people who will be covered as a result of the new definition in the amendment?

Mr. Vaizey: The hon. Gentleman makes the excellent move of promoting Madam Deputy Speaker to Madam Speaker, no doubt in order to incur her good will when he rises to speak on the amendment. May I also congratulate him on his bravery in wearing the Olympic logo—

Madam Deputy Speaker: Order. I am sure that the hon. Gentleman knows that he is straying wide of the amendment; he does not need me to correct him.

Mr. Vaizey: I am grateful, Madam Deputy Speaker.

To give credit where it is due, the hon. Member for Bath first raised the issue of local authorities when we discussed the Bill previously. As an expert on this, he rightly points out that the definition of a local authority widens the range of people to whom assistance will be given. Perhaps the Minister could elucidate on that.

Adam Afriyie (Windsor) (Con): My hon. Friend is doing an excellent job in explaining the amendment given that the Minister was unable to do so. Does the change in definition give rise to a danger that it will exclude other authorities such as unitary authorities or other types of authority that may come into existence in future? Should it not be slightly broader to enable such authorities to be incorporated without yet another amendment?

12.45 pm

Mr. Vaizey: My hon. Friend makes an excellent point. That was one of the three questions that I was going to ask the Minister. Is he confident that the amendment's definition of a local authority will withstand any future reorganisation of local government? As my hon. Friend is well aware, the Government have put forward a White Paper on local authority reorganisation. In my own county of Oxfordshire, we have had a long debate about reorganisation prompted by the Government, forcing us to spend money that could have been much better

spent on council services. That particularly applies to Labour-controlled Oxford city council, which profligately spent hundreds of thousands of pounds on considering becoming a unitary authority.

Madam Deputy Speaker: Order. Once again, may I remind the hon. Gentleman of the narrowness of this debate.

Mr. Vaizey: I am grateful for your guidance, Madam Deputy Speaker.

My question to the Minister is simply this: is he confident that, should the Government ever get round to their long-awaited local authority reorganisation, this definition will stand the test of time, or will we be forced to amend the Bill again to accommodate new definitions of a local authority?

Mr. Robert Syms (Poole) (Con): I would like a little more information about how many people will be affected by the change. Do we have a list of the relevant local authorities? Many Members may not know that the amendment could affect their constituents. That information should be in the public domain.

Mr. Vaizey: My hon. Friend is absolutely right. When the Minister writes to me about digital switchover, it might be helpful if he writes to all hon. Members detailing specifically which councils covered by the amendment have the relevant information, so that when their constituents contact them with concerns about switchover they know which council they should contact in order to assist them.

Mr. Syms: Clearly this will be a key issue. Many Members will have visually impaired constituents coming to them wanting assistance. It is therefore important that the information should be widely disseminated, specifically in the Library. I hope that when the debate is over a little more information will come into the public domain.

Mr. Vaizey: My hon. Friend is right to say that it is a crucial matter. I do not have the statistics to hand about the average number of visually impaired people per constituency, but it will be a significant number, and by definition they will require assistance from their local authority. It is therefore essential that hon. Members are fully informed about the amendment's implications for their local authority.

Let me turn to another aspect, which is covered in the explanatory notes on the Lords amendment. Paragraph 8 states:

"The amendment is not expected to have any financial effects."

Any hon. Member with even a modicum of common sense would realise that that cannot be an accurate statement. The amendment brings into the scope of the Bill a wide range of local authorities, particularly metropolitan district councils, which might not have expected to be included before it was passed. It will clearly have financial implications for them in terms of their providing information on financial assistance to the visually impaired. Yet the explanatory notes state baldly that it is not expected to have any financial effects.

Adam Afriyie: If a district council that picks up this responsibility does not already hold the data and is not in a position to assist because it was not expecting to, there must be some form of financial implication for it, even if it is allocating to one person the job of looking into these matters and discovering where the subscribers or non-subscribers might be.

Mr. Vaizey: My hon. Friend is right. When the Under-Secretary was questioned about the matter in Committee, he skirted around the cost implications. Indeed, he implied that local authorities could absorb the cost in their normal functions. That cannot be the case. Digital switchover has been described as the largest civil project in this country for 30 or 40 years. Bringing local authorities within the scope of the Bill by accepting the amendment, which would bring metropolitan district authorities within its scope, has serious financial implications. I hope that the Under-Secretary will deal with that when he responds to my remarks and those of the hon. Member for Bath, who is the expert on the matter after drawing it to the House's attention.

Mr. Greg Knight: Is my hon. Friend satisfied with the amendment? It appears to me that it might be defective because, as I read the amendment and the Bill, the amendment relates only to councils in England. What happens in the case of a local government reorganisation in Scotland? Surely the amendment should cover all parts of the United Kingdom.

Mr. Vaizey: My right hon. Friend is a vastly experienced Member and, I suspect, a much better lawyer than me, although I trained and qualified for the Bar many years ago. I confess that I was hitherto unaware of his point. Clause 5(1)(c) states that local authority means

"in relation to Scotland, a council constituted under section 2 of the Local Government etc. (Scotland) Act 1994 (c. 39)".

Given that I am not an expert in local government matters in Scotland, I take my right hon. Friend's point about possible local authority reorganisation there.

Mr. Syms: During the Bill's progress, the Under-Secretary has generously invited hon. Members on occasions to Whitehaven, the first area that will be affected. Does the narrow amendment affect Whitehaven? If we are to visit that area, should we visit other areas to which the narrow amendment applies to ascertain whether it will have a material effect on constituents there?

Mr. Vaizey: My hon. Friend makes an excellent point about the effect of the amendment on the progress of digital switchover. As colleagues obviously know, we continue to debate the measure, which has not yet received Royal Assent, but digital switchover continues. We were unable to hear about its progress today, but it is interesting that no legal powers yet exist for Whitehaven district council to share information on the visually impaired. It would be interesting to know how digital switchover is progressing given that Whitehaven does not have requisite powers.

Mr. Don Foster: The hon. Gentleman makes an important point. If we agree to the amendment, although it means that the information will legitimately

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be obtained from Whitehaven council, the people of Whitehaven will not be told that they are eligible and provided with support; they will have to write to say that they believe themselves to be eligible. Does he agree that, if the amendment is accepted, it should still be possible to identify the people who are in need of help and ensure that they receive it in time?

Mr. Vaizey: I hope that that is the case. The hon. Gentleman makes an excellent point about the need for speed in ensuring that the people of Whitehaven, who are the pioneers of digital switchover, are adequately taken care of. However, I stray from the narrow amendment and I must refocus on it.

As I said to the Under-Secretary, my chief concern is whether the amendment is sufficiently robust to accommodate the future changes to local authority structures that the Government undertake. Cost implications are my second concern, given that the explanatory notes state that there are none.

My right hon. Friend the Member for East Yorkshire (Mr. Knight) mentioned Scottish local government reorganisation.

Adam Afriyie: We could, by bouncing the amendment back, give the Lords or the Government the opportunity to review it in the light of the fact that it might be better to deal with those matters in a statutory instrument rather than in the Bill. It may therefore be worth considering rejecting the amendment.

Mr. Vaizey: I must tell my hon. Friend that we have decided to accept the amendment because it affects an interpretation clause. As I said when I explained—perhaps more fully than the Under-Secretary—the reasons for the technical amendment, we need to ensure that metropolitan district councils are covered by the Bill. However, my hon. Friend's point is well made in the light of my constant attempts and those of the hon. Member for Bath to ensure that the House gives digital switchover sufficient scrutiny.

How does the amendment relate to the publication of the digital switchover help scheme? The Department for Culture, Media and Sport published it on 4 May 2007 and it details the agreement between the BBC and the Department on digital switchover. The Under-Secretary has probably memorised the document and he knows that it refers to a policy review group, which includes the Department for Culture, Media and Sport, the BBC Trust, the executive board of the BBC, the Department for Work and Pensions and Digital UK. The hon. Member for Bath encouraged the Under-Secretary to include local authorities because of their knowledge of the data about visually impaired people, and he has presented an amendment that specifically relates to metropolitan district councils, yet local authorities are not included in the policy review group for the digital switchover help scheme. That is an astonishing omission.

Adam Afriyie: I have listened to my hon. Friend's remarks with great interest. However, it again strikes me that, if a local council already holds the data, a cost will be incurred in transferring them to a district council. Perhaps district councils will get inquiries and phone calls from the visually impaired and have to pass them on. All those matters take resources and I am not entirely satisfied that the statement that there will be no cost implications is accurate.

Mr. Vaizey: My hon. Friend makes an excellent point, which enables me, in summing up, to reiterate the important matters that my hon. Friends and I have raised. We want to know whether the amendment is sufficiently robust to withstand future changes to the structure of local authorities. My excellent hon. Friend the Member for Windsor (Adam Afriyie) has repeatedly made the point about cost implications. He is always a steward of the taxpayer's funds. He rightly points out that, in an era of sky high council tax rises, the amendment will have cost implications. I stress again the need to include local authorities in the policy review group. I do not forget the point of my right hon. Friend the Member for East Yorkshire about local reorganisation in Scotland. We hope to hear more about that from the Under-Secretary.

I remind all my colleagues to keep their diaries free. The Under-Secretary will hire a minibus and we will go to Whitehaven to see digital switchover in action.

Mr. Don Foster: I apologise for the early promotion that I gave you in my intervention, Madam Deputy Speaker.

I am delighted to follow the hon. Member for Wantage (Mr. Vaizey) and I thank him for his praise for me as the expert on the matter that we are considering. He and I share the view with many hon. Members that digital switchover is important and will bring huge benefits to everyone in this country, and we were anxious to support the Bill to ensure that the most vulnerable in our society also benefited from the changes that digital switchover will bring. We were therefore surprised during the Bill's passage that the Government had missed out a large number of disadvantaged people because they had failed to consider the data available to local councils. We now know from a parliamentary answer of 26 April this year that some 50,000 people will be assisted because the Government have decided to include within the legislation the obtaining of information from local councils as well as from Government Departments.

1 pm

The amendment is important to ensuring that we get right the definition of those councils from which that information can be obtained. I am grateful to the Minister for recognising that that suggestion came from the Liberal Democrat Benches and I am grateful that the Government brought forward an amendment in the other place to ensure that it takes place. Having acknowledged my acceptance of what the Government are doing, I, too, like the hon. Member for Wantage, wish to ask the Minister questions—four very specifically about the amendment.

The first question is specifically about Whitehaven, which has been referred to on a number of occasions. Different people will have different views on whether Whitehaven is leading the way or is a guinea pig, or whether what is happening there is a trial. The Minister has told us on a number of occasions that it is not a trial for the main scheme, but that it is none the less an experiment from which we will learn.

Mr. Vaizey: May I remind the hon. Gentleman that when we referred to Whitehaven as a guinea pig, the Minister became extremely upset? I would therefore urge the hon. Gentleman to refer to Whitehaven as a pioneer.

Mr. Foster: That is why I chose my words carefully, pointing out that there was some concern about the definition. As I suggested in an intervention on the hon. Member for Wantage, the new definition ensures that Whitehaven council will be able to provide the information. Perhaps the Minister will confirm that I am right. If that is the case, will the Minister explain why in the rest of the country people who have been identified from the information from local councils as well as from Government Departments will be informed that they have been identified and then offered the targeted help scheme, but in Whitehaven the reverse will happen, whereby people who believe themselves to be eligible will have to apply and have their eligibility checked out?

If the amendment is passed, we will know the procedure in the rest of the country when digital roll-out takes place for gathering information and from whom that information would come, but would it not still be possible within the time scales to use the same procedure in Whitehaven? Given the importance of the issue—I should point out that, on the Government's own estimates, we are talking about 8,600 people—I hope that we will receive a positive response to that question.

The amendment refers to the obtaining of information from a particular category of councils. We know that many other councils and Government Departments are to provide the information, but, bearing in mind your earlier ruling, Madam Deputy Speaker, has the Minister changed his mind about whether information gathered from that category of councils is to be made available to the BBC? In Committee, we were clearly told that the BBC would have access to this information. Indeed, I moved an amendment to exclude the BBC from the groups of people who would have access to the information, but it was denied by the Government. However, I read that in other place—

Madam Deputy Speaker: Order. Whatever the hon. Gentleman may or may not have done in Committee, we are now discussing this amendment, which, as I have already ruled, is very narrow in its definition.

Mr. Foster: I am grateful, Madam Deputy Speaker. I am seeking to ascertain whether the information that as a result of the amendment will be obtained from a particular class of local authority will be made available to the BBC. That is my point about this information The reason I ask that—*[Interruption.]* I hear the Minister saying yes, but in the other place, Lord Davies of Oldham said:

> "We envisage that the BBC will not need access to the data disclosed in this Bill."—[*Official Report, House of Lords*, 22 March 2007; Vol. 690, c. 247.]

That is clearly a contradiction. I hope that the Minister will be able to explain why we were told in the other place that the BBC will not have access, but he has just said from a sedentary position that it will have access.

My third question relates to the data that will be obtained from this category of council. Does the Minister envisage any end point at which it will be deemed that such information will no longer be made available? The Minister will be aware that much debate took place in Committee about a proposed sunset clause—a provision that I believed was crucial. The Government have not agreed to a sunset clause for data from all the other sources of information, but will the Minister consider one at least in respect of the data that will be collected from this category of council?

Finally, and I hope very helpfully to the Minister, this category of council and the data that will obtained from it will enable a group of people who might otherwise not have been assisted to benefit from the targeted help scheme. I am sure that that group of people—if, because of your ruling, Madam Deputy Speaker, no other—who might be assisted by the new definition would be interested to know about the progress of the targeted help scheme. Will the Minister provide an update of progress on the assistance that that group of people might be able to get? I look forward to hearing the answers to those four questions.

Adam Afriyie: I pressed my hon. Friend the Member for Wantage (Mr. Vaizey) on the point about costs related to the amendment. If a local council has access to the data on the visually impaired and those who may benefit from the scheme in the Bill, that information will have to be passed on. The local council will have to respond to individuals who may be claiming their entitlement or, conversely, depending on how the land lies in the Bill proper, the council will have a duty to initiate contact with those individuals.

As a result of the amendment, those councils will now include district councils, which until now may not have expected to be included as a data-gatherer or passer-on of that data. The councils that need to transfer the data may not have been aware that they had that extra function to perform. It thus strikes me, without a shade of doubt, that there are cost implications for the council collecting the data, and even just for the transfer of data that has already been collected to the district council or authority and thereon to the BBC or the Government, and vice-versa.

I reiterate to the Minister that I have some concerns about point 8 of the explanatory notes, which states:

> "The amendment is not expected to have any financial effects."

That simply cannot be true in this context. I recognise, of course, that explanatory notes do not constitute the Bill and I also recognise that those outside the House should not draw too much from them, but I draw the Minister's attention to the problem. May I ask him to explain in very specific terms why this transfer of data and function that already exists will have no cost implications whatever? That just seems incredibly unlikely.

Mr. Woodward: I am faced with a difficult choice, Madam Deputy Speaker. Hon. Members have tested your ruling to destruction. Your generosity in holding back from reminding them of your ruling has resulted in their taking advantage of their position. My choice is whether to do the same, but owing to my long-term interest in currying favour with you, I will not test your

[Mr. Woodward]

patience. I shall therefore simply summarise the matter, not least because there is a real danger of hon. Members losing themselves in the detail to the extent that they cannot see the wood for the trees.

This is a very narrow amendment, whose purpose is to provide clarity. The hon. Member for Wantage (Mr. Vaizey) did anything but provide clarity in his remarks, but I shall provide that clarity by telling the House that the purpose of the amendment is to remove the ambiguity that arose when it was thought that a certain group of councils might not be part of the scheme. We want to ensure that that is not the case.

Questions about local authorities that might be involved in the future take us into the wonderful realms of the hypothetical, but they waste the time of the House. The Government's purpose in the Bill, and in this amendment, is to ensure that the help scheme and the access to the necessary data can be provided.

Mr. Vaizey: Will the Minister give way?

Mr. Woodward: No, I will not. The hon. Gentleman has had nearly an hour in which to wax lyrical about all this—

Mr. Vaizey *rose—*

Mr. Woodward: The hon. Gentleman must be patient. He has spent hours entertaining the Chamber—

Mr. Vaizey: Twenty-two minutes.

Mr. Woodward: He has spent 22 minutes on something that, frankly, should have been dispensed with in two.

There is a separate definition of "local authority" in Wales and Scotland, but we have ascertained that the necessary information can be made available in Wales and Scotland; we are satisfied that that is the case.

The only substantial point that has been made in the debate was made by the hon. Member for Windsor (Adam Afriyie), who rightly raised the concern about the cost to local authorities. Had he been part of the incredibly enjoyable debate that we have been conducting on the Bill over the past few months, he would know that this issue has been fairly raised by the hon. Members for Wantage, for Bath (Mr. Foster) and others.

Our view, which has been formed on the basis of consultation with the charities involved in this process as well as with the local authorities, is that there will be no disproportionate costs involved. We were more concerned about the costs to organisations such as Sense and the Royal National Institute of Blind People. Had there been a possibility of disproportionate costs, we would have ensured that it was dealt with. It is part of our ongoing dialogue with local authorities, the RNIB, Sense and the other organisations involved to ensure that any inconvenience or costs involved do not get in the way of the delivery of the scheme. There is no evidence of that happening, but Digital UK stands ready to deal with any problems that might arise.

We are doing this in the interest of not adding unnecessary regulation or bureaucracy. There was a time when the Conservatives argued in favour of deregulation and less bureaucracy, but they now seem to be led by the hon. Member for Wantage, who constantly wishes to add all sorts of totally unnecessary new regulations and costs.

Lords amendment agreed to.

Rating (Empty Properties) Bill

Considered in Committee.

[SYLVIA HEAL *in the Chair*]

Clause 1

UNOCCUPIED HEREDITAMENTS: CHARGEABLE AMOUNT

1.14 pm

Mr. Robert Syms (Poole) (Con): I beg to move amendment No. 6, page 1, line 2, at beginning insert—

'(1) In section 45(1)(c) of the Local Government Finance Act 1988 (c. 41) (unoccupied hereditaments: liability) after "year" insert

"(ca) none of the conditions in subsection (1A) applies".

(2) After section 45(1) of that Act insert—

"(1A) The conditions are that—

(a) the whole hereditament has, subject to subsection (1B), been unoccupied for a continuous period not exceeding three months;

(b) its owner is prohibited by law from occupying it or allowing it to be occupied;

(c) it is kept vacant by reason of action taken by or on behalf of the Crown or any local or public authority with a view to prohibiting the occupation of the hereditament or to acquiring it;

(d) it is the subject of a building preservation notice as defined by section 3 of the Planning (Listed Buildings and Conservation Areas) Act 1990 or is included in a list compiled under section 1 of that Act;

(e) it is included in the Schedule of monuments compiled under section 1 of the Ancient Monuments and Archaeological Areas Act 1979 (c. 46);

(f) it is a qualifying industrial hereditament;

(g) its rateable value is less than £2,200;

(h) the owner is entitled to possession only in his capacity as the personal representative of a deceased person;

(i) there subsists in respect of the owner's estate a bankruptcy order within the meaning of Parts VIII to XI of the Insolvency Act 1986 (c. 45);

(j) the owner is entitled to possession of the hereditament in his capacity as trustee under a deed of arrangement to which the Deeds of Arrangement Act 1914 (c. 47) applies;

(k) the owner is a company which is subject to a winding-up order made under the Insolvency Act 1986 or which is being wound up voluntarily under that Act;

(l) the owner is entitled to possession of the hereditament in his capacity as liquidator by virtue of an order made under section 112 or section 145 of the Insolvency Act 1986.

(1B) Where a hereditament which has been unoccupied becomes occupied on any day and becomes unoccupied again on the expiration of a period of less than six weeks beginning with that day, then for the purposes of ascertaining whether the hereditament has been continuously unoccupied for the period mentioned in subsection (1A)(a) it shall be treated as having been unoccupied on that day and throughout the period.

(1C) For the purpose of subsection (1A)(a), a hereditament which has not previously been occupied shall be treated as becoming unoccupied—

(a) on the day determined under paragraph 8 of Schedule 1 to the General Rate Act 1967, or

(b) on the day determined under Schedule 4A to the Act, or

(c) where neither (a) nor (b) applies, on the day for which the hereditament is first shown in a local rating list,

whichever day first occurs.

(1D) In subsection (1A)(f)—

"qualifying industrial hereditament" means any hereditament other than a retail hereditament in relation to which all buildings comprised in the hereditament are—

(a) constructed or adapted for use in the course of a trade or business, and

(b) constructed or adapted for use for one or more of the following purposes, or one or more such purposes and one or more purposes ancillary thereto—

(i) the manufacture, repair or adaptation of goods or materials, or the subjection of goods or materials to any process;

(ii) storage (including the storage or handling of goods in the course of their distribution);

(iii) the working or processing of minerals;

(iv) the generation of electricity; and

"retail hereditament" means any hereditament where any building or part of a building comprised in the hereditament is constructed or adapted for the purpose of the retail provision of—

(a) goods, or

(b) services, other than storage for distribution services, on or from the hereditament.".'.

What joy we are going to have debating this Bill this afternoon! It is my pleasure to move amendment No. 6 and, first, I declare an interest: my entry in the Register of Members' Interests shows that I am a director of a property company and a building company and a fellow of the Chartered Institute of Building. When the amendments were tabled, an "R" should have appeared after my name to signify those interests. Could those with a pen please append an "R" in brackets after "Mr. Robert Syms"? I apologise to the Committee for that omission. The Bill has proceeded fairly quickly; it had its Second Reading only last Thursday, amendments had to be tabled earlier this week and we are dealing with the Committee stage less than a week later. I am sorry that my registered interests were omitted in all that haste.

The Government committed themselves to making this change in the March 2007 Budget, as a result of the Barker review of land and planning that was produced in December 2006. There are different views about the benefits or advantages presented by Kate Barker. The Government also asked the Lyons inquiry to look into this matter, and when it published its report at the same time as the Budget, it broadly supported the measure.

Today, we are trying to amend this extremely short Bill. Essentially, it has only one clause—we have seen many examples of one-clause Bills—and that is a cause for concern for many of those affected by it. We tabled amendment No. 6 because the implications of the Bill are far-reaching. According to the Government papers explaining the Bill, it is expected that the changes will raise £1 billion—no small amount. Indeed, business rates in their entirety raise half as much as the total corporation tax take, so this is very big money in terms of what the Treasury raises. We are not talking about small change. The exemptions that the Committee must consider are very important.

Mr. Greg Knight (East Yorkshire) (Con): Before my hon. Friend turns to the exemptions, may I take him up on his good point about the amount of money that the provisions are likely to raise? Is he satisfied that those who represent the people and companies affected by the provisions were properly consulted before this Committee stage? It seems to me that the Government are rushing this measure through.

Mr. Syms: My right hon. Friend makes a good point.

Amendment No. 6 deals with exemptions, which would affect the amount of money raised by the provisions. Money will therefore be a key part of the debate on the amendment. There is no doubt that the Bill has been introduced relatively quickly. As I said earlier, the Barker review, the Lyons inquiry and the Budget all contributed to it, but there has not been full and proper consultation. That is regrettable. As we go on to explore amendment No. 6 in more detail, we shall see that the Bill will affect a wide range of individuals. A consultation process would have benefited the Government and, certainly, the Opposition. It would also have created much more awareness of the legislative agenda in Parliament. Sometimes people do not appreciate what measures are going through the House until they become law, and they do not therefore have the opportunity to influence Government and Opposition Members when we are framing legislation.

The amendment is about exemptions. It is a pity that there has not been widespread consultation, because it means that we might not have sufficient information on the bits and pieces that we are debating today and cannot fully appreciate how strongly people feel about these topics. As I said in my opening remarks, £1 billion is a lot of money, and has a big impact on businesses and our constituents. It is therefore a pity that the consultation has not been fuller.

Although the Bill is short, with essentially one clause, its schedules also cause concern, especially given that the Government are going to change some of the ways in which property has historically been valued. With regard to paragraph 4 of schedule 1, concern has been expressed that people might do things to their property to try to avoid the business rate. As a result, the CBI, the British Property Federation and the Royal Institution of Chartered Surveyors have raised concerns about definitions and how that aspect of the Bill will be implemented.

As we are dealing with a fairly short Bill in a short time span and without full consultation, many questions remain unanswered. The Minister has a great opportunity today to set out more fully how the provisions will operate, especially paragraph 4 of schedule 1. Will properties that have been flooded, burned down or bombed be affected by the definitions? If a firm moves out of a property, and a roof or wall must be taken down to extract machinery to move it elsewhere or to put it up for sale, will that be caught by the scope of paragraph 4? That point will be of great concern to people up and down the land.

RICS has said:

"The Government attempts to deal with the deliberate vandalising of property by introducing Paragraph 4 Schedule 1 of the Bill which disregards changes in the state of a property. RCIS is concerned that this clause fundamentally changes the basis for rating valuations, rather than simply preventing deliberate vandalism of empty property. It is a long established principle that rating valuation is based on the actual property to be rated and the property must be valued as it is."

I hope that the Minister will acknowledge the need to sort out those concerns. Within the narrow scope of the amendments and the limited time for debate, we have an opportunity today to explore some of the issues and get things on the record from him.

RICS continued:

"This throws up a range of potential issues to do with the removal of plant and machinery or the removal of a tenant's changes to a building after the lease has expired. It would appear that under the proposals it would be acceptable for a tenant to take these actions while the property was occupied but would be unacceptable once it becomes vacant."

That is a key point. It went on:

"Individuals could potentially be penalised for not doing something which becomes a particular concern when the occupier is in financial difficulty. This part of the Bill is likely to lead to increased litigation and an increase in the number of appeals to Valuation Tribunals."

RICS is particularly exercised about that part of the Bill.

Amendment No. 6 was crafted and tabled by my hon. Friend the Member for Surrey Heath (Michael Gove), who will join our deliberations a little later. It is important to get the proposed exemptions and, in that regard, we have a concern. I have a lot of time for the Minister; we have served in Committees for many happy hours together.

The Minister for Local Government (Mr. Phil Woolas): Only two more weeks.

Mr. Syms: I note the Minister's comment. I remember a famous interview between Sir Robin Day and Sir John Nott, in which Sir John Nott took off the microphone and marched out when he was accused of being a "here today, gone tomorrow" politician. Between the time when the Bill is passed and the regulations are made by statutory instrument, we may have a fresh—or older—face; I do not know. The Minister may even retain his job. There is concern, however, that a change of personnel will mean that the regulations will be brought in by a different individual. The Opposition have therefore tabled a detailed amendment that would put the provisions in such regulations on the face of the Bill.

If I may, I will go through my hon. Friend's amendment in detail. It states:

"Clause 1, page 1, line 2, at beginning insert—

(1) In section 45(1)(c) of the Local Government Finance Act 1988 (c. 41) (unoccupied hereditaments: liability) after "year" insert—

"(ca) none of the conditions"—

The First Deputy Chairman of Ways and Means (Sylvia Heal): Order. It might be easier if the hon. Gentleman just quotes the reference on the amendment paper.

Mr. Syms: I can certainly present the amendment in a less specific way. It has been tabled in extremely fine detail; every punctuation mark is important for Her Majesty's Opposition.

The amendment covers several aspects. The Opposition want certain important conditions to appear on the face of the Bill to ensure good, decent legislation. The first of those conditions is proposed new subsection (1A)(a), which refers to the condition that

"the whole hereditament has, subject to subsection (1B), been unoccupied for a continuous period not exceeding three months".

That is an important aspect—that is what applies at present, but it is not on the face of the Bill. We therefore have concerns, because consultation has not taken place.

Mr. Greg Knight: What is magic about the period of three months? I envisage a situation in which a family have an unoccupied property, perhaps because a business has folded, and the family, who are not particularly wealthy, intend to put the property on the market. They might have to deal with a liquidation or bankruptcy of one of the partners, and there might be a delay in marketing the property. In many cases, a good argument could be made for the exemption to run for six months.

Mr. Syms: My right hon. Friend makes a good point. Some of the legislation goes back many years. More recently, in the 1980s, the period was three months for most property, and six months for industrial property. There has been long debate about the right length of time for an exemption before the tax kicks in. Clearly, if there had been public consultation before the Bill was introduced, we would have more information. Her Majesty's Opposition have picked the current period, but if it were extended beyond three months—the amendment would not do that—that would have an implication for the overall tax take and the additional £1 billion that the Government are trying to raise.

I suspect that three months is not long enough; a property might have to go through new planning permissions or be marketed by estate agents, and sometimes people drop out. It is a tight timetable, but, historically, it has been the normal period for most categories of property, so we opted for it. I suspect that there is not much difference between the Government and the Opposition on that point, which is why we have tabled the amendment. The provision ought to be on the face of the Bill.

Proposed new subsection (1A)(b) is the second provision that should be on the face of the Bill. If an owner cannot occupy a property for a legal reason, he should be exempt. That is the existing situation. It is important that that is made clear for the many thousands of people who will be affected by the Bill. The exemption should be specified.

1.30 pm

Mr. Knight: I was critical of my hon. Friend for drafting paragraph (a) too narrowly, because three months is inadequate. However, I am concerned that paragraph (b) is drawn too widely. For example, an owner may be regarded as prohibited by law from occupying his property if he is serving a prison sentence. The sentence might well be in relation to defrauding the business that used to occupy the property, so why should he be exempt in those circumstances?

Mr. Syms: My right hon. Friend makes an extremely good point. We have drafted the amendment on the basis of existing legislation. I am not tempted down the road that he suggests, because we want to make progress and need to speed up. However, his point is reasonable and now on the record. If someone cannot occupy a property for a legal reason, it would be sensible for them not to pay the business rate.

Paragraph (c) sets out what has always been the position and it is important that it is stated on the face of the Bill. The exemption should remain part of the legislation. Paragraph (d) is also important. As Members of Parliament, we all know the importance of conservation and listed buildings. Many of them are in prominent areas of our towns, and we are lucky to have many beautiful and historic towns. Our legislation has always been ahead of the legislation in many other countries in that it recognises an exemption for such properties.

Mr. Robert Goodwill (Scarborough and Whitby) (Con): Will my hon. Friend confirm that although agricultural buildings are not rated under the business rating system—I must declare an interest as an owner of agricultural buildings—one of the recommendations of the Lyons inquiry was to bring them within this tax? In those circumstances, many buildings in the countryside that might be listed or might contribute to the rural environment would come under the empty buildings regulation. That could result in increased pressure on farmers or demolition of the very buildings that people want preserved.

Mr. Syms: My hon. Friend makes an important point. Substantial changes have been made to the position of agriculture in legislation overall. Many buildings were de-rated in the 1930s as a result of the depression and the hard time that agriculture experienced then. There is an argument for change, but that is not part of the amendment. I wish that he would not tempt me off the amendment, because some important points need to be put before the Committee.

Mr. Philip Dunne (Ludlow) (Con): I do not want to interrupt my hon. Friend's flow, but will he clarify whether a particular example would be caught by his amendment? A building in the town of Craven Arms in my constituency has been unused, unoccupied and unsafe for decades. It is situated in a prominent part of the high street and has been a blight on that town for many years. The reason for that situation is that the ownership of the property is uncertain. It was believed to have been donated from one body to another a number of years ago, but neither will accept—

The First Deputy Chairman: Order. I remind the hon. Gentleman that interventions should be brief. Perhaps he could come to the point so that the hon. Member for Poole (Mr. Syms) can answer.

Mr. Dunne: With great pleasure, Mrs. Heal. I apologise for extending my example. To conclude, the building in question was supposedly donated by the railwaymen's union to the Labour party, which in Craven Arms is effectively defunct, unloved and unwanted, and it will not take responsibility for the building because of the cost of its upkeep.

Mr. Syms: We all know that a number of buildings are in a state of disrepair and would fall under the Planning (Listed Buildings and Conservation Areas) Act 1990. It is important to exempt them, and we want that to be clear by stating it in the Bill. Sometimes local authorities or a range of organisations have to give grants to do up such properties. If they were not exempt, renovating them and ensuring that they are saved, salvaged and enjoyed by future generations would be a far more difficult task.

Mr. Knight: Surely in the example given one would not need to exempt a property specifically if the ownership is unknown, because presumably no one is paying the rates.

Mr. Syms: My right hon. Friend makes a good point, and shows his experience as a Member of this House. Nevertheless, it is important to have paragraph (d) in the Bill.

Paragraph (e) is equally important. We are blessed with a lot of monuments and archaeological areas. Many of us enjoy watching people on television digging up part of our towns to see what our ancestors built. The exemptions in the amendment are important. All of those who enjoy our heritage would demand that the Government include such exemptions in the Bill. It is important to consider paragraph (e), and I hope that the Minister will say much more about it when he responds.

Paragraph (f) deals with the qualifying industrial hereditament, and proposed paragraph (g) refers to a rateable value of less than £2,200, which is the cut-off point for business rates.

I do not think that there is any great disagreement between the Opposition and the Government on those things, but there is uncertainty. We pretty much know for a fact that we are going to have a change of Prime Minister, and that the Government will be reshuffled between the time the Bill and the amendment are considered and when the various regulations and statutory instruments are introduced. Therefore, it is important to put some of the exemptions on the face of the Bill so that the rating legislation landscape that people have been used to is not changed. No doubt the Minister will have an opportunity to consider and answer my specific points.

Paragraph (h) sets out an important exemption. We all know the difficulty that arises if a relative is deceased or if someone has responsibility for dealing with a friend's estate. The exemption should be on the face of the Bill, and made clear so that those who are in that situation and worrying about the Bill are not caused undue hardship or given undue concerns.

There are many important and intricate points to the amendment. I am glad that the Committee is listening to my argument and that it will have a much fuller debate about those things. The range of issues is amazing. Rating legislation is highly complex, and we need only look at the algebra in clause 1 to realise how complex this Bill is. I have great sympathy for the civil servants who must—no doubt very efficiently—deal with the legislation and advise the Minister. The Minister's contribution to rating reform will no doubt prove legendary. Much of this sort of legislation stays on the statute book for a very long time. As amendment No. 6 demonstrates, it tends to be "a little bit here, a little bit there", but it builds up into important case law.

The Bill involves a good deal of money. As I said earlier, business rates raise half as much as corporation tax, and are often the subject of disputes leading to legal actions and tribunal hearings. It is therefore important to make exemptions clear in the Bill rather than awaiting the uncertainty of regulations at a later stage, when another Minister may be in charge.

The Insolvency Act 1986 is important legislation, and is undoubtedly part of the reason why we won the 1987 general election. Insolvency means a traumatic time for many people, and those people need reassurance. Although I was a county councillor at the time and not yet a Member of Parliament, I remember the 1986 Act as ground-breaking legislation. I hope the Minister will accept the provision in paragraph (i), or, failing that, will explain in detail why he cannot do so.

Mr. Goodwill: The provision concerns not just those who become insolvent but their creditors. After the event, the bills that come in will reduce the amount of money available for distribution to those who are already hard hit.

Mr. Syms: I have tried, in my inadequate way, to explain the importance of that aspect. My hon. Friend is right to draw attention to the breadth of the impact of insolvency on members of the community, including creditors.

Mr. John Gummer (Suffolk, Coastal) (Con): The argument can be taken a stage further. It is already unacceptable that the state insists on being paid first, before those who may be in a much worse position. This is another example of circumstances in which the state's grabbing comes before the needs of the individual.

Mr. Syms: My right hon. Friend makes an important point. There is concern about the impact of that arrangement on the community, including our constituents.

Paragraph (j) refers to the Deeds of Arrangement Act 1914. The year, of course, was seminal, yet the imperial Parliament of the time passed the Act. No doubt the legislation was debated fully; no doubt it embodied the hopes and aspirations of many people. Now, 93 years later, we are contemplating inclusion of this provision not in the Bill, but possibly in a statutory instrument or regulation. The Act has stood the test of time. Perhaps the Minister will explain why what some have described as key legislation should not apply to the Bill.

1.45 pm

Paragraph (k) returns us to the Insolvency Act 1986. The Government have not done justice to that important Act in their one-clause Bill—a Bill which, however, is not small in terms of the money that it will raise: £1 billion. That is why a clear exemption is needed.

We can only marvel at the number of hours that Parliament must have spent considering all the legislation to which we have referred today. In those

days there was no programming. Debates were often open-ended, and most parts of the legislation would have been considered in great detail by many people.

The First Deputy Chairman: Order. I do not think we really need a history of the progress of the 1986 Act, although it is relevant to the amendment.

Mr. Syms: Thank you for your guidance, Mrs. Heal.

I think it important to include as much information as possible in Bills of this kind, given their complexity and major financial implications, so that people know exactly where they are.

Mr. Greg Knight: So far my hon. Friend has taken me with him, and I am minded to support the amendment. I agree that exemptions should be made clear in the Bill. However, I am slightly puzzled by the wording of paragraph (k). Why should a company that is being wound up voluntarily be exempt? The owners of a company may well wind it up voluntarily to avoid paying their dues under the Bill, then form a new company with a different name and effectively continue to trade as before.

Mr. Syms: My right hon. Friend's intervention shows his experience as both a Member of Parliament and a business man. As we all know, people sometimes misuse legislation, but most of those affected by the Insolvency Act are in that position involuntarily rather than voluntarily. A winding-up order is usually made because the company is owed a lot of money and is trying to get some of it back, or to put a company out of business. However, I do not want to digress, Mrs. Heal.

Paragraph (k) shows how complex and difficult insolvency law is, and how it interacts with the problem of business rates. The Bill is being progressed fairly speedily so our discussions are time-limited, but it is important that we debate this matter fully. The Minister must respond in detail on amendment No. 6. I hope that when he replies, he will talk about the Insolvency Act 1986 and the Deeds of Arrangement Act 1914, and why he thinks that the amendment should not be made. We need answers. It is important that the Government clearly explain their position. Why have they introduced what is essentially a one-clause Bill? Why are they not prepared to include our proposals on this complex subject in the Bill?

The amendment would also add:

"Where a hereditament which has been unoccupied becomes occupied on any day and becomes unoccupied again on the expiration of a period of less than six weeks beginning with that day, then for the purposes of ascertaining whether the hereditament has been continuously unoccupied for the period mentioned in subsection (1A)(a) it shall be treated as having been unoccupied on that day and throughout the period."

There has usually been an exemption for a property that is occupied for only a short period. I suspect that the Government would prefer to deal with that matter by statutory instrument and regulation, rather than include it in the Bill. I would like the Minister to explain where the Government stand on that matter and why, as it is important.

The issues and concerns that I am raising are key and require deep thought. It is a pity that there was no consultation—I have said that before, but it bears repeating. If we had had a full consultation, the public and the business community, and those affected by specific aspects of the Bill—such as accountants, surveyors or lawyers—would have had a much fuller opportunity to feed in their views. That would have given us an opportunity to address their concerns and talk about whether aspects of the business rate that have historically been in law ought to be continued with or amended.

There is an entire area of exemption to do with "qualifying industrial hereditament", including buildings that are

"constructed or adapted for use in the course of a trade or business",

and those that are constructed or adapted for various other uses, including

"the manufacture, repair or adaptation of goods or materials...the generation of electricity...the working or processing of minerals".

Therefore, the exemptions in our important amendment No. 6 would affect a surprisingly wide range of activities, including electricity generation, mines and quarrying.

Mr. Gummer: Has my hon. Friend noticed the importance of proposed new subsection (1D)(b)(iv) in respect of the decision that most people have now made that electricity must be generated on a much more local basis? The measure will become much more important than it would previously have been as we begin to disseminate electrical generation. Although many of my hon. Friend's examples and measures have been historical, this one is important for the future.

Mr. Syms: My right hon. Friend makes a good point. The measures are historical in that most of the legislation that contains them was passed during the last century and has been woven long ago into rating legislation. However, progress and technology changes the impact of measures. My right hon. Friend raises a point that I had not thought about when producing the amendment. In the past electricity has been generated in, and transmitted from, large plants or large substations. There has been exemption from rating legislation, and we are keen to include that in the Bill. However, if microgeneration increases and there are more small generators for people's homes and for estates, what impact would the amendment have on the properties concerned? Because of the point that my right hon. Friend has raised, I am now having a few concerns about my amendment. A person or business who generates electricity from their own property might be exempted. Can the Minister reassure me that this historic legislation is still relevant, given the changes in the electricity market, such as the move to microgeneration?

Mr. Greg Knight: My hon. Friend is making a good argument. In view of his expertise in this area, which he outlined at the beginning of his speech, can he explain when a property is deemed to be empty? If someone has a storage warehouse that has nothing in it, but which has a windmill fixed to the roof generating electricity, could a tax inspector argue that because electricity is being generated from that building, it is occupied?

Mr. Syms: A startlingly large number of issues and subjects could be raised as relevant to the amendment. Every intervention throws up an important point that I shall have to reflect on. The generation of electricity is usually exempt. If there are concerns about this area, the Government might have to reconsider it if they do not accept the amendment and we do not then win the vote on it.

There is a wide range of issues and concerns. One needs only to read slowly through the amendment to understand how many people and activities are affected, such as insolvency, ancient monuments, electricity generation, mining and quarrying. The Deeds of Arrangement Act 1914 is a key part of the overall legislation that ought to be exempted. There is concern about these matters because we did not have a consultation, and because people are unsure about how they will be addressed in regulations, as there will soon be a change within the Government. The Opposition are therefore anxious that measures should be included in the Bill.

I meet constituents in my surgery who are faced with legal action; some of them are faced with cases and appeals. They are unsure about what will happen, and they feel angst. The proposed legislation will lead to a wide range of appeals, and it will cost many of our constituents a lot of money in trying to sort out whether they are liable. It is important that we make the situation as clear as possible by including measures in the Bill.

It is important that when the Minister replies to the debate he gives a full explanation of why the Government went for a one-clause Bill that does not address the intricacies of this area of legislation, and why he might wish to reject the detailed, considered, thoughtful and beautifully crafted amendment tabled by Her Majesty's Opposition. If he were to accept it, that would save a lot of anguish, angst and difficulty for those affected by the proposed legislation. We heard earlier that it will raise £1 billion. That is a lot of money. There will be a considerable impact on many of our constituents. It is important that we have a debate on the range of exemptions, and that we have answers.

Some people say that Parliament no longer matters. I disagree. The debates that we have, the questions that are raised, and the heated and detailed discussion about amendments that we have are an important part of shaping legislation, and the country that we love. Therefore, it is important that we fully debate these aspects of the Bill. If the Government do not accept our important and carefully considered amendment, they should make it clear why not. Our constituents think that it is important that they should know what the situation is.

2 pm

The legislation has been introduced relatively rapidly and it has substantial implications. It will raise a lot of money, but it will also lead to appeals and much case law. It is therefore important to put more information into the Bill. I look forward to the Minister's detailed response to my questions about why the Bill is so limited and why we cannot consider all the important issues it raises. I know that my hon. Friends who wish to speak are determined to stand up for the interests of their constituents. I know that the Minister has listened carefully to what I have said, and I hope that he will also listen carefully to my hon. Friends.

Mr. Gummer: I rise to speak on two principles. I am very much on the Government's side on the rating of empty buildings, because we have been too lax in the past. Given our serious housing problems, we need to ensure that all the buildings we have are properly used, because the alternative is to build yet more in unsuitable places. I am therefore in favour of the principle behind the Bill. However, a second principle means that I am worried about the form of the Bill. I am sure that the Minister, for whom I have considerable admiration, will understand when I say that the difficulty with what appears to be easy, environmentally friendly legislation is that it sometimes leads us to move so fast that we do not consider the implications.

The first principle is the rating of empty properties and I agree with the Government's intention. The second principle is that we should have the debate. A problem that is frequently raised in my surgeries—I am sure that other hon. Members have the same experience—is that bits of Bills have unintended results, with sometimes serious results, because they were never debated properly. That is why my hon. Friend the Member for Poole (Mr. Syms) made the point that we would speak on this occasion especially in defence of the interests of our constituents. I raised, for example, the single issue of the effect of the Bill on microgeneration and the extension from the large generating centre to many smaller ones, which is very much the purpose of the commission that I chair on behalf of the Leader of the Opposition. Without revealing anything new, I can say that we will certainly recommend a radical move towards microgeneration. Even raising the issue in this debate has done some good.

It is possible that the issues can be addressed in the regulations, but that will not provide an opportunity for a debate in this House. I recognise that the issue has not been the biggest draw for the Chamber and the Government Benches are empty apart from those who are here in their official capacity and the ornamental presence of one Back Bencher. He is a substantial figure, but his presence does not suggest that the Labour party is thrilled by this debate. However, on our side of the House, several hon. Members wish to talk in detail about an issue that will affect their constituents.

I mentioned two principles. The first is wanting to have this legislation and the second is wanting to ensure that it is properly debated, because that is what Parliament is about—

The First Deputy Chairman: Order. I hope that the right hon. Gentleman will now address his remarks to the amendment. I have allowed him some leeway on the principles, but I hope that he will now be specific in his comments.

Mr. Gummer: I will do my best to—indeed I will have to—follow your guidance. I shall turn specifically to illustrate those principles through the details of the amendment. The first few examples in proposed subsection (1A) are intended to ensure that we do not have situations that no one thought about. That is my worry with this type of broad-brush legislation. It is only when one starts discussing it that one wonders what might happen if an owner wanted to occupy a

building, but could not do so because the law stopped him. Unless the Bill states specifically that in those circumstances the owner would not have to pay the tax—which he would be prepared to pay if only the law did not stop him benefiting from the occupancy of the building—I suspect that the regulations will also miss the point. I have often thought that I have had a good answer to some political point, but have then discussed it and discovered that those who come at it from a different direction are able to think of several new and difficult questions.

Mr. Greg Knight: Does my right hon. Friend share my view that new Subsection (1A)(b) is too widely drawn? I shall give him an example. Let us say that a husband and wife jointly occupy a property. The husband assaults the wife and the judge makes an order that by law he is not to return to the property as long as his wife is there. He is then by law prohibited from occupying the property. Why should he escape paying rates?

Mr. Gummer: My right hon. Friend is right to give that example. At the opposite end of the spectrum, if there is no reference to such issues, there is even more likely to be a difficulty. The point is that we need to have the discussion. I suspect that the Minister will not accept the amendment, although I would be pleased if he did so.

The purpose of this House is to have the kind of interplay that we are having. Those in the Box, to whom we are not allowed to refer, will at least be thinking that when they prepare the regulations they will have to get that issue right, although they may not have thought of the point that my right hon. Friend raises. I must confess that I had not thought of it myself.

The next example in paragraph (c) raises similar problems. If the local authority to which the money would be paid has itself stopped the building being occupied, it would be perverse for it also to be able to demand the money from the people who are not able to occupy it. Unless we make that clear, I can think of some local authorities that, either from perversity or by accident, would end up in that position. They would say, "Well, Parliament did not make any reference to this point, so we have decided, given the generality of the rules under which we operate, we are going to charge. So you, Mr. Jones, you can't use your property, but you've got to pay for it." That would be manifestly unfair, and the possibility ought to be excluded.

I am especially concerned about proposed subsection 1A(2)(d) in the amendment. I declare an interest in advice on planning matters, especially in respect of listed buildings and conservation areas. One problem with the present system is that the time taken to deal with building preservation notices has been extended in recent years. The people involved are extremely pressurised and often have to act precipitately to stop irredeemable and irrevocable changes. That is the nature of that sort of order and it may mean that the time involved is very much longer than what is envisaged in the Bill, with the result that, for good community reasons that the House would favour, people may not be able to enjoy the use of their premises in that period.

Michael Gove (Surrey Heath) (Con): My right hon. Friend's excellent speech is dealing in detail and authority with the amendment's proposals, but does he agree that proposed paragraph (d) of amendment No. 6 is especially important? I know that he has been devoted to the cause of ensuring that our high streets remain healthy. Is not respect for diversity of provision at the heart of a healthy high street? In Chester, one of our most attractive and historic city centres, commercial enterprises operate out of listed houses or buildings of historical note—

The First Deputy Chairman: Order. The hon. Gentleman knows that interventions should be brief. Will he please conclude his remarks so that the right hon. Member for Suffolk, Coastal (Mr. Gummer) can answer?

Michael Gove: Thank you, Mrs. Heal. Does my right hon. Friend agree that, when we are considering empty properties in which commercial activity is going on, it is vital that we should not neglect the built environment and buildings of historic distinction in particular?

Mr. Gummer: My hon. Friend is right. The matter is important for a second reason, which is that historic buildings must have an alternative use if they are to be maintained. Empty historic buildings, and especially the domestic type used for commercial purposes that would be covered by the proposal, do no one any good. In addition, I imagine that there will be more such properties, as wireless technology for example makes it possible to use previously unusable buildings.

I have a problem with proposed subsection (1A)(e) of amendment No. 6, as I am not sufficiently well versed in the Ancient Monuments and Archaeological Areas Act 1990 to be able to imagine how many monuments would be caught by the legislation. I suspect that few are rated, but I have done the Minister's job and he will agree that it is amazing to discover what peculiar things turn out to be rated under our system. I believe that bus shelters can be rated, so it would not surprise me to find out that some monuments would attract a rate. If none are, there would be no need for the proposal in the amendment, but if some are, the proposal becomes very important.

Proposed subsection (1A)(f) is important, if we manage to define "industrial hereditament". It is interesting that we have retained a word that is more difficult to say after dinner than it is after a sober lunch.

Mr. Woolas: I sympathise with the right hon. Gentleman, and remind him that the word no longer means what it did originally.

Mr. Gummer: The Minister is right, but I bet strongly that neither of us could define precisely what it means today, or what it used to mean. That is what makes it such a good legal word.

Proposed paragraph (h) is the most controversial in the amendment. I can see what my hon. Friend the Member for Poole is getting at, but want to offer the following example. A person who finds that his Aunt Agatha has died may not have seen her for some time or realised that he was her executor. He might not find it easy to sell her property because she did not do much with it for a long time. Consequently, her nephew has a lot to do, but the probate system takes such a long time that he might easily find himself paying money out of his own income to cover the circumstances.

2.15 pm

I am at present dealing with a constituent in exactly that situation. There is money in the estate involved, but complications with the will and the nature of the person concerned mean that probate is taking a long time. My constituent therefore has little choice but to meet the financial demands from his own resources.

I appreciate what my hon. Friend the Member for Poole is trying to do, but I agree with what my right hon. Friend the Member for East Yorkshire (Mr. Knight) said earlier about drawing proposals more narrowly. Many properties in this country, domestic and otherwise, are owned by people who do not live in Britain. No one could accuse me of being anti-foreigner, but the people living abroad who own those buildings want to hang on to them because their value is rising all the time. They do not want the hassle involved with letting the properties, so they are not rented out.

That is bad, and why I said earlier that this is a necessary Bill. If the proposal in the amendment is accepted, we need to be careful about how long the period should be. I can see that it might be longer than what we have at present, but I am unhappy about it being as open ended as it is in the amendment.

Mr. Greg Knight: I am not sure that the proposal is all that open ended, as it states that

"the owner is entitled to possession only in his capacity as the personal representative".

If a deceased person's personal representative becomes the owner of a property when the estate is wound up, his status under the amendment would change. It is grossly unfair for the state to impose a tax on a person merely because of probate delays caused by the same state.

Mr. Gummer: My right hon. Friend makes a sensible point, but I am worried about the fact that some people may use the delay for their own advantage. If we can find a way to close off that option, I would be pleased but, on balance, I prefer to have the change rather than not.

I turn now to the owner's estate bankruptcy order and the Insolvency Act 1986. I agree that that is a good Act and that it has clarified matters considerably, but we have reached the crux of the problem. The Government are right to want to ensure that empty properties make a proper contribution to the cost of services, but they must make sure that the provisions do not run counter to other legislation, and bankruptcy is a serious problem in that regard. If people are forced to pay to the state money that would otherwise go to people who have a prior demand, a prior requirement and in my view a prior right, they have a right to feel aggrieved.

I would take it further, as I suggested in an intervention earlier. It is utterly wrong that the state, which can carry these things more adequately, has used its power to make laws to protect itself against the interests of individuals, for whom bankruptcy is a greater disaster. If I am a small business man and someone goes bankrupt, my bills are paid only after the bills owed to the state are paid. I find that unacceptable. The state is able to know how much it is likely to lose over any year and make proper provision. Unlike many individuals, it can carry that loss because it deals with such a large number of bills. All of us in our constituencies have seen cases of individuals who have suffered considerably as a result of bankruptcy. If we add to that the fact that, before creditors' bills are paid, the local authority will be able to take money for a property which is empty due to bankruptcy, it would be entirely unfair. I commend my hon. Friend the Member for Poole for putting that issue in such a clear way in the amendment.

Proposed new subsection (1A) (j) is just as important. It becomes more important in a sense because the present Government have made arrangements, which I supported, to take a broader attitude to bankruptcy—in the past, we have been too tight about it. The Americans have a better way of looking at it and as a result have been able to create many jobs; unlike us, people there have been prepared to take risks. Under the Government's arrangements we will have more deeds of arrangement so the subsection becomes the more important.

That is also true of paragraph (k), which seems to complete the trio that covers everyone who might be affected by bankruptcy. I repeat that I am not seeking to support or protect the bankrupt. I am concerned about people who will be affected by a bankruptcy, a deed of arrangement or a winding-up order. The terms of the paragraph would mean that we were not providing circumstances in which the local authority could get its fingers on money that would be more properly used to redeem someone's debt.

Paragraph (l) relates to the person in his capacity as a liquidator. I am involved in representing a constituent on such a liquidation. The ownership of the property is extremely important to any chance of my constituent getting a reasonable amount of the money that he is owed for medical supplies. His happens to be a very sad case. The fact that he has suffered in one of the longest liquidations in history, mainly as a result of actions taken by the previous Conservative Government, saddens me a great deal. If the liquidator in this hugely difficult process were to pay rates on empty buildings, I doubt whether by now there would be any money left for the people for whom the liquidation technically has taken place.

I use my constituent's example because, were I in the Minister's place, I would think that paragraph (l) was not terribly important because in normal circumstances liquidations are relatively quick. Where things are owned abroad, liquidations can take a very long time. Although I am sure that chartered accountants have their uses—sometimes I wonder what they are—there is no doubt that they are not the fastest of people when it comes to liquidations. I hope that the Minister will take the terms of the paragraph seriously because it could have extremely serious results.

In most cases, although the local authority may not be the place where I would put what money remained in anything that amounted to a bankruptcy, the process is likely to be relatively quick. The amount paid to the local authority will not be too dreadful and money will be left for the real creditors. In the very long liquidation to which I have referred, the effect of the Bill could be very serious, so I hope that the Minister will take the amendment seriously.

It is a pity that the Opposition have had to go to the difficulty of producing the list of examples of those things that should be exempted. I am sure that my hon.

Friend the Member for Poole will not mind my saying so, but Oppositions are not professional in terms of such matters. These are matters that civil servants—much maligned under this Government—are very good at handling. If the civil service had produced a list of exemptions for the Bill, many of the issues that we have raised would already have been dealt with. We could have discussed many other issues much more sensibly if the Government had done that work on the exemptions using their powers, opportunities and resources.

In speaking in favour of the amendment, I want to say that it ought to have been significantly better and I am sorry that the Government did not take the opportunity to do the work. By saying that, I do not in any way cast doubt on the work done by my hon. Friend and his colleagues.

The fact that we have produced so many questions in the short time that we have had to prepare the amendment, and after such a lack of consultation, argues for better consultation on such matters. Not only would the terms of the amendment have been improved had they been included in the Bill presented by the Government, but the attitude towards the issue among the public, for whom the amendment will be an effective step, would have been greatly improved.

The amendment is about ensuring that there will be fewer cases of people feeling hard done by by the system under which they labour. That issue above all brings me back, but in order, to the key concerns of principle. Taken together, this series of amendments would ensure that the legislation is seen by the public as fair, reasonable and knowledgeable, not merely thrown at them as so much legislation has been over recent years. Will the Minister be kind enough to take a message—I hope from the House, but certainly from me? One of the problems that has beset his Government is their unwillingness to go through these processes in detail, some may say boring detail, as we have tried to do in this case. They have put on the statute book primary legislation and, I regret, badly thought out secondary legislation and regulation, with the result that people are increasingly unwilling properly to accept Bills such as this one.

The Government are right to introduce the Bill. They are right to rate empty properties and to insist that people contribute to the cost of services. They are right to ensure that all properties are available for use at a time when climate change must be fought at every level. What is wrong is that they have not given the House proper opportunity to debate the real issues—small though they may be—that affect our constituents.

2.30 pm

Mr. Dunne: I support the amendments and I am particularly grateful to my right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer) for concluding his remarks with a complaint about the manner in which the Government chose to introduce the Bill to the House. I remind the Committee that it is the fourth largest revenue-raising measure announced in the Budget, yet it has been dealt with inadequately, as is evident by the scale of the amendment.

The inadequacy lies not least in the amount of time given to the House to consider the measure, which was not part of the Finance Bill, but also in the fact that we have had no sight of the regulations that might, had they been produced before Committee, have enabled us to consider reducing the scope of the amendment. That is not to say that the proposals are not important in themselves, because they would include exemptions in the Bill rather than leaving them to be introduced under regulation. It is symptomatic of the way in which the Government try to conduct their business that they mask their true intent by not providing regulations in good time, as we are considering the legislation. The Minister looks quizzical—does he want to correct me?

Mr. Woolas: The purpose of the Bill is to change the period; exempt properties are covered by regulations.

Mr. Dunne: That may be so, but why should not the exemptions be clearly set out in the Bill, as we propose in the amendment?

Mr. Gummer: The Minister is being naive. If we change the time, the way in which the legislation will affect the various categories changes, too. If the categories are not in the Bill, or if we do not know what the regulations are beforehand, we cannot defend our constituents against them.

Mr. Dunne: As so often, my right hon. Friend makes his point clearly.

I want to discuss two aspects of the amendment. Other speakers have touched on them, but I want to reinforce my concern that the issues are properly addressed in the measure and in regulation. My first concern relates to proposed subsections (1A)(d) and (e), the exemptions relating to listed buildings and ancient monuments.

I hope that the listed buildings exemptions will be the same in regulations under the Bill as they were in previous regulations. However, as a result of the Government's efforts to tighten up on the risk to revenue from the deliberate destruction of buildings to make them uninhabitable, I am concerned about the many buildings in our constituencies, which have historical qualities and may be listed, ancient monuments or neither, that need exemption from the empty buildings rating regime. I shall give some constituency examples of ruined castles to illustrate my point.

I live along the Welsh border and the western half of my constituency borders Wales—an area particularly richly endowed with castles that were built originally to mark the boundary between England and Wales and to ensure the protection of English citizens from the marauding Celts. In my constituency there are a number of castles in a state of what can best be described as disrepair. I am thinking, in particular, of Clun castle and Hopton castle, which are both in my constituency, and Wigmore castle and Brampton Bryan castle, which are just outside my constituency, in the valley where I live. Each of those is, in effect, a ruined castle without a roof.

Mr. Greg Knight: I hesitate to venture a small criticism of my hon. Friend, but if he is concerned about those castles—I can understand why—why did he not include them in the list in amendment No. 6, to which he put his name?

Mr. Dunne: I am most grateful to my right hon. Friend for suggesting that the amendment should have been even longer. That thought occurred to us when we were discussing what to include, but it also occurred to us that, given the shortage of time between Second Reading and Third Reading, it would not be possible to ask all Members of Parliament to list all historic buildings of that kind. We therefore deliberately decided not to include a full list of all such buildings.

Some of the buildings that I have mentioned are owned by English Heritage and have been in receipt of lottery grants for large amounts of money to restore them as ruins—not as buildings for business use. Some of them receive visitors and so there is some income to be generated from them, but often they are visitor attractions run by volunteers and do not generate sufficient income adequately to recompense the cost of keeping them going. Adding to the burden placed on such buildings, through additional rating duties, would be most unwelcome and would help to put some of them at risk. It is important that such buildings are exempted from business rates in their entirety.

I should have declared an interest in the case of Hopton castle, because I have the distinct privilege of having been appointed patron of the Hopton castle restoration fund. We have succeeded in securing a grant from English Heritage of approaching £1 million to restore the property to a state in which it could be opened to the public. To highlight the difficulty, I should point out that Hopton Castle is in a village. In fact, it is barely a village; it is a collection of houses with, I think, 45 inhabitants. It would be quite impossible for that group of people to maintain the property from their own resources. The rates would represent a considerable cost in the event of their applying to the property. It is important that exemptions for such properties are spelled out in the Bill and subsequently in regulations.

Secondly, I want to touch on what happens when properties are empty and the ownership is uncertain or unclaimed—an issue that I raised in an intervention earlier. That will be a relatively rare occurrence, because most properties have a value and most people who have a claim on such property are likely to seek to be identified with it. However, there are properties where, because of the nature of their decay and dilapidation, the cost of acknowledging ownership would be too prohibitive for likely claimants. I hope that the Minister will respond to the suggestion that there are certain categories of property where ownership is uncertain and where business rates should not apply.

I can think of an example of a property that, rather like its former occupier, is unloved and unwanted. Nobody is able to pay for its upkeep. I am not seeking in any way to assist the Labour party out of its financial difficulties, but given that the last occupier was the Craven Arms Labour club, which, as far as I am aware, has not existed in my lifetime—and long may that be the case—the property provides the Minister with an interesting example of the problem that I have identified, and I would like him to help us, in the general to find a solution. In particular, perhaps he could help the inheritors of the Craven Arms Labour club—Ludlow Labour party, I believe—to get out of their difficulty by exempting them from business rates on unclaimed property.

Mr. Greg Knight: I do not really need to declare an interest, unlike my hon. Friend the Member for Poole (Mr. Syms), but I believe in erring on the side of caution, so I shall start by saying that I am a non-practising lawyer and the owner of some property, all of which is occupied, mainly with classic and historic motor vehicles, but of course that may not always continue to be the case.

My great concern about the legislation is the time scale. It is at the very least odd that the Government are proceeding with the legislation at such a pace; and at the very worst, it shows a disrespect for the public and Parliament. Now that we are in Committee, which followed so soon after Second Reading, we are forced to ask why the Bill was not subject to pre-legislative scrutiny, and why there was not wide consultation with interested parties and groups before the House was asked to make a decision on the matter. That is a relevant point to raise, because the Minister is seeking to hurry the legislation through at the very time when the Leader of the House, who chairs the Select Committee on Modernisation of the House of Commons, is telling us that he wants the Executive to have greater respect for Parliament, and to allow greater parliamentary scrutiny.

The Chairman of Ways and Means (Sir Alan Haselhurst): Order. It pains me to have to tell the right hon. Gentleman that I do not agree with his assessment of the relevancy of those remarks. I do not think that he should make them in debate on amendment No. 6.

Mr. Knight: I do, of course, accept your assessment, Sir Alan. I was making the point, en passant, that the Government could and should have done a lot more to consult widely before we reached Committee stage.

The Chairman: Well, let us pass quickly on from that point, then.

Mr. Knight: Amendment No. 6 has my support, imperfections and all. I am surprised that the Minister has not yet intervened to say either that he accepts the amendment in its entirety, or that he accepts its spirit. Nor has he said that he will deal with the exemptions by putting them in the Bill. My right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer) said that the Government might take action later through regulations, but clause 1(2), which we have not yet discussed, contains some exemptions, for which there will be zero rating. They include cases in which

"the ratepayer is a charity or trustees for a charity"

and in which

"the ratepayer is a registered club for the purposes of Schedule 18 to the Finance Act 2002".

If the Minister has seen fit to put those two exemptions in the Bill, why has he not seen fit to indicate to the House that he will accept amendment No. 6? It seems only right and proper that the exemptions itemised in the amendment be added to the Bill.

Mr. Gummer: So that the Minister cannot say it, let me make the point that the exemptions may, of course, be additional to those currently in the legislation. However, if that is the case, surely it underlines the

point that we made earlier, which is that if the time scale changes, all the exemptions must be reconsidered by the House.

Mr. Knight: That is absolutely right; I agree with my right hon. Friend, and it is right and proper that we consider each and every one of the exemptions today.

I have some doubts about the cut-off period of three months mentioned in proposed new subsection (1A)(a). I can understand why the provision is there—it is because we want to achieve a balance between being fair to the owner and seeking to bring a property back into use. In some instances, however, there may be good reasons why the property is vacant for more than three months, and I should have preferred paragraph (a) to allow the owner to plead cause beyond that period. I regret the fact that my hon. Friend the Member for Poole chose not to include such a provision. That is a minor criticism of the drafting, however, and I none the less support the amendment.

2.45 pm

Paragraph (b) of proposed new subsection (1A), however, is rather curious, and I am not entirely happy with the drafting. I gave my right hon. Friend the Member for Suffolk, Coastal an example of a situation that may arise when a violent husband attacks his spouse and is subject to a court order that prevents him from re-entering his property. In those circumstances, paragraph (b) would exempt him from paying any rateable charge, which I am sure is not what we intend to achieve. Perhaps the Minister will give us his thoughts on the matter when he responds to the debate.

Paragraph (c) of proposed new subsection (1A) is an essential exemption. A property may be kept vacant by the Health and Safety Executive, acting on behalf of the Crown, because a staircase is unsafe. If the property is a listed building, specialists may have to be brought in to carry out alterations to the staircase before it can be safely used. In the interim, the owner, who is using all his endeavours to improve the property, should not face a rates bill, so paragraph (c) is vital. I hope that the Minister accepts it, but if he does not, I hope that a similar exemption will apply.

Turning to paragraph (h), I had some experience when practising as a solicitor of dealing with the winding up of estates. Sometimes that is easy and quick to complete, but that is not so if there is no will or, if there is one, if the family do not know where the beneficiaries live. Documentation may be missing, so probate sometimes takes far more than a year to complete. In the interim it is wholly unfair to charge the personal representative, who may be a family member and not a well-paid solicitor who can reimburse himself for any charges by charging the estate. Why should the widow or widower who has to deal with the estate in a time of emotional stress and difficulty suddenly find that they have to pay, in addition to any duties payable by the estate, a rateable charge on an empty property? I therefore hope that the Minister will accept the fairness and common sense of the exemption in paragraph (h).

Some of us wonder why there is a need for the Bill at all. If the Chancellor and the Prime Minister had not given away part of our EU rebate to Europe, we would not need to collect £1 billion from this piece of legislation. The Bill should not have been introduced, but we are, however, considering it. We are trying to make it better, so I hope that the Minister accepts amendment No. 6.

Dr. Vincent Cable (Twickenham) (LD): I had not intended to speak in this debate, and I certainly do not intend to do so for as long as some of the preceding speakers. Having listened to their contributions, however, I believe that amendment No. 6 is a useful provision, at least in spirit—the phrase used by the right hon. Member for East Yorkshire (Mr. Knight)—because it answers one of the main concerns expressed by groups who have lobbied us on the Bill, even those who are well disposed towards it. I recall the evidence from the Federation of Small Businesses, which supported the Bill but said that what was needed to improve it was a better definition of how to exempt groups of property owners who were genuinely trying to occupy their property. That is what the various proposed exemptions try, in their different ways, to do.

I shall group the exemptions, rather than discuss them individually. The conditions in paragraphs (h) to (l) are designed to help people who are trapped in legal processes entirely beyond their control. That might arise as a result of death or of bankruptcy or insolvency. The legal mills will not grind any faster because the Government have changed the tax procedures. However hard people try, they will none the less be penalised unless some exemptions are provided.

The second group of cases is covered by the exemptions in paragraphs (b) to (e), which deal with cases in which official authorities have created obstacles to use. That might arise because of historic buildings and, in some cases—this applies to the exemption referred to in paragraph (c)—where there are difficulties with the planning process.

In a typical case that I have encountered several times in my constituency, shopkeepers find that their shops are no longer viable. They start using the shop as an office or a burger bar and planning officers come down on them quite heavily for improper use. Enforcement orders are issued, followed by appeals against enforcement orders and applications for permission. The planning staff say that it must be demonstrated over a substantial period that the shop is not viable as a shop. A long process is involved, and the owners are barred from using the premises in the meantime. Such practical situations arise on many occasions.

I have listened to the speeches and I believe that amendment No. 6 is helpful in setting out many of the practical circumstances in which a property owner is entirely genuine in trying to use property but is unable to do so. If the amendment is not acceptable to the Government, I hope the Minister will explain how he would address the problem that the Federation of Small Businesses outlined very well.

Mr. Woolas: I congratulate the hon. Member for Poole (Mr. Syms) on tabling an amendment that prompted such a comprehensive and thorough debate. The Committee owes him its gratitude. I have been enlightened by what I have learned this afternoon, such as what was said about the castles and ruins in Shropshire—ruins that do not pay rates anyway, but we have heard about them. Genuine congratulations are due to the hon. Member for Ludlow (Mr. Dunne).

[Mr. Woolas]

What he has achieved with the restoration of a castle is welcome and will be noted.

We also learned in the debate, which is on a tightly drawn amendment and not on Second Reading or Report, about the collection of classic cars in East Yorkshire. I was hoping that the right hon. Member for East Yorkshire (Mr. Knight) would tell us what they were, but I suspect, Sir Alan, that you would have stopped him, just as you are about to stop me now, so I will move quickly to the amendment.

The problem with the amendment is not the justification or otherwise for the exemptions that it proposes, but a misunderstanding of what the amendment would do if it were written into the Bill. Let me explain why that is the case. I think that that will satisfy right hon. and hon. Members who have raised in depth concerns that were expressed on Second Reading. It is important that we respond to those concerns.

When I read the amendment, it looked very familiar. As I looked into it, I realised that the amendment, subject to minor tweaking, is taken from the wording of the Non-Domestic Rating (Unoccupied Property) Regulations 1989, as amended. The regulations flowed from the Local Government Finance Act 1988, and it is the 1988 Act that the Bill seeks to amend. Putting the 1988 Act regulations into the Bill would insert into it exemptions that are already in place in such a way that we would not be able to change them, should we want to, without primary legislation. In other words, the exemptions are already there.

The right hon. Member for Suffolk, Coastal (Mr. Gummer) made an intelligent and quick-witted point. I increasingly realise why he served in government for such a long time. In fact, I think that he was the longest-serving Local Government Minister, so I take what he says very seriously. Over the summer, we will consult on the regulations to take on board the points that interested parties, including hon. Members, may make. Putting the existing regulations into the Bill would not achieve what right hon. and hon. Members want to achieve.

Hon. Members have referred to several problems. I could use the Aunt Agatha analogy, which is a good one. The hon. Member for Twickenham (Dr. Cable) mentioned planning issues, which were also raised on Second Reading. Those and other problems already exist under the current time scale and rate of collection, and they would continue to exist whatever the algebraic formula in clause 1. I am sorry that the hon. Member for Bromley and Chislehurst (Robert Neill) is not here to hear that, but those points are not relevant to the Bill, although the amendment has given us the opportunity to explain the position.

It might be of interest to Opposition Members, and indeed to my hon. Friends, to learn that the authors of the 1988 Act and the 1989 regulations were the late Sir Nicholas Ridley and his then Under-Secretary, the hon. Member for Christchurch (Mr. Chope). I will contact the hon. Gentleman, who is a distinguished member of the Chairmen's Panel, to explain how his right hon. and hon. Friends have been trying to undermine his beautifully crafted laws and regulations. Indeed, I am doing no more than repeating the process that was undertaken by Sir Nick, whom I remember lobbying as a student. I always found that he gave us a very fair hearing although he was ideologically opposed to us. I do not know what he would have made of the smoking ban—I imagine that he would have been outraged.

Section 45 of the 1988 Act sets out the liability of unoccupied hereditaments for business rates, and subsection (1) determines to which of those the liability applies. The liability includes, among other things, all hereditaments that fall within a description prescribed by the Secretary of State by regulations. In other words, the 1988 Act gave the Secretary of State the power—subject of course to the passing of the necessary regulations—to determine the exact classes of unoccupied hereditament that should be subject to empty property rates. By means of some rather convoluted double negatives, the effect of the regulations is to include within the empty property rates regime all unoccupied hereditaments except those falling within certain specified classes of exemption.

3 pm

Mr. Goodwill: Will the Minister clarify the position of cemeteries? As someone in that line of business, I know that valuations have been carried out throughout the country that are aimed at rating cemeteries as businesses. At what point does a cemetery become unoccupied? Is it a hereditament? Cemeteries are obviously occupied for a long time after burials. People who run private sector and local authority cemeteries would like to be reassured that they will not pay rates in perpetuity, despite the fact that those buried are there in perpetuity.

Mr. Woolas: I congratulate the hon. Gentleman on the ingenuity of that point. I do not know whether he has just thought of it or whether the matter featured in his postbag. It worries me greatly when a Conservative Whip starts to talk about cemeteries—I do not know what lies behind that. However, the point is not relevant because the Bill does not deal with exceptions and exemptions from rates, which the 1989 regulations already tackle. Let me repeat that, although the points have been interesting and some of the questions have been ingenious, they are not relevant to the Bill.

Michael Gove: The Minister is making an interesting case. He argues that it would be wrong to include exemptions in primary legislation and that they are suitable for regulation. However, as my right hon. and hon. Friends have pointed out, sporting clubs and charitable organisations are specifically exempt from the Bill. That exemption is in both secondary legislation and on the face of the Bill, and the Government have invited support for it. We are happy to support it and we applaud its inclusion, but we must also mark the Minister down on logic because if he can include one exclusion in the measure, why cannot he include others?

Mr. Woolas: The hon. Gentleman makes a good point and I congratulate him on spotting it. He is right. The answer to his question is that the exemption to which he refers is already in primary legislation. I therefore have to deal with it in primary legislation rather than in regulations. Indeed, I asked the very same question of my officials when I read the first draft of the measure.

Mr. Gummer: If the exemption is already in primary legislation, why does the Minister have to include it in primary legislation again? Will he assure the Committee that all the exemptions in the amendment will appear in the regulations about which he will consult?

Mr. Woolas: The first question is on a point of logic and the second makes an important point. The exemptions relate to the time period for them—that is why they are in the Bill. The hon. Member for Bromley and Chislehurst spotted that the variables below the dividing line cannot exceed two. If they did, I would have the power to increase the rate by more than 100 per cent. However, the time period is the important factor.

The right hon. Gentleman's second point is important. It relates to matters that affect listed buildings and so on. I am surprised that he and others did not mention the exemption for agricultural buildings.

Mr. Goodwill: We did.

Mr. Woolas: Indeed, the matter did come up—I had forgotten. There is no intention in the Bill to change policy on exemptions. However, partly because of the point that the right hon. Gentleman made and partly as a matter of good governance, we intend to consult on those matters in the summer.

To provide the flexibility that Sir Nicholas Ridley needed and that is still required, it would be wrong to include the exemptions in primary legislation because it would lock them in and not allow us to decrease the rates as well as increasing them.

Mr. Greg Knight: Will the Minister give way?

Mr. Woolas: Is it on the point that we are discussing?

Mr. Knight: On that very point, because is it not the key to the whole debate? If the exemptions were locked into the Bill, a successor to the Minister could not reduce the list of them.

Mr. Woolas: I would have to come to a judgment on that. The flexibility exists for local authorities to go further in respect of the amount of the exempted rate, but the problem would then be the same as the one that our predecessors faced in 1988—that the overall tax take has to be considered at some point in time. The hon. Member for Poole chided me for the alleged lack of consultation on the Bill. It is, of course, a finance measure that has developed out of the Budget and I would argue that consultation took place through the Barker and Lyons reviews. The regulations will also be consulted on, but this is a finance measure being dealt with, after consulting the House authorities, through a Bill to be considered by a Committee of the whole House, rather than through a Finance Bill Committee. This is a matter of local government finance.

I hope that I have given adequate time—I certainly had until today—to debate the Bill. I felt that the consultation that flows from it on account of it being a finance measure would be better done this way. The right hon. Member for East Yorkshire raises a reasonable point, but it is a question of balance. I have to do what anyone in my position has to do, which is to protect business rate payers from too many exemptions. One can envisage circumstances in which many organisations could argue for exemption—the agriculture industry did so successfully, for example, and there may be others—so it is a question of balance. He raises a reasonable point, but I disagree with it.

I hope that I have explained the logic of our opposition to the amendment. I genuinely believe that it achieves the opposite of what it intends. I studied the amendment carefully and saw that that was the case. I hope that our debate on the exemptions does not cloud the fact that this Bill is about the time period for the exemptions for empty property rates, not about the exemptions themselves. On that basis, I hope that the hon. Member for Poole will withdraw the amendment.

Mr. Syms: We have debated a detailed and wide-ranging amendment, covering subjects as broad as castles, historic cars, violent husbands, labour clubs and cemeteries. That has demonstrated the Bill's impact on communities. My hon. Friend the Member for Ludlow (Mr. Dunne) made the point that the provision in the Bill is the fourth largest revenue raiser in the Budget, so it is bound to have a large impact. That is why it is important to debate the exemptions thoroughly.

I was pleased by the Minister's reasonable response to the debate and he dealt with many of the concerns of hon. Members. Regretfully, however, I still feel that we should press the matter to a vote. Bills with only one substantive clause may be short, but because of the range of concerns expressed today, I believe that the Committee should have the opportunity to vote. I therefore press the amendment.

Question put, That the amendment be made:—

The Committee divided: Ayes 143, Noes 236.

Division No. 138] **[3.9 pm**

AYES

Afriyie, Adam	Duncan Smith, rh Mr. Iain
Ainsworth, Mr. Peter	Dunne, Mr. Philip
Alexander, Danny	Evennett, Mr. David
Ancram, rh Mr. Michael	Foster, Mr. Don
Atkinson, Mr. Peter	Francois, Mr. Mark
Bacon, Mr. Richard	Fraser, Mr. Christopher
Baldry, Tony	Gale, Mr. Roger
Barker, Gregory	Garnier, Mr. Edward
Baron, Mr. John	Gauke, Mr. David
Beith, rh Mr. Alan	George, Andrew
Bellingham, Mr. Henry	Gibb, Mr. Nick
Benyon, Mr. Richard	Gillan, Mrs. Cheryl
Bercow, John	Goldsworthy, Julia
Bone, Mr. Peter	Goodman, Mr. Paul
Brady, Mr. Graham	Gove, Michael
Brazier, Mr. Julian	Gray, Mr. James
Browne, Mr. Jeremy	Green, Damian
Browning, Angela	Greening, Justine
Burns, Mr. Simon	Grieve, Mr. Dominic
Burrowes, Mr. David	Gummer, rh Mr. John
Burstow, Mr. Paul	Hammond, Mr. Philip
Cable, Dr. Vincent	Hammond, Stephen
Clark, Greg	Hands, Mr. Greg
Clifton-Brown, Mr. Geoffrey	Harper, Mr. Mark
Cox, Mr. Geoffrey	Harris, Dr. Evan
Davey, Mr. Edward	Hayes, Mr. John
Davies, Philip	Heath, Mr. David
Djanogly, Mr. Jonathan	Heathcoat-Amory, rh Mr. David
Dorries, Mrs. Nadine	

Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Horam, Mr. John
Howarth, Mr. Gerald
Hughes, Simon
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jones, Mr. David
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Lamb, Norman
Lansley, Mr. Andrew
Liddell-Grainger, Mr. Ian
Lilley, rh Mr. Peter
Luff, Peter
Mackay, rh Mr. Andrew
Malins, Mr. Humfrey
May, rh Mrs. Theresa
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Mulholland, Greg
Murrison, Dr. Andrew
Neill, Robert
Newmark, Mr. Brooks
Öpik, Lembit
Osborne, Mr. George
Paisley, rh Rev. Ian
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Mr. Laurence
Rosindell, Andrew
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Simpson, Mr. Keith
Smith, Sir Robert
Spelman, Mrs. Caroline
Stanley, rh Sir John
Steen, Mr. Anthony
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Taylor, Dr. Richard
Teather, Sarah
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Watkinson, Angela
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mr. Roger
Willis, Mr. Phil
Willott, Jenny
Wilson, Mr. Rob
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Robert Goodwill and Mr. Tobias Ellwood

NOES

Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Anderson, Mr. David
Anderson, Janet
Atkins, Charlotte
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Begg, Miss Anne
Benton, Mr. Joe
Berry, Roger
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blizzard, Mr. Bob
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Bryant, Chris
Buck, Ms Karen
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Chapman, Ben
Clapham, Mr. Michael
Clark, Ms Katy
Clarke, rh Mr. Charles
Clelland, Mr. David
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Cook, Frank
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Cunningham, Mr. Jim
Curtis-Thomas, Mrs. Claire
Darling, rh Mr. Alistair
David, Mr. Wayne
Davidson, Mr. Ian
Davies, Mr. Dai
Dean, Mrs. Janet
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Eagle, Angela
Eagle, Maria
Ellman, Mrs. Louise
Engel, Natascha
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
Gerrard, Mr. Neil
Gibson, Dr. Ian
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Hendrick, Mr. Mark
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hodgson, Mrs. Sharon
Hoey, Kate
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jowell, rh Tessa
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Khan, Mr. Sadiq
Kidney, Mr. David
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Mackinlay, Andrew
MacShane, rh Mr. Denis
Malik, Mr. Shahid
Mann, John
Marris, Rob
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh John
McGovern, Mr. Jim
McIsaac, Shona
McKechin, Ann
McKenna, Rosemary
McNulty, Mr. Tony
Meale, Mr. Alan
Michael, rh Alun
Miliband, Edward
Mitchell, Mr. Austin
Moffatt, Laura
Moon, Mrs. Madeleine
Morgan, Julie
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Robertson, John
Robinson, Mr. Geoffrey
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine

Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andy
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stuart, Ms Gisela
Tami, Mark
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, rh Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, rh Mr. Don
Trickett, Jon
Turner, Dr. Desmond
Ussher, Kitty
Vaz, rh Keith
Vis, Dr. Rudi
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Whitehead, Dr. Alan
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winterton, rh Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Tony Cunningham and Mr. Dave Watts

Question accordingly negatived.

Michael Gove: I beg to move amendment No. 2, page 1, line 5, leave out '(4A)' and insert subsections (4A) and (4B)'.

The Chairman: With this it will be convenient to discuss the following amendments: No. 3, page 1, line 9, after '(4A)', insert—

'Where subsection (5) applies, the chargeable amount for a chargeable day shall be calculated in accordance with the formula—

(A x B) divided by (C x 2)'.

No. 4, page 2, line 3, at end insert—

'(2) For subsection (5) of that section substitute—

"This subsection applies where on the day concerned, the hereditament is the subject of—

(a) a planning application,

(b) an application for approval of reserved matters or for the approval of details under a condition of a planning permission, or

(c) an appeal under section 78 of the Town and Country Planning Act 1990.

No. 5, schedule 1, page 5, line 20, at end insert—

'(1A) For the purposes of any regulations, the state of any property shall not be deemed to have been changed by the carrying out of operations in accordance with a planning permission.'.

Michael Gove: It is a pleasure to serve under your chairmanship, Sir Alan. I thank you for the advice that you and your office extended to me, and to my hon. Friends, in framing and tabling the amendments.

I apologise for not having been here for the opening of the Committee stage. I spoke in the debate on the Ways and Means resolution, and also on Second Reading, and opposition to the measure and scepticism towards it are close to my heart. I was genuinely sorry that I could not be here for the beginning of the remarks of my hon. Friend the Member for Poole (Mr. Syms). I know that he made an admirable and cogent case, but I am afraid that I was detained elsewhere on family business.

The amendments fall within two groups. They deal with the broad question of planning and land use, but amendments Nos. 2, 3 and 4 are naturally grouped together, because they form part of one coherent argument, and amendment No. 5 is separate, because although it deals with planning matters, it relates to a different part of the Bill and is meant to deal with a different specific eventuality.

Amendments Nos. 2, 3 and 4 are essentially tests of the Government's integrity. Amendment No. 5 is an attempt to achieve the Government's intentions more effectively than we believe the Bill itself is capable of achieving them. In that respect, whether the Government accept amendment No. 5 is a test of their sincerity. If Ministers genuinely want to achieve the goals stated in legislation and argued for by them in earlier debates, we believe that they will have to accept the amendment.

Let me briefly explain why we tabled amendments Nos. 2, 3 and 4. They deal with a new and specific exemption that we wish to introduce. In our debate on amendment No. 6 we discussed the whole question of exemptions, their appropriateness, and whether they should be contained in primary legislation or in secondary regulation to be presented at a later date.

The Minister accepted that there were exemptions that should be included in primary legislation. We had a brief exchange on the subject when I intervened on him. I am afraid, however, that his customary authority lapsed at that point, because he presented us with a circular argument. We pointed out that we wished to introduce a whole set of exemptions that were entirely in accordance with custom, practice and previous legislation. Cases for all those exemptions were made with exemplary clarity by my hon. Friends. The Minister's case against the exemptions was that it would be inappropriate to deal with them in primary legislation, but he accepted that the Bill contained exemptions for charities and sporting ventures—because, he said, they were in primary legislation.

That is a circular argument. The Minister is saying that an egg is an egg is an egg, because he says that it is an egg. I am afraid, however, that this combination of yolk, albumen and shell is not an egg, because it does not pass muster with me. There is no logical reason why one exemption is in primary legislation and another set of exemptions are considered appropriate for secondary legislation, other than precedent and ministerial edict.

We know that the Minister is capable of logic, reason and fluent argument. We have seen him display that capability many times at the Dispatch Box. It is incumbent on him now to explain to us why certain exemptions must be in primary legislation while others are fit only for regulation. It will not be good enough to argue, as he did earlier, that a period of consultation is necessary before we introduce exemptions. That argument would strike at the heart of the Bill. On Second Reading and in the Ways and Means debate, Conservative Members argued for consultation. Why? Because when Sir Michael Lyons introduced the idea of removing or amending the relief for empty properties, he argued explicitly that there should be consultation before business rates were reformed, probably in about 2010. The Government chose not to engage in that

[Michael Gove]

period of consultation. Instead, they decided to legislate precipitately in what was characterised in the previous debate as a rush to plunder.

The Minister, and the Government, cannot have it both ways. They cannot say, "We need to consult on the exemptions before we produce secondary regulation. All that can happen in good time, my dear man", and at the same time say, "We need to produce this legislation quickly." They cannot say, even by implication, "I am afraid that when he requested consultation, Sir Michael Lyons was insufficiently seized of the importance of legislating quickly," and then, when it is convenient to them, say, "We believe that Sir Michael Lyons was wrong to call for consultation then, but we need consultation now."

3.30 pm

The Government must explain why when consultation occurs, it is always on their terms and never on anyone else's. They must also explain why, having gone to the trouble of asking Sir Michael Lyons to make a series of recommendations on this measure and on local government finance in general, they accept only the measures that they can introduce quickly, and which automatically yield revenue, and why they have not given adequate consideration to those other thoughtful—and perhaps more complex, but none the worse for that—series of arguments that enjoined on them a degree of caution in proceeding. *[Interruption.]* The Financial Secretary to the Treasury asks from a sedentary position, "What about the amendment?" As I am sure he is aware, there are in fact three amendments—Nos. 2, 3 and 4—which come together, and there is also amendment No. 5. Amendments

Nos. 2, 3 and 4 deal with planning and land use. The Financial Secretary and his junior—although perhaps not junior for much longer—the Economic Secretary put it to us in the original Ways and Means debate that the principal aim of the Bill was the more efficient use of land.

That cause is dear to the hearts of all Members present. My hon. Friend the Member for Wellingborough (Mr. Bone) serves on the board of a housing association, and my hon. Friend the Member for Poole is greatly interested in housing matters, and I know that they are keen that land should be used more efficiently, whether for housing or, commercial purposes. However, the suggestion that the Bill is all about the more efficient use of land was undermined by the presence at the Ways and Means debate and on Second Reading of the Economic Secretary and the Financial Secretary. Why were they invited in to make the case for Department for Communities and Local Government legislation? Did the Treasury have no confidence in DCLG Ministers? Did the Treasury feel that the Secretary of State and the Minister for Housing and Planning were not capable of making the case? Heaven forfend.

The Chairman: Order. I might equally say heaven forfend that the hon. Gentleman move into more general territory than he should. I ask him to stick to the subject of the amendment.

Michael Gove: Thank you, Sir Alan, for your helpful advice.

The reason why Treasury Ministers spoke was not any lack of confidence in ministerial colleagues, but the fact that this measure is palpably a straightforward tax demand. It is not about the more efficient use of land. It is about the more efficient—or, rather, the more rapid—acquisition of revenue for the Exchequer.

These amendments put the Government to the test. If they are genuinely willing for land to be used more efficiently, and if they genuinely believe that the measure is about encouraging regeneration, they will have no hesitation in accepting the amendments, because they would exempt from the scope of the legislation properties that are empty specifically because they are going through the planning process. They would exempt properties that are in the middle of a regeneration programme, such as those for which planning applications have been made or which are awaiting the result of a planning appeal. Such properties should be specifically exempted.

Let me explain why this specific exemption is worthy of this set of amendments. The amendments relate to the ideal of regeneration and, as we explored in previous debates, regeneration is a difficult process for those engaged in commercial property. When addressing regeneration in areas of past urban blight that require new commercial enterprises for new life to be breathed into them, we must recognise that people who are prepared to invest in those areas are taking a risk. Almost by definition, any area that is not currently a thriving business area—any area where additional commercial investment is clearly required or where we wish to encourage regeneration—is an area where the market fundamentals are not yet in place to attract the investment that we would all wish.

Therefore, when someone brings forward a specific regeneration project, they do so with a close eye on the balance of advantage and the balance sheet. As they look at any particular regeneration project, they might look at a balance of sites in any particular city or town. They will try to get together a critical mass of land in the right areas to allow them to proceed with a regeneration project that will give them a satisfactory return on capital. As we all know, in the commercial property world sites can come up rather more slowly than one would wish in order to maximise the efficiency of a project. Nevertheless, in order to try to ensure that a project is both successful and genuinely transformative, an enlightened investor will wait and exercise patience until the exact portfolio of sites comes into alignment. As they wait for that to happen, it will of necessity be the case that some of those sites are left empty. They are elements in what will be a transformed landscape that cannot be transformed piecemeal. The developer has to wait until all those areas are available before he is ready to move.

If the legislation is not amended, an additional tax will have to be paid on many of the parcels of land waiting to be packaged together, because the current relief on rating will no longer exist. That could mean that potentially viable regeneration projects would be rendered unviable as a result of the tax change. It stands to reason for every business that if it faces an increased tax bill, its economic activity will be penalised. As mentioned earlier, that is a not a hypothetical consideration, but a real-life concern.

In an earlier debate, I mentioned the specific case of Palmer Capital Partners, which has, as reported in *Property Week*, already had to abandon regeneration projects because of the anticipated tax hit of this legislation. I am afraid that my accent meant that I did not pronounce the "r" at the end of Palmer sufficiently; the name is Palmer as in Huntley and Palmer, or Harry Palmer. The reason why that is relevant is that the Minister interpreted me to mean Palma, the capital of Majorca, the principal Balearic island, so he thought that the company was some sort of Mediterranean fly-by-night enterprise. That was an opportunity for him to suggest, with his characteristic sprezzatura, that the only people who were complaining were the villains whom he had previously identified in the property market – commercial property organisations that deliberately leave properties empty. I hope that he will take this opportunity to reassure Palmer Capital Partners that he appreciates that it is an entirely reputable organisation. He has the lifebelt of being able to say that it was my curious Aberdonian accent that lured him into making that mistake.

Mr. Woolas: It could have been my Lancastrian hearing. I did mishear the hon. Gentleman and thought that he had said "Palma", but I certainly intended no slur against the company involved, or the good people of Majorca. In fact, a study of the regeneration of Palma, especially in the mediaeval city centre, would give us an example of a fantastic property development and regeneration project, from which we could certainly learn a lot.

Michael Gove: I am grateful to the Minister for taking that opportunity to clarify the position. I knew that he meant no ill by his comment. If anything, his comments in the previous debate were evidence of his ludic wit, not a reflection of any desire to condemn the operation of Palmer Capital Partners, or any other company. I am sure that the Minister's experience of Palma is greater than many other hon. Members' experience, and I am glad to know that when he went to Majorca his principal aim was to investigate how successfully it had regenerated itself economically. I suspect that that regeneration has been most successful in the catering, leisure and hotel sectors, and some UK cities should learn from that.

It is appropriate to acknowledge that Palmer has had to abandon certain projects, because that is a real-life example of a company prevented by the Bill from going ahead with regeneration. Other companies in a similar position would benefit from the amendment. When properties are deliberately left empty to secure regeneration benefits, an extension of relief while planning permissions are dealt with would mean that the companies involved could bring forward projects that would not occur otherwise. If the Government are willing to stay their hand in a few cases, the resulting economic benefits would be enjoyed by everyone, but especially by people in the areas most in need of economic and commercial development.

On Second Reading, we discussed the north-east as a case study of the effects of the Bill. The Minister referred to Eldon square in Newcastle, where rents are significantly higher than in other parts of the city, and implied that there was a dysfunctionality in the planning or local government finance systems that only the Bill could put right. However, it is impossible to gauge how effective the economic regeneration of the north-east has been without taking account of the fact that industry there has made its unhappiness with the proposals very clear.

The Minister may not be familiar with Evans Easyspace, which operates out of North Shields in north Tyneside. A new commercial operation that it opened in July 2005 contains 12 small offices, and the same number of workshops. They are let to new and start-up businesses – exactly the sort of enterprises that a Government committed to regeneration would want to support.

The centre is a success, having reached an optimum occupancy of 91 per cent., although the Minister will note that Evans Easyspace is already taking a hit because some properties on the site are not occupied. The company argues that if the changes proposed in the Bill had been in place when it was conceiving its enterprise, it would have had to pay an additional £53,000 in empty property rates. It says that that is a conservative estimate, and that the sum of money involved might have made the difference between deciding to going ahead with the project and staying its hand.

There is high demand for jobs in north Tyneside, so how can the Government put forward a Bill that companies in the area consider to be entirely counter-productive? What would the Minister say to Evans Easyspace and other enterprising companies that choose to locate in areas where their services are most needed, and which are explicitly concerned about the potential effect that the Bill as it stands will have on future investment?

I accept that when developers gather parcels of property for regeneration, the seriousness of their intent to use all the sites that they have amassed in that geographical area can be open to doubt. It may well be that some of those sites are meant to form part of a regeneration project, but other sites, offices or premises may be left vacant for longer than would otherwise be wise or prudent. That is an extremely unlikely eventuality. As I explained on Second Reading, I do not believe that there is widespread economic masochism in the commercial property sector. I believe that most people who have chosen to take a risk and invest in commercial property recognise that it is appropriate to ensure that there are tenants in the property generating income which can make their investment worth while.

3.45 pm

However, I will allow that it is theoretically possible that land on which a return could be made is not used to maximum efficiency at a given point. That principle is accepted in the broader debate on land use when we come to talk about land banking. I can see the hon. Member for West Ham (Lyn Brown) nodding thoughtfully. As a member of the Select Committee that scrutinises the Department for Communities and Local Government, I know that she has been doing some work on the subject. Individuals, for whatever reason, choose to stockpile land that is developable and hold it back off the market in the hope perhaps of making a capital gain rather than to see it used in the most efficient way.

It is appropriate that we get land banking in context. I am sure that the Minister will be aware that the principle of deliberately holding land back and not seeking the maximum return on it is at the heart of the Bill and it is something that we question. There is some useful evidence that calls into question whether such hoarding of space that could be more effectively used economically takes place. A letter was published in the *Financial Times* today from the executive chairman of the Home Builders Federation, who points out that in 97 per cent. of developments that have implementable planning permission builders have been on site within three months. That reinforces the truth that most operators are only too eager and willing to see the land on which they have secured planning permission used for commercial ends.

We accept that in certain circumstances people might conceivably hoard land. The amendment ensures that in any case in which that suspicion might arise it can be effectively erased. It covers those organisations or individuals who are in the planning process. They might have had planning permission turned down and are waiting for the planning inspectorate in Bristol to give its ruling so that development can go ahead. Given that seeking planning permission is of itself prima facie evidence of an intent to develop, and it is not a cheap process or one that anyone would undertake lightly, if a planning application has been made for a site, it is pretty clear to us that the individual or organisation who owns that site wants to see it used in a healthy, vibrant, commercial fashion. They should therefore not be penalised in the way that the Bill proposes.

The Government have introduced the Bill in the hope that land will be used more efficiently. What better test could there be of the willingness of individuals and organisations to see land used efficiently than the fact that they have sought planning permission for that site? If the Minister's original thesis is correct that some individuals deliberately hold back property on which they could earn a useful commercial return, whoever these wicked individuals are, they are clearly not people who are seeking planning permission or waiting for the result of an appeal from the planning inspector. So whatever wicked individuals the Minister wishes to catch with this legislation, the amendment will ensure that the virtuous are not affected.

The Minister may argue that the inevitable cost of accepting the amendment will be taxation revenue forgone. However, I invite him to think about the cases in which such taxation revenue might be forgone: when properties remain empty and under-utilised because an individual is waiting for planning permission or for the planning inspectorate to rule. The answer to any lack of revenue that may be consequent on the passing of the amendment thus lies directly in the Government's hands. If they ensure through their reforms, which we are discussing in the context of the planning White Paper, that the planning system as a whole is effectively simplified and streamlined, it will ensure that, working hand in hand with local government, there will be no undue delays in the planning system. It will quickly be found that the change of use properties required to achieve maximum commercial return is granted. Industry will benefit. Users of those services will benefit and of course the Government will benefit because we will not have properties caught in limbo awaiting the result of a planning application and, consequent on the amendment, not paying tax.

The challenge for the Minister is to explain why a Government who have introduced the planning White Paper, and hope to legislate this autumn to simplify the planning system, have insufficient confidence in their legislation to accept our amendment. If they are telling us the truth about the planning White Paper and the planning system there is no problem: there will be no delays—certainly none greater than three months—in granting planning permission and beginning development.

As the Minister knows, specific targets have been brought in for planning applications; they vary depending on the size of the development and are measured in terms of weeks, but they are indicative guidelines only; some local authorities are better at meeting them than others—it is notable that Conservative local authorities are often more successful in that regard than Labour. Party politics aside, however, we recognise that the Government have through the planning delivery agreement system sought to incentivise the speedy processing of planning applications. There is, however, a problem with the PDA system; as it sometimes incentivises speed over the quality treatment of planning applications, it can lead to the premature rejection of planning applications because a local authority is anxious to meet its PDA targets. Good planning applications, which should be accepted, are peremptorily rejected. As a result, planning applications have to go to appeal and the whole process is elongated and made more complex.

If the Government simply rely on PDA and existing instruments to guarantee that properties are not left empty and undeveloped for too long, we fear it will be insufficient. It is only through prompt implementation of changes to the planning system that the benefits that the Minister has described, and we recognise are required, can be brought about. I hope that when the Minister replies, he will explain the changes in the planning system that will ensure effective and prompt transfer of land from redundant and uncommercial use to successful commercial use. If he is as persuasive as he normally is, his arguments in favour of the planning White Paper and planning reform will in effect be arguments in favour of amendments Nos. 2, 3 and 4.

I have not yet talked about amendment No. 5, which is grouped with amendments Nos. 2, 3 and 4 for the convenience of the House because they deal with planning overall. However, amendment No. 5 is what might be termed a guards van to the rest of the train of my argument—it is connected, but it serves a different purpose. Amendment No. 5 deals with a specific part of the Bill that the Government have introduced following gentle pressure from the Opposition.

In the Ways and Means debate, we contended that the Government were running a risk. When changes were made to empty property rating relief and when reliefs were withdrawn in the 1970s—I regret to say by Sir Edward Heath, but that is a separate matter—unfortunate and perverse, although almost certainly unintended, consequences followed. We had the unfortunate example of individuals who suddenly found that their empty properties were liable for full rates who felt that they had to vandalise their own property. Rather than pay—rather than pony up—for an empty site on which no commercial activity occurred and from which no commercial return could

be secured, they defaced their own property. They pulled down the roof, stripped out the floor and damaged what would otherwise have been a commercially useful investment.

When we put the reality of history—and therefore the real dangers of choosing to legislate again in the same manner—to the Government in the Ways and Means debate, they were to an extent dismissive. They said that they felt that the risk was being exaggerated. However, a few weeks later when we had the Second Reading, the Government, who had been a little dismissive at first, accepted that we had a good point and attempted to deal in the Bill with just such a perverse consequence. They said—I hope that I will not paraphrase them inaccurately—"If we have a commercial vandal who does violence to his own property, we will judge the rates payable on that property on the state it was in before the individual engaged in that act of economic self-harm and harm to the broader community and economy."

On Second Reading, we raised some concerns about that. We could understand why the Government, having accepted our arguments, sought to legislate to deal with the issue, but we were concerned about proving intent. How can one be certain whether any changes that have occurred to a property are tax avoidance or whether they are legitimate? How can one make a window to a commercial property developer's soul?

Amendment No. 5 is intended to provide the Government with a lifeline. We still think that the Bill is unnecessarily loose, so we have attempted to tighten it by a few notches to make sure that those whom it captures are smaller in number and more likely to be genuine commercial property vandals. The amendment would ensure that anyone who makes changes to their property in accordance with planning permission is not whacked in the same way by the Bill. It would allow an organisation or individual who had stripped out floors or taken off roofs as part of a commercially sensible or far-sighted change to continue to enjoy exemptions. It would include in the Bill clear protection for individuals who want to change their property in a way that is consistent with maximising long-term benefits from it.

4 pm

Amendment No. 5 deals with a separate part of the legislation, and a specific change that the Government have introduced, so it does not relate to the same clause as amendments Nos. 2 to 4 do. If we take several steps back and look at the train that is amendments Nos. 2 to 4, and the guard's van that is amendment No. 5, from an appropriate distance, so that we can see them all together and can attempt to judge them, or at least present them, to the House together, we see that one of the things that unites them is an attempt to ensure that the legislation covers only those people whom the Government have said that they intended it to cover. What all the amendments seek to do is to give effect to the Minister's stated intentions. If the Government are sincere in their belief that the legislation is all about the more effective use of land, and the more prudent development of commercial property; if it is all about ensuring that regeneration can proceed, and that small retailers and other small business have the opportunities that they should have; if that is the Government's stated intention, how can they willingly penalise owners who are seeking to improve their commercial property?

If the Government choose to reject the amendments, they are rejecting their own logic, and are deliberately setting out to punish people who are taking a risk in the interests of the wider economy because the Government's primary aim is simply the acquisition of revenue at all costs. In that respect, the group of amendments goes beyond the scope of the Bill and strikes at the heart of the Government's intentions over the next two years. Will they legislate in the national interest? Will they take a sufficiently enlightened view of representations from citizens and other interests within our nation? Will they listen and learn, in the words of the Chancellor of the Exchequer, and will they take a genuinely holistic view of the well-being of the nation, or are they narrowly focused on what is currently in the Treasury's interests? That broad question—I submit that there can be no broader question—lies at the heart of these tightly framed amendments. It is because the amendments have been framed in the way that they have been that they give rise to that profound question.

If the Minister is intent on promoting not just the health of the commercial property sector and regeneration in areas that need it, but on good policy formulation, he will have no problem accepting the amendments. However, if, as I fear, he is simply doing his new master's bidding, and is picking the pockets of the commercial property sector and its tenants in order to deal with the black hole that has been left after 10 years of improvident stewardship of the nation's finances, he will reject the amendments. We will shortly hear the Minister explain the reasoning behind his reaction to the amendments, but by tabling them, we have set a clear test. It is a test of intent, sincerity and policy, and it is a test on which we will judge—

The Chairman: Order. The hon. Gentleman's peroration is becoming exceedingly repetitive. He has perhaps made his point.

Michael Gove: Sir Alan, if I have made my point in a way that is satisfactory to, and understood by, the Chair, I am sure that it will be understood by all other Members. I commend the amendments to the House.

Mr. Woolas: I am grateful for that direction from the Chair, Sir Alan, although I was waiting to hear how amendments Nos. 2 to 5 could get us from planning permission to the future of the British economy; I thought that we might soon move on to foreign affairs, too.

The hon. Member for Surrey Heath (Michael Gove), whose speeches I always enjoy, clearly never had a train set as a young boy. His education is incomplete, because the purpose of the guard's van, as any young boy or, I would imagine, young girl would know, is to put the brakes on and slow the train down, not to round it off.

The hon. Gentleman commented on the consultation, on the relationship between Her Majesty's Treasury and my Department, and on the important issue of regeneration and the way in which the Bill interacts with those matters. Again, he put

[Mr. Woolas]

words in my mouth when he claimed that I described speculative property developers as wicked individuals. May I repeat that the Bill is not based on the premise that there are deliberate attempts to construct buildings that remain empty? It does, however, give people an incentive to put buildings into the market. None of those matters, however, are dealt with in the amendments.

At the core of the debate is the issue of planning, and the hon. Gentleman contended that buildings that are subject to planning application or which are awaiting decisions should be exempt. If we accepted the amendments, every sensible business person in the country—and business people are sensible—would whack in a planning application, and the non-domestic rating system would collapse, because people can submit such applications as often as they want and for as many different schemes as they want to. The amendments would therefore not achieve the objective claimed by the hon. Gentleman.

I listened carefully to the hon. Gentleman's argument about planning delivery incentives. If we followed his logic, businesses could exempt themselves from rates by submitting a planning application, and most of them would do so. Consequently, local authorities would face a funding crisis, because the amount of money they receive from business rates constitutes, off the top of my head, about 20 per cent. of their income. They would therefore have to deal with applications in a matter of seconds, public consultation would go out the window, and the vicious circle would continue. Of course, that is hypothetical and would not arise, but that is the logic of the hon. Gentleman's argument, so the amendments would not achieve what he said they would. He tempted me to describe our planning law proposals, but I will resist the temptation because, first, it is outside the remit of the amendment and, secondly, I am not daft. He will therefore have to wait to see the proposals.

Michael Gove: The Minister is indeed not daft, but he is unnecessarily evasive. As he kindly acknowledged, the amendments deal specifically with a requirement that properties that are the subject of planning applications should be exempt. The Government are about to undertake one of the biggest upheavals to the planning system, perhaps since 1991 and certainly since 2004. Given that they say that the planning system will be made more efficient as a result of those changes, it is irresponsible of the Minister to leave that gaping void at the heart of the debate.

Mr. Woolas: If the hon. Gentleman listens to the whole argument, he will find that I answer that point. First, however, I shall attempt to answer his specific questions. He raised the issue of self-vandalisation and companies that deliberately take the roof off, as it were. In discussions with industrial organisations and representative bodies, including the British Property Federation, the Royal Institution of Chartered Surveyors, which is often prayed in aid, and the Rating Surveyors Association, we were told that the phenomenon of taking the roof off, albeit important, was rare. However, representations by those bodies prompted the anti-avoidance measures on which we will consult in detail next month. To repeat my argument about the consultation, the Bill arises from a finance measure, but its provisions are not part of the Finance Bill, because they deal with local government finance. The usual consultation periods have therefore been changed. However, I assure the hon. Gentleman that full consultation on the "taking the roof off" issue will take place. We listened to representations on that.

Michael Gove: I note the gracious way in which the Minister has acknowledged that consultation will take place on the "taking the roof off" issue; but he will remember from Second Reading what we might characterise as the "windy night" debate. I should say, for the benefit of *Hansard*, that that is "windy night" as in a night when it is windy, not Wendy Knight, whoever she may be—*[Interruption.]* From Palma, no doubt—a Balearic dance queen, perhaps.

The windy night debate was all about intent. Amendment No. 5 seeks to protect those whose intent to take a roof off is clear. May we have an assurance that intent will be taken into account?

Mr. Woolas: The hon. Gentleman raises a fair point. I shall come to that.

I shall deal first with the reason why charities and community amateur sports clubs are exempted in the Bill. Section 45 of the 1988 Act placed those two categories in primary legislation. I imagine—I do not say this to impugn the intention of the Secretary of State at the time—that he wanted to highlight those exemptions, so he wrote them into the Bill. If I got my newspapers from 1988 back from the Library, I am sure there would be headlines such as "Government exempts charities and amateur sports clubs". It is because they were specified in the Act and because we are reducing the rate from 10 per cent. to 0 per cent. that we must amend primary legislation and cannot deal with that in regulations. I should have made that clearer before, and I am sorry I did not do so.

Amendments Nos. 2, 3 and 4 would together have the effect of granting a 50 per cent. relief from rates for any owner of an empty property who makes any planning application or appeal. The intention of the amendments, as the hon. Gentleman explained, is to protect owners from having to pay full rates when they are redeveloping an empty property in order to bring it back into use, which is a desirable objective. That is the overall purpose of the Bill. Let me therefore reassure the hon. Gentleman that, under the existing system, in most cases owners of empty property will not pay any rates while permitted development work is under way. From the point that a builder lays a hand on an empty property to start development work, the property can generally be removed from the rating list, and the owner's rates liability will be zero. The Government have no intention of changing that.

The amendments seek to offer relief from empty property rates from the point at which a planning application is made, rather than the point at which the work to develop the property begins. The effect would therefore be to subsidise owners to keep property empty throughout the planning process, however long it takes, and regardless of whether the owner genuinely intends to redevelop the property. That would provide

a huge incentive for owners of empty property to make a planning application even if they did not intend to redevelop the property, in order to avoid rates. That would not only create a massive loophole, enabling avoidance of empty property rates on a major scale, but would generate a huge volume of spurious planning applications, potentially clogging up the system and slowing down decisions for those who have made genuine applications.

I appreciate the concerns expressed by hon. Members about the time it can take to gain planning permission to redevelop empty property, which we have discussed in previous debates. The Government, to be fair—I am always keen to be fair to the Government—set out proposals to improve the speed and responsiveness of the planning system in the planning White Paper published in May. The hon. Gentleman tried to tempt me down that road. However, there is no case for subsidising owners to keep property empty while it is the subject of a planning application or appeal. Until development work actually begins, empty property is quite capable of occupation by an active business, and owners should therefore be liable for the full reformed empty property rate to provide a strong incentive for them to re-let the property, on short-term, flexible terms if necessary.

On Second Reading, my hon. Friend the Financial Secretary to the Treasury drew the House's attention to the views of a firm that attempts to place small businesses into available commercial property. Let me remind the Committee that in that firm's professional opinion, the reformed empty property rate will create new opportunities for smaller companies and more innovation and flexibility on the part of landlords.

4.15 pm

The amendments would create a loophole that would wreck the benefits of reform, in terms of lower rents and better access to premises, that are anticipated not only by the firm that I mentioned but by the Federation of Small Businesses, Sir Michael Lyons, Kate Barker, the Government, and the right hon. Member for Suffolk, Coastal (Mr. Gummer), who in the previous debate expressed his support for the principal aim of the Bill. The amendments would subsidise owners to keep property empty and place an equivalent burden on to other taxpayers, and they would enable rates avoidance to take place on a major scale. For all those reasons, I have great difficulty with them. Although I accept the Opposition's objective in seeking to smooth the planning system and to ensure that delays do not cause undue financial penalties on companies, I fear that the proposal would have the opposite effect.

Amendment No. 5—the guard's van amendment, as the hon. Member for Surrey Heath described it—also deals with planning matters. It relates to paragraph 4 of schedule 1, which inserts new section 66A into the 1988 Act. Let me briefly explain the purpose of that new section. It empowers the Secretary of State and Welsh Ministers to make regulations to deal with rate avoidance tactics that could potentially be employed by owners of empty property, such as the removal of roofs, which we have already discussed. The amendment deals with the application of anti-avoidance regulations in circumstances where property is altered in the course of permitted development work. I assume that the hon. Gentleman wants to prevent the application of anti-avoidance measures if an empty property is damaged when it is genuinely being redeveloped to be put back into use. Let me assure him and the rest of the Committee from the outset that the Government wholeheartedly agree that work carried out under planning permission should not be classed as avoidance activity.

The hon. Gentleman may be surprised to hear that the amendment would achieve the opposite effect of what he and I now agree we want to do. It would require anti-avoidance measures to be applied to properties that were being redeveloped with planning permission, meaning that the valuation officer would have to disregard the change in the state of property for rating purposes. If the amendment were accepted, owners of properties that were being redeveloped could end up paying more in rates than they otherwise would. The amendment has highlighted that point, and I am grateful to the hon. Gentleman for that. However, I reassure him, on the main point of his argument, that the Government agree that work carried out under planning permission should not be classed as avoidance activity. That will be made clear as the weeks go on. On that basis, I ask him to consider withdrawing his amendment.

Michael Gove: I am grateful to the Minister for making his case, but he invites us to take on trust his assurances about amendment No. 5 and to accept his argument on amendments Nos. 2, 3 and 4. We cannot do that. He accepts that amendment No. 5 serves the purpose about which we agree, but prefers us to wait for subsequent secondary legislation, while we want the provision to appear in the Bill.

Mr. Woolas: I am grateful to the hon. Gentleman for accepting that we agree about the purpose that we are trying to achieve. However, the way in which the amendment is drafted means that it would provide for the opposite, because development issues would be perceived as anti-avoidance measures. That is my fear.

Michael Gove: That is merely a variation of the argument that the Minister powerfully deployed against amendments Nos. 2, 3 and 4, which is that planning would be used as an anti-avoidance measure. We contend that no one would willingly go through the planning system unless they had to, given the system's scale, complexity and cost, notwithstanding the changes that the Government will try to make—in good faith, I am sure—to planning legislation.

Given that the amendments will provide some protection to those who honestly make changes to empty property to the benefit of the wider economy, we stand by them.

Question put, That the amendment be made:—

The Committee divided: Ayes 134, Noes 236.

Division No. 139] **[4.21 pm**

AYES

Afriyie, Adam	Bacon, Mr. Richard
Ainsworth, Mr. Peter	Baldry, Tony
Alexander, Danny	Barker, Gregory
Amess, Mr. David	Baron, Mr. John
Atkinson, Mr. Peter	Barrett, John

Beith, rh Mr. Alan
Bellingham, Mr. Henry
Bercow, John
Bone, Mr. Peter
Brady, Mr. Graham
Brazier, Mr. Julian
Browning, Angela
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Cable, Dr. Vincent
Carmichael, Mr. Alistair
Clark, Greg
Clifton-Brown, Mr. Geoffrey
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Curry, rh Mr. David
Davey, Mr. Edward
Davies, Philip
Djanogly, Mr. Jonathan
Dorries, Mrs. Nadine
Duncan Smith, rh Mr. Iain
Evennett, Mr. David
Field, Mr. Mark
Foster, Mr. Don
Francois, Mr. Mark
Fraser, Mr. Christopher
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Gove, Michael
Gray, Mr. James
Green, Damian
Greening, Justine
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Hayes, Mr. John
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hollobone, Mr. Philip
Holloway, Mr. Adam
Horam, Mr. John
Hughes, Simon
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jones, Mr. David
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Lamb, Norman
Lansley, Mr. Andrew
Liddell-Grainger, Mr. Ian
Lilley, rh Mr. Peter
Luff, Peter
Mackay, rh Mr. Andrew
Malins, Mr. Humfrey
May, rh Mrs. Theresa
McIntosh, Miss Anne
Mercer, Patrick
Miller, Mrs. Maria
Murrison, Dr. Andrew
Neill, Robert
Opik, Lembit
Paice, Mr. James
Paisley, rh Rev. Ian
Pelling, Mr. Andrew
Penning, Mike
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Mr. Laurence
Rogerson, Mr. Dan
Rosindell, Andrew
Ruffley, Mr. David
Russell, Bob
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Smith, Sir Robert
Spelman, Mrs. Caroline
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Teather, Sarah
Vaizey, Mr. Edward
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Watkinson, Angela
Whittingdale, Mr. John
Wiggin, Bill
Willetts, Mr. David
Williams, Mr. Roger
Willis, Mr. Phil
Willott, Jenny
Wilson, Mr. Rob
Wright, Jeremy
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Robert Goodwill and Mr. Tobias Ellwood

NOES

Ainger, Nick
Ainsworth, rh Mr. Bob
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Atkins, Charlotte
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Begg, Miss Anne
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blizzard, Mr. Bob
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Bryant, Chris
Buck, Ms Karen
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Chapman, Ben
Clapham, Mr. Michael
Clark, Ms Katy
Clarke, rh Mr. Charles
Clelland, Mr. David
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Cook, Frank
Cooper, Rosie
Corbyn, Jeremy
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Cunningham, Mr. Jim
Curtis-Thomas, Mrs. Claire
David, Mr. Wayne
Davidson, Mr. Ian
Davies, Mr. Dai
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Eagle, Maria
Ellman, Mrs. Louise
Engel, Natascha
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
Gerrard, Mr. Neil
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Hendrick, Mr. Mark
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Hope, Phil
Hopkins, Kelvin
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jowell, rh Tessa
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Khan, Mr. Sadiq
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacShane, rh Mr. Denis
Malik, Mr. Shahid
Mann, John
Marris, Rob
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh John

McGovern, Mr. Jim
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Miliband, Edward
Moffatt, Laura
Moon, Mrs. Madeleine
Morgan, Julie
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Reid, rh John
Robertson, John
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andy
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stuart, Ms Gisela
Tami, Mark
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, rh Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, rh Mr. Don
Trickett, Jon
Turner, Dr. Desmond
Ussher, Kitty
Vaz, rh Keith
Vis, Dr. Rudi
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winterton, rh Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Tony Cunningham and Mr. Alan Campbell

Question accordingly negatived.

Mr. Syms: I beg to move amendment No. 1, page 2, line 22, at end insert—

'(4) The third case is where—

(a) the ratepayer is a community owned village hall or community centre, and

(b) it appears that when next in use the hereditament will be wholly or mainly used for community benefit.'.

We have had a long and detailed debate about exemptions this afternoon. A key part of the Bill is the Government's exemption for charities and sports clubs. We tabled amendment No. 1 because, although 86 per cent. of village halls are vested in some kind of charity, a number still might not fall within that definition. Even if 86 per cent. are covered as charities, an awful lot of village halls and community centres are still not covered.

We have had many debates in the Chamber about the importance of keeping communities together and of village halls and community centres, particularly in rural areas but also in many urban ones. They are of real value to our constituents. The purpose of the amendment is therefore to make it explicitly clear that such halls should not be caught by the Bill.

For a number of years, I was a rural county councillor. I was always amazed by the sometimes bizarre and unusual methods by which people get village halls. Sometimes, farmers give a piece of land and build a village hall for the community. While, effectively, it is the village hall, its ownership might still be vested in a local landowner or prominent member of the community. That is why we moved the amendment.

Such facilities are greatly valued. People often put a great deal of time into painting, upkeep and ensuring that the facilities are available to the local community. It would therefore be a pity if the Bill, a major revenue-raiser of more than £1 billion—the fourth largest raiser of money in the 2007 Budget—were to catch the small proportion of community and village halls that are not registered as charities.

The Minister has a useful opportunity, before the end of play, to set out why the amendment should not be accepted. The amendment would reinforce the good aspects of the Bill, and, as we have heard, charities and sports clubs are covered by it. By slightly broadening the provision, it would ensure the survival of valuable community facilities. The Government should not intend those facilities to be affected by this revenue-raising change. I look forward to hearing his comments.

Mr. Woolas: I appreciate the motive behind the hon. Gentleman's amendment. I readily confess that my argument is a difficult one, but I shall explain my logic for not supporting his amendment.

The motive of the amendment is to extend to community-owned village halls and community centres the zero-rating liability that the Bill provides for empty properties owned by charities and community amateur sports clubs, where those properties appear likely to be next used for charitable purposes or for the purposes of the club. In essence, the problem is one of definition, as well as of trying to determine where the boundaries of exemptions from rates should lie.

The amendment seeks to protect facilities owned by the community. The hon. Gentleman referred to his experiences as a rural county councillor, and I represent an urban and rural area that has many community and village halls. Once one scratches the surface, however, it is apparent that ownership, and the definition of community ownership, is not always that clear. I remind the Committee that community amateur sports clubs are well defined.

My next argument is that a great many of our village halls and community centres are held by charitable organisations and will benefit from the zero rating of empty properties held by charities. Therefore, that provision does not need amending, and I would have had some difficulty had that not been the case. In addition, the opportunities for charitable registration have recently been improved by the Government.

I remind the Committee of the wide support that the Government are extending to community organisations as part of our strategy of reconnecting with the public, which the Local Government and Public Involvement in Health Bill and other measures address. For example, the £30 million community asset fund has

[Mr. Woolas]

been announced. In addition, on 7 June, we published the departmental third sector strategy, of which a key proposal, subject to the comprehensive spending review, is to support community-owned village halls, community centres and other such facilities. We want to stimulate and develop enterprise by transferring assets to community ownership and management through the expansion of earned revenue. The Quirk report is about exactly that. We are creating more community-owned assets, which makes the issues covered in the amendment more pertinent, and the hon. Gentleman is right to raise them.

Perhaps hon. Members are concerned to ensure that parish councils and other bodies that own community facilities, as well as the community itself, enjoy zero rates liability when the facilities are empty, as charitable bodies will by virtue of the Bill. However, the practical effect of any exemption would always be to remove any incentive for owners of an empty property previously used for a community purpose to bring it back into use. We have concluded that in the particular case of charities, whether they own community facilities or any other type of property, the case for exemption does, exceptionally, outweigh our general presumption that all owners should be subject to empty property rates other than in cases where an exemption is already available. I remind the Committee—again, this is an important point in meeting the hon. Gentleman's concerns—that properties with a low rateable value of less than £2,200 are exempt.

Michael Gove: I might have misheard but, in trying to follow the Minister's logic, I fear that I might have misunderstood him. Is he genuinely asserting that owners of community facilities, such as those who are responsible for village halls, would wilfully keep those premises empty and would need the goad of the Bill to ensure the efficient disposition of their assets? It seems bizarre that we would have the situation that he appears to have described.

Mr. Woolas: I do not think that there would be examples of people wilfully keeping premises empty, but I can envisage how a bill landing on a doormat might prompt change if a community asset has not been used for a number of years, perhaps because the committee members or the activists who kept things going have moved on. The general presumption of the policy is to give incentives to owners of empty properties to put them back into use. There is a balance to be struck in the case of charitable organisations that outweighs the exemption, with the £2,200 threshold and charitable status covering many village and community halls.

4.45 pm

It is much more difficult to extend new zero rates to different types of owner, such as public bodies. Here the problem of definition comes into play. We could all invent exemptions for types of owner and types of building: we could come up with a list of worthy causes as long as our arm. The purpose of the regime proposed in the Bill is to give owners an incentive to return their empty properties to active use, whether they are vacant city offices or rural halls. We do not wish to subsidise properties to lie empty. The application to public buildings, including parish halls and community halls, creates a very difficult situation in which the definition of a community or village hall would make the legislation unworkable.

As I have said many times, we will examine the issue of exemptions in the summer, and I therefore ask the hon. Member for Poole to withdraw his amendment. I congratulate him on tabling it, because it reflects a real argument that will take place in communities, but I think that, on balance, it is likely to foster circumstances whereby community halls would be allowed to lie empty rather than be put to good active use. Nothing is more visible and more likely to damage a community, whether it is a village or an urban neighbourhood, than an empty hall at the end of the road that is usually covered in weeds and graffiti. We want to return such buildings to use for the benefit of the community, and I fear the amendment would not achieve that.

Mr. Syms: I thank the Minister for the way in which he responded to the debate. The problem is that when certain exemptions are included in a Bill, the question arises of where the boundaries should be drawn, and the arguments are always difficult to deploy.

I have often seen housing developments on the edge of villages or in towns that have included community facilities as some of the planning gain. That leaves the problem of older halls that might need redevelopment and remain empty. A new hall might not be 100 per cent. provided by a developer: it might need new chairs, or redecoration. This tax proposal could well affect the ability to provide first-class facilities for communities that badly need them and that would use them.

I am sorry to tell the Minister that we will press the amendment to a Division; it is one of those afternoons. I hope that, in due course, he will take account of the arguments, particularly in his consultation.

Question put, That the amendment be made:—

The Committee divided: Ayes 134, Noes 232.

Division No. 140] **[4.48 pm**

AYES

Afriyie, Adam	Clark, Greg
Ainsworth, Mr. Peter	Clifton-Brown, Mr. Geoffrey
Amess, Mr. David	Cormack, Sir Patrick
Atkinson, Mr. Peter	Cox, Mr. Geoffrey
Bacon, Mr. Richard	Curry, rh Mr. David
Baldry, Tony	Davey, Mr. Edward
Barker, Gregory	Davies, Philip
Baron, Mr. John	Djanogly, Mr. Jonathan
Barrett, John	Dorries, Mrs. Nadine
Beith, rh Mr. Alan	Evennett, Mr. David
Bellingham, Mr. Henry	Field, Mr. Mark
Bercow, John	Foster, Mr. Don
Bone, Mr. Peter	Francois, Mr. Mark
Brady, Mr. Graham	Fraser, Mr. Christopher
Brazier, Mr. Julian	Garnier, Mr. Edward
Browning, Angela	Gauke, Mr. David
Burns, Mr. Simon	George, Andrew
Burrowes, Mr. David	Gibb, Mr. Nick
Burstow, Mr. Paul	Gillan, Mrs. Cheryl
Cable, Dr. Vincent	Goodman, Mr. Paul
Carmichael, Mr. Alistair	Gove, Michael

Gray, Mr. James
Green, Damian
Greening, Justine
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Hayes, Mr. John
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hollobone, Mr. Philip
Holloway, Mr. Adam
Horam, Mr. John
Hughes, Simon
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jones, Mr. David
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Lamb, Norman
Lansley, Mr. Andrew
Liddell-Grainger, Mr. Ian
Lilley, rh Mr. Peter
Luff, Peter
Mackay, rh Mr. Andrew
Malins, Mr. Humfrey
May, rh Mrs. Theresa
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Mercer, Patrick
Miller, Mrs. Maria
Murrison, Dr. Andrew
Neill, Robert
Newmark, Mr. Brooks
Opik, Lembit
Paice, Mr. James
Paisley, rh Rev. Ian
Pelling, Mr. Andrew
Penning, Mike
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Rifkind, rh Sir Malcolm
Robathan, Mr. Andrew
Robertson, Mr. Laurence
Rogerson, Mr. Dan
Rosindell, Andrew
Ruffley, Mr. David
Sanders, Mr. Adrian
Scott, Mr. Lee
Selous, Andrew
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spring, Mr. Richard
Stanley, rh Sir John
Steen, Mr. Anthony
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Teather, Sarah
Vaizey, Mr. Edward
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Watkinson, Angela
Wiggin, Bill
Willetts, Mr. David
Williams, Mr. Roger
Willis, Mr. Phil
Willott, Jenny
Wilson, Mr. Rob
Wright, Jeremy
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Robert Goodwill and
Mr. Tobias Ellwood

NOES

Ainger, Nick
Ainsworth, rh Mr. Bob
Allen, Mr. Graham
Anderson, Mr. David
Anderson, Janet
Atkins, Charlotte
Bailey, Mr. Adrian
Baird, Vera
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Begg, Miss Anne
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Blackman, Liz
Blackman-Woods, Dr. Roberta
Blizzard, Mr. Bob
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Bryant, Chris
Buck, Ms Karen
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Chapman, Ben
Clapham, Mr. Michael
Clark, Ms Katy
Clarke, rh Mr. Charles
Clelland, Mr. David
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Crausby, Mr. David
Cryer, Mrs. Ann
Cunningham, Mr. Jim
Curtis-Thomas, Mrs. Claire
David, Mr. Wayne
Davidson, Mr. Ian
Davies, Mr. Dai
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Eagle, Angela
Eagle, Maria
Ellman, Mrs. Louise
Engel, Natascha
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Fleilo, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
Gerrard, Mr. Neil
Gibson, Dr. Ian
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hall, Mr. Mike
Hall, Patrick
Hamilton, Mr. David
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Hendrick, Mr. Mark
Heppell, Mr. John
Hesford, Stephen
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodge, rh Margaret
Hodgson, Mrs. Sharon
Hoey, Kate
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Iddon, Dr. Brian
Illsley, Mr. Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jowell, rh Tessa
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Alan
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Khan, Mr. Sadiq
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Laxton, Mr. Bob
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
MacShane, rh Mr. Denis
Malik, Mr. Shahid
Mann, John
Marris, Rob
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCafferty, Chris
McCarthy, Kerry
McCarthy-Fry, Sarah
McCartney, rh Mr. Ian
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh John
McGovern, Mr. Jim
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Miliband, Edward
Moffatt, Laura
Moon, Mrs. Madeleine
Morgan, Julie
Mountford, Kali
Mudie, Mr. George
Mullin, Mr. Chris
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reid, rh John
Robertson, John
Robinson, Mr. Geoffrey
Roy, Mr. Frank

Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Seabeck, Alison
Shaw, Jonathan
Simon, Mr. Siôn
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andy
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, rh Jacqui
Snelgrove, Anne
Soulsby, Sir Peter
Southworth, Helen
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Stuart, Ms Gisela
Tami, Mark
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, rh Mr. Stephen
Tipping, Paddy
Todd, Mr. Mark
Touhig, rh Mr. Don
Trickett, Jon
Turner, Dr. Desmond
Ussher, Kitty
Vis, Dr. Rudi
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winterton, rh Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Tony Cunningham and Steve McCabe

Question accordingly negatived.

It being after Five o'clock, THE SECOND DEPUTY CHAIRMAN OF WAYS AND MEANS, *proceeded to put forthwith the Questions necessary for the disposal of the business to be concluded at that hour pursuant to Order [this day]*

Clauses 1, 2 and 3 ordered to stand part of the Bill.

Schedules 1 and 2 agreed to.

Bill reported, without amendment.

Order for Third Reading read.—[Queen's Consent, on behalf of the Crown, signified.]

5.3 pm

Mr. Woolas: I beg to move, That the Bill be now read the Third time.

In earlier debates on this Bill, my hon. Friends the Economic and Financial Secretaries to the Treasury and I explained why the Government consider this Bill to be such an important piece of legislation. The current policy on the rating of empty properties is based on a set of economic circumstances that simply does not exist in the UK today, and which does not fulfil the requirement for the efficient use of property and the regeneration of brownfield sites to meet our housing needs.

The Government's commitment to regeneration and to meeting those needs cannot be faulted, and I assure the House that that will remain the case, but I have also made it clear that devoting more than £70 million in tax relief every year to the owners of empty properties in Westminster is simply unjustifiable. Consequently, it is time to reform the blanket relief extended to empty commercial property. In place of that relief, the Government are moving their support for regeneration and renewal towards a brand new, and much better targeted, 100 per cent. capital allowance for the renovation of property in our assisted areas. I strongly believe that that meets the points made by hon. Members such as my hon. Friend the Member for Stoke-on-Trent, North (Joan Walley), Opposition Members and Liberal Democrat Members in interventions and in speeches.

We have introduced this new allowance, now, so that owners of unlet property in these areas can take advantage of the new incentive before the changes to empty property rates. Furthermore, we have consulted on a wider application of land remediation relief to a much broader range of contaminated and derelict brownfield sites specifically in order to promote efficient use of our developed land and to help protect greenfield sites. I believe that those two measures allow policy to meet the reasonable and correct objection made by a number of hon. Members on both sides of the House that there are different types of market in different parts of the country. That point was made by constituency Members of Parliament as well as by hon. Members speaking on a wider policy agenda. I ask the House to consider the other measures that I have mentioned in the round with this measure. I hope that my hon. Friends, and Opposition Members, will see that the Bill is part of a much wider package of measures, supporting regeneration but also meeting the needs of business and our communities for active property markets and efficient use of land.

We have decided that for charities and community amateur sports clubs there will be 100 per cent. relief from empty property rates. These organisations play such a key role in our society, often leading regeneration efforts, and the Bill offers substantial additional help to them. For the rest of the business community, this Bill will reduce rents and provide opportunities for new companies, expanding companies and companies wanting to join the most successful economy in the G7.

I repeat what I said in the Ways and Means debate and on Second Reading. We have the successful policy of linking business rates—or non-domestic rates as they are properly called—to the retail prices index cap. As that business rate is based on rental value, not capital value, the successful implementation of the policy in bringing rents down over the years will indeed, as the Red Book acknowledges, see a diminution in the revenue that it generates, the more successful it becomes. That is the serious answer that my hon. Friend the Financial Secretary gave to the serious objection that the hon. Member for Surrey Heath (Michael Gove) has raised.

This is, of course, a revenue-raising policy. It was a policy announced as part of a Budget package and its process through the House has been unusual. I am grateful to the House authorities for their guidance and advice in this regard. However, it is far from the case that the Bill is simply a matter of raising revenue. It also embodies a policy on land use and properties, and our own Red Book acknowledges that there will be a diminution in the revenue raised. As the cap on business rates exists, the total yield from business rates cannot rise higher than inflation.

It is undoubtedly the case that my right hon. Friend the Chancellor has made a huge contribution to growth in the UK economy and to moving it into a state fit to compete with the best in the 21st century. He has provided research and development tax credits, a boost to science budgets and lower rates of corporation tax—which of course have to be taken into account when considering the proportion of revenue raised

from business rates, because corporation tax has come down, and come down again this year. In addition, there are new investment allowances for all firms. Those are all parts of an economy that can also deliver a minimum wage, expanded support for child care and greater protection for the elderly and most vulnerable in society.

There is one league table that we are not willing to sit atop—the ranking of rents paid by firms to locate in our towns and cities. High rents might be a sign of companies recognising the attractiveness of locating in the UK, and to some extent a marker of how successful we are, but in a global economy they are not the measure of success we want, nor something we can afford in the long term. Let me reiterate: we are not saying that high rents are a result of landlords deliberately playing the market. We recognise the value and importance that property investment and property developers play in our economy.

Nevertheless, we have been presented with recommendations from the Barker report—Kate Barker is one of the country's top economists—and from Sir Michael Lyons, the leading expert on local government finance and incentives, both of which pointed to what my hon. Friends at the Treasury would call the supply side advantages of reducing tax relief for empty property, so as the Chancellor made clear to the House on Budget day, we are introducing the Bill both to answer criticisms that supply is distorted by the current relief and the different treatment of types of property, and to provide new opportunities for start-up and expanding firms.

However, we are not insensitive to the possibility that conditions can change, which should not be seen by the hon. Member for Surrey Heath as a weak link or an admission that we are heading for recession. That would be unfair and ridiculous, but of course I know that he would not say such a thing. I pick up *The Times* every day to see what he has written. I enjoyed his column about "Big Brother", and strongly agreed with him; I was grateful that he did not write about the Bill—although not as grateful as his readers will have been.

Unlike the last time such a policy was considered, I am not suggesting to the House that the rate of tax be set in stone so that it is impossible to respond to changing situations. That is why we took the approach in the Bill—the point came out during our debate on the first group of amendments. Similarly, we know that leaseholders holding unwanted property are an important group for special consideration; hence our agreement to consult on how best to introduce in the tax system recognition for payments made by companies to rid themselves of onerous leases. Nor are we attempting to remove the returns from property that many investors enjoy; a Government with a track record of introducing real estate investment trusts, providing a framework for parallel treatment of property held by authorised investment funds and maintaining the stable growth in the economy that is the basis of strong demand for property could not fairly be accused of that.

I hope, therefore, that our willingness to look at the issue in the round and to be flexible in our legislation, as well as the package of measures and ongoing consultations, will serve as proof to the House that this really is a measure to expedite change for the better, and that we will continue to provide help where it is most needed. This is a short Bill, but it will deliver important economic, social and environmental results so I hope that Members on both sides of the House will wish it speed. I commend it to the House.

5.13 pm

Michael Gove: It is a pleasure to take part in the Third Reading debate, as it was to take part in the Ways and Means debate, Second Reading and Committee stage. It has been a particular pleasure because of the calm, courteous, always amusing, helpful, thoughtful, lucid and authoritative contributions of the Minister for Local Government.

I am moved to compliment the Minister on his choice of newspaper. I did not know that he was a reader of *The Times*, and I am grateful that he enjoys that newspaper, as we all do. However, I must commiserate with him on the conclusion of the paper's leading article on the question of who should be deputy leader of the Labour party, and in due course Deputy Prime Minister. *The Times* plumped for the right hon. Member for Salford (Hazel Blears) as deputy leader of the Labour party.

Mr. Eric Martlew (Carlisle) (Lab): On a point of order—

Mr. Deputy Speaker (Sir Michael Lord): Order. I know that the hon. Member for Surrey Heath (Michael Gove) has been led slightly astray by the Minister, but we are on Third Reading of the Bill, and the debate should be about the Bill's contents.

Michael Gove: I am grateful for that guidance, Sir Michael. I was simply directed by the knowledge that the Minister has been playing a part as campaign manager for one of the candidates in the deputy leadership race. There is another campaign manager for another candidate in the Chamber at the moment—whose interest in the Bill I am grateful to see at this stage.

As well as hearing from the Minister for Local Government, we have been fortunate to have the case for the Bill made by the Financial Secretary and the Economic Secretary. As I remarked in Committee, their presence in our earlier deliberations—and the presence of the Financial Secretary now—is welcome, but revealing. In a way, we have seen the hand of the puppeteer. We have seen the real moving spirit behind the legislation, in the presence of Treasury Ministers.

It has been our contention throughout that the Bill is not about the right way to incentivise the use of commercial property; it is about providing the Chancellor of the Exchequer with roughly an extra £1 billion a year to dispose of. The presence of Treasury Ministers is a powerful piece of evidence to underline that case, but there is also the fact that when we asked for evidence from the Government to prove that there are individuals who are deliberately and wilfully keeping property vacant, that evidence was never produced. For all the vaunted eloquence of Treasury Ministers and Ministers from the Department for Communities and Local Government, we lack

[Michael Gove]

evidence that the Bill is required or will change the behaviour of people in the commercial property sector in a beneficial way.

When we were discussing the last amendment in Committee, the Minister said that the Government did not wish to subsidise buildings to lie empty. It is a view shared across the House that wherever possible, buildings should be put to effective use, but we profoundly differ from the Government over the contention that the Bill would ensure that land and buildings were used more effectively. Although we were treated to a number of ingenious, entertaining and informative arguments at each stage of the Bill's progress, we were denied any proof—certainly any proof that would convince anyone with a knowledge of the commercial property sector—that the Bill would ensure that property was better used.

It was striking that, as the Bill made its way through the House, people outside the House who have an interest made their view known in a powerful way. On Second Reading, the Minister sought to convince us that because the Federation of Small Businesses

Mr. Woolas: And the *Evening Standard*.

Michael Gove: And the *Evening Standard*. The Minister sought to convince us that because the FSB had supported a change in the legislation we should accept what he was trying to bring about. However, on Second Reading we heard from my hon. Friends that the case made by the Federation of Small Businesses was much more nuanced than the Minister might have led us to believe.

Even if the Federation of Small Businesses might appear to be a supportive, if equivocal, witness on the Government's behalf, the weight of its testimony was overborne by the weight of testimony from other organisations, which were critical of what the Government sought to put forward. The Royal Institution of Chartered Surveyors, the Confederation of British Industry, the British Property Federation and the British Retail Consortium all felt sufficiently moved to argue outside the House that what Ministers were advancing was directly contrary to the commercial interests not just of their members but of the country. However, Ministers did not address their arguments head on, or accept that the competitiveness and flexibility of the commercial property market would be hit by the measure. Because they failed to acknowledge that, I have to say that—however eloquently they defended their position—the case was not made.

I suspect that the question "Why do properties lie empty?" is at the heart of the Department for Communities and Local Government's aim in bringing forward the legislation; it is certainly at the heart of what the Minister claimed was its aim. On Second Reading, Opposition Members brought forward a compelling narrative that explained why vacancies and voids occurred. Vacancies and voids are a natural consequence of a healthy market; we made the point that in the commercial property sector they sometimes last between 12 and 24 months, as one business winds down and a new business is put in place. We said that the legislation, which will end relief after three months, takes no account of the pace and tempo of operations in the commercial property sector. Furthermore, in debate on the Ways and Means resolution, on Second Reading and in Committee we pointed out that the real reason why properties lie empty and unused when they could be put to good commercial use derives from the planning system.

In our previous deliberations, I remember my hon. Friends the Members for Salisbury (Robert Key), for St. Albans (Anne Main), for Ludlow (Mr. Dunne) and for Bromley and Chislehurst (Robert Neill) pointing out a variety of examples, taken from their constituency casebook or furnished to them by interested parties, of cases in which commercial concerns wished to see their properties filled, but were prevented from filling them by the operation of the planning system.

When we discussed the Bill in Committee, we put it to the Minister that he should seek to amend the legislation to take account of the weaknesses in the planning system. We said that he should, at the very least, furnish us with evidence that the planning White Paper and the legislation consequent on it would deal with those problems. Regrettably, he once again disappointed us. He certainly showed—I am grateful for his sensitivity in acknowledging it—that he was aware that our case was not ill-founded, frivolous, or made in a spirit of partisan wrecking. He acknowledged that all the points that we made were genuine and rooted in the experience of our constituents or commercial organisations with genuine expertise. He acknowledged that, and we thank him for it, but he did not provide any measure of intellectual relief, as it were; he did not show how the changes that the Government would make to the planning system would ensure that property was used in the most effective way.

When talking about planning and the justification for the measure before us, the Minister prayed in aid Barker and Lyons. They were the two presiding deities in whose name the Bill was introduced—but again, one of the things that he failed to acknowledge throughout our debates was the fact that he had been quoting selectively from the Barker review and the Lyons report. The Barker review made it clear that when considering non-domestic rates, it was important to acknowledge that relief was a balancing mechanism; relief is there to ensure that when no commercial activity is taking place, no taxation penalty is exacted. There has been no reflection of Barker's acknowledgment of that balancing mechanism either in the case that the Minister made or in the legislation.

As for Sir Michael Lyons, the Minister calls him perhaps the greatest expert on local government finance whom we know. I respectfully submit that when it comes to authorities on local government finance, my right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer) and my hon. Friend the Member for Brentwood and Ongar (Mr. Pickles)—and the right hon. Member for Greenwich and Woolwich (Mr. Raynsford), for that matter; I am happy to concede that point—are entitled to take their place alongside Sir Michael. Nevertheless, we both agree that Sir Michael Lyons is a pretty big cheese in the world of local government finance. Why is it, then, that the Government are prepared to take only the crumbs that they consider savoury, and push the rest to the side of the plate?

Sir Michael Lyons made it clear that changes to non-domestic rates should be taken in the round, should be introduced after consultation, and should not be made before 2010. As we have pointed out at

every stage, the changes are piecemeal, and they are being introduced early, after inadequate consultation, simply so that we can ensure that the Treasury is satisfied with its yield.

The Minister mentioned his hon. Friends in the Treasury, which put me in mind of the television series "Our Friends in the North", because the Opposition inferred that the legislation was introduced by friends in the north, who were the heavy mob. In the presence of the Financial Secretary by the Minister's side, we see a representative of management who is here to ensure that the legislation delivers what it was meant to deliver: a tidy sum into the coffers—no questions asked, squire—to ensure that the big guy in No. 11 gets what he wants. It is for that reason that we find the legislation profoundly unsatisfactory. It has been introduced to balance the books, which an improvident Chancellor over the past 10 years has failed to balance in the nation's interests.

5.26 pm

Dr. Cable: I should like to develop some of the comments that I made in the Ways and Means debate, which were consolidated by my hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander) on Second Reading.

Time sat rather heavily on us this afternoon. It was enlivened by some erudite shafts of wit from the hon. Member for Surrey Heath (Michael Gove) and some rather nice turns of phrase that we may hear again on "Newsnight Review", but apart from that, it was rather heavy going. I want briefly to recap the basic arguments about the Bill, at the heart of which is a perfectly sensible proposition about providing an economic incentive to use property more efficiently. We have three basic reservations, which have been partly, but not entirely, alleviated. The first concerns the process, particularly the consultation; the second concerns the Government's motives, particularly the revenue aspect; the third concerns unintended consequences and special problems arising from the fact that there is no such thing as a uniform property market, as that market is complex and variegated.

It is true, as the Government argue, that if we impose an economic penalty on unoccupied property, business has an incentive to use property more intensively and cut rents to fill it. The model is obviously sensible in a simple market framework, but the position is a little more complicated than that. I reread the Lyons report and what Barker had to say. It was interesting that Sir Michael Lyons quoted Stiglitz, one of the top global economists—I am not sure whether he is a Nobel laureate, but he has certainly been lined up for that prize—who tried to set out the basic economic arguments about empty property and taxation. He made the point that the property market is different from markets in apples and pears, or in cars, because entrepreneurs have to build property ahead of demand—that is the nature of the business—so a certain amount of spare capacity is built in. There is a risk associated with that, particularly if there is a risk of being penalised for creating excess capacity. The economic argument is that there is a good case for empty property taxation relief, because risk sharing is involved. Without that relief, investment would never take place. At issue, therefore, is not the principle but the period within which it is sensible to create empty property relief to encourage the healthy growth, as well as the balancing, of the property market.

The first of our three main concerns is about the process. It was clear from the Lyons report that Lyons himself envisaged a much longer period of consultation before his recommendation was put into legislation. The Government are consulting about exemptions, and they are consulting separately about particular problems with leases, which is welcome. That is welcome, but the fundamental point, which has been made several times by the hon. Member for Surrey Heath, is that when the results of those consultations bear fruit, they will take the form of secondary legislation, which will not be subject to the same extensive scrutiny as the Bill. The process is therefore not as satisfactory as it could be.

Secondly, it is clear that the Bill is a revenue-raising measure. Ministers have turned that to their advantage as a debating point by saying to the Opposition parties, "Well, if you're against the Bill, how would you raise the £950 million?" That is a fair debating point, as far as it goes, but it raises the obvious question about who pays that £950 million. I have never been clear who the Government think would pay it. They would argue that it is not paid by the tenants of commercial property, because they argue that rents will fall. When Ministers were challenged, from the Liberal Democrat Benches I think, about the potential impact on institutional investors who have extensive property portfolios, they said that those investors would not lose anything either, because there would be an increase in profits in the sector.

So how will the miracle happen whereby the Government acquire substantial revenues—£950 million, although admittedly those would be regressive as rents fall? Who will pay? No one, apparently. There is something odd about the logic. If the Government were a little more honest and accepted that there will be serious losers in the property sector, at least we would be clear about their thinking. The Government could argue that, to a degree, nobody is a loser if the whole system becomes much more efficient and the British economy becomes more efficient. That could indeed be the case, but I have not heard it explained what the Government's objectives are.

We know from the helpful tables at the back of the Library research paper that the average level of voids is about 9 per cent. in England and Wales. Sophisticated property companies probably operate on a 6 to 7 per cent. basis. It would be interesting to know what the Government think the natural level of vacancy should be, and how realistic it is to expect that to be achieved. Unless the level falls, the property sector will pay more, and that will be paid by the owners, who are usually institutional investors, or by tenants, directly or indirectly. Somebody must pay.

The third set of issues relates to the exemptions and the special difficulties, which fall into two parts. The first was debated extensively today, and I will not review all the arguments, which were well made, about the problems associated with legal difficulties, planning and historical buildings. Those will have to be dealt with. The second set of issues, which has not been debated, involves the differences between different parts of the country. In the Ways and Means debate and on Second Reading we argued about the particular

[Dr. Vincent Cable]

problems that were said to be likely to accrue in areas like Wales, where there have been many factory closures, and parts of west Yorkshire, which are subject to regeneration, and the difficulties that those areas have.

Regeneration often takes place in the industrial sector by advance building, with an expectation that property could remain empty for a considerable time. It relies very much on speculative building on industrial estates, so those areas could be penalised. One of the difficulties that I have in trying to understand what is going on is connected with the differences between different parts of the UK. Perhaps the Minister can explain. I am not trying to make a point. I am trying to understand what is going on. There are big differences between different local authority areas.

It was not surprising that the biggest area of unused property in Britain, let alone in London, is Hackney, because Hackney is an extremely problematic area with serious regeneration difficulties. There are some strange anomalies. My own borough, which is quite prosperous and is rapidly growing, has a vacancy rate of about 6 per cent. Next-door Hounslow, which is equally dynamic, has a vacancy rate of about 14 per cent. Manchester and Birmingham, which have problem areas, have very high vacancy rates. Newcastle, which has the same problems, has a very low one. Why these enormous discrepancies occur, and what the impact of the Bill will be on them, is not clear to me. The Government have expressed their willingness to be flexible—if, for example, there is a period of recession—but how flexible can they be in recognising the differences in different parts of the UK and in allowing regional exemptions? Many of those issues will be pursued in the other place, as there are clearly a lot of unresolved questions.

Question put and agreed to.

Bill accordingly read the Third time, and passed.

Mr. Peter Bone (Wellingborough) (Con): On a point of order, Mr. Deputy Speaker. I know how much Mr. Speaker deprecates ministerial statements being given to the media before they are made to this House. Yesterday, rather uniquely, the Home Secretary made a ministerial statement and admitted that he had briefed the press in advance, and in fact appeared in television studios. What can be done to ensure that in future, hon. Members are informed before the media?

Mr. Deputy Speaker: The hon. Gentleman is right: Mr. Speaker feels very strongly that any important ministerial statements should be made to this House before they are discussed elsewhere. It is, of course, down to Ministers to observe that rule. The hon. Gentleman has made his point, it is on the record, and I have no doubt that Mr. Speaker will take note of it.

North-East Regional Spatial Strategy

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Heppell.]*

5.36 pm

Helen Goodman (Bishop Auckland) (Lab): I am grateful for this opportunity to raise the complex issues of the north-east regional spatial strategy. The regional spatial strategy is the blueprint for future development in the north-east, so, if we are to flourish, it must reflect the needs and aspirations of the region. The Chancellor of the Exchequer has stated that his objective is to equalise growth rates across the country. Under the Northern Way strategy, it was agreed that our objective should be to narrow the output gap of £29 billion between the north and the south. Despite claiming to be a document that will tackle deprivation, create a buoyant employment market, and adopt an holistic approach to climate change and energy use, the detailed plans completely fail to do that. On this matter, County Durham speaks with one voice. All the local authorities, county and district, and all the county's Back-Bench MPs are united in our concern about the plan.

Our argument is clear: the regional spatial strategy underestimated the potential for new investment, economic growth and jobs. In doing so, it put a clamp on our excellent, existing employment sites. Consequently, housing allocations are too low and the transport plans inadequate. By concentrating development in the city regions, it does nothing to cut travel-to-work distances, promote sustainability or counter climate change.

NETPark is a highly successful collaboration between Durham university, the county council and the private sector. Let me give one example of what has happened in my constituency as a result of our having NETPark in County Durham. Thorns, the lighting manufacturer, which has its headquarters in Frankfurt, has decided to build a wholly new site, guaranteeing 600 jobs for another 20 years, partly because there is collaboration between the private sector and the university to develop organic lighting at NETPark. That is the best of modern manufacturing. However, by limiting the development at NETPark to 13 hectares instead of the proposed 49 hectares, the regional spatial strategy compromises its stated goal of facilitating north-east regeneration through what it calls

"a significant expansion of the knowledge economy."

A 49-hectare development at NETPark would bring in an estimated £100 million in project investment and create 10,000 jobs. It would also support the further expansion of Durham university. In the Prime Minister's words, it would

"create the wealth and prosperity which will generate sustainable jobs and a vibrant, confident North East".

Similarly, a proposed film and media complex at Seaham in Easington would facilitate residential development and university expansion, create 1,800 jobs and generate nearly £200 million of inward investment. Instead of the green light being pressed on that development, it has been put on amber.

Durham county council estimates that the proposed expansion of Heighington Lane West in Sedgefield and the Tursdale regional freight facility could create an

additional 11,000 jobs in the region. The latter has been blocked and the former is to be re-examined.

By failing to sanction the proposed expansion of the biofuels plant at Seal Sands and a renewable energy village at Eastgate, the regional spatial strategy makes it difficult to transform the north-east into a thriving green economy.

Instead of the knowledge-based economy that we want and believe to be completely possible, we are, as the North East chamber of commerce says, contemplating a low wage one. It is little wonder that the North East chamber of commerce has criticised the strategy for

"stifling the emerging dynamism of the North East"

The Northern Echo has launched a "Shaping the Future" campaign asking the Government to reconsider the proposals.

Not only does the regional spatial strategy assume that, between now and 2021, growth in the region cannot exceed 2.8 per cent., but, by placing restrictions on the employment and housing sites, it will prevent growth from being higher than that estimate.

In other words, the regional spatial strategy is planning for failure. The negative impact of those gloomy growth forecasts is felt most acutely in the housing allocations. Despite net inward migration, which the north-east has experienced in recent years, and the poor quality of housing stock, the regional spatial strategy plans a net increase of 6,500 new properties a year—a small fraction of the 120,000 homes a year that the Barker report stated was necessary nationwide.

Although I appreciate the need not to overdevelop in specific areas, especially on the western side of my constituency, to protect the beauty and tranquillity of the local environment, a high level of sustainable development is clearly possible in the north-east. In County Durham, the regional spatial strategy proposes only 19,000 net housing additions between now and 2021, which equates to 1,100 homes a year. However, the county council believes that we need at least 1,300 homes a year simply to maintain the population at its current level.

Indeed, the Wear Valley 2004 urban capacity study concluded that, in my constituency of Bishop Auckland—I hope that the Minister for Local Government realises that it has twice the national rate of homeless households—there was substantial additional scope for building new houses on brownfield sites. Indeed, if the regional spatial strategy aspires to go beyond its conservative ambition of building 70 per cent. of new houses on brownfield sites, it is essential to consider those in Wear Valley and around Bishop Auckland.

In County Durham, where the regional spatial strategy predicts population decline, the latest Office for National Statistics figures suggest a 3 per cent. population increase. That further highlights the need for the Secretary of State for Communities and Local Government to re-examine the figures before committing to binding proposals.

Let me consider transport. Two years ago, shortly after I was elected, we held a conference on the local economy. Local businesses raised the major issue of poor transport connections, which anyone who has travelled along the main road through Yorkshire or tried to drive north to Scotland has experienced. There is also significant overcrowding on the east coast main line. We in the region are united in our view that Teesport is a vital development. Yet on none of these issues is there any firm commitment.

I am sure that you will appreciate, Mr. Deputy Speaker, the very great frustration that we feel over this spatial strategy. Moreover, I find the document's underlying premise incomprehensible. We are not setting out to compete with our colleagues in Newcastle, but the fact is that we are constantly hearing from Members who represent constituencies in the south-east that they are overdeveloped, that there is congestion and excessive housing development—yet in the north-east, we are crying out for more. I very much hope that the Government will not endorse this plan for failure and will look again, so that we can fulfil our potential.

5.45 pm

Mr. Peter Atkinson (Hexham) (Con): I congratulate the hon. Member for Bishop Auckland (Helen Goodman) on securing this Adjournment debate. It has proved extremely timely and I have to say that I agree with her. One of the arguments that she has put forward against this plan applies equally to many areas in Northumberland. I represent a rural area, which will suffer from virtually no development over the period of the plan. Indeed, Tynedale council has an allocation of fewer than 200 houses over the next five or six years—totally inadequate.

Many families in my constituency wish to own their own homes. I am not talking about affordable homes, which is a somewhat separate matter I am referring to ordinary families who want to own their own houses, but who are increasingly priced out of the area because my constituency now has million-pound houses: the era of million-pound houses has arrived. People cannot afford to live there, so families are moving from rural Northumberland areas into the Durham area, where they can sometimes buy houses cheaper, particularly around Consett. That can break up families and the loyal connection that many people have developed with their communities.

If that trend continues, the very people on whom rural communities depend to provide services in future years will not be there. We can see the problem in places such as Gloucestershire and we do not want to repeat the same mistake, having to bring in people from the cities to run shops, entertainment centres, pubs, hotels and other services in country areas. We want to maintain a healthy, balanced community and the regional spatial strategy simply does not meet those requirements.

The hon. Member for Bishop Auckland also mentioned transport and I suspect that the right hon. Member for Berwick-upon-Tweed (Mr. Beith) will have a lot to say about it, too. The A1 Newcastle western bypass is the most heavily used dual carriageway in the UK, and we have been promised time and again that there will be a review of the problems caused by that congestion. We were told that the Department for Transport had a plan on how to improve that highly congested bit of road, but the regional spatial strategy has now changed the terms of that plan by stating that the Department is only "investigating" the prospect. We have moved from a situation in which we were

[Mr. Peter Atkinson]

encouraged to believe that there would be a plan to solve the problems within the next few months to one in which the problem is simply being investigated, as the appropriate paragraph of the regional spatial strategy makes clear.

The regional spatial strategy also talks about "investigating" improvements to the Tyne and Wear metro system—a very important part of transport infrastructure, which is now 30 years old and beginning to show wear and tear. Nexus, the transport authority, had put forward a plan for its modernisation, but once again, the regional spatial strategy has downgraded it to a problem to be investigated.

I agree with the hon. Lady and I believe that the regional spatial strategy is, to use an awful cliché, not fit for purpose. I hope that the Government will go back and revisit it once again.

5.49 pm

Mr. Kevan Jones (North Durham) (Lab): I congratulate my hon. Friend the Member for Bishop Auckland (Helen Goodman) on securing this timely debate. The regional spatial strategy has more to do with the era of Soviet-style planning than a modern dynamic economy such as the north-east's. It will put a stranglehold around County Durham, which will affect not only jobs and industry, as my hon. Friend has articulated, but, more importantly, as the hon. Member for Hexham (Mr. Atkinson) has outlined, the actual make-up of communities. I would like to concentrate mainly on the housing element of the regional spatial strategy.

My constituency is growing in size because people are moving to County Durham for some of the reasons that the hon. Member for Hexham has outlined. If the proposals are agreed to, not only will the number of new house builds in my constituency not meet the existing demand, but house prices, which are already quite high, will go through the roof. The proposals would also not allow councils and other agencies to redevelop some of the former mining villages in my constituency. When I was elected to this place in 2001, one of the first things that I did was to ask Northumbria university to carry out a study of the dire need for housing and redevelopment in those villages. Chester-le-Street district council has taken on board some of the findings of that report, and it is using some of the development sites to cross-subsidise other developments involving social housing and other projects in the villages. That redevelopment plan will be extended to other villages across County Durham, but unless we add to it the housing element that can be put to private development, the schemes will not stack up financially.

It is ironic that such schemes across County Durham have been supported by central Government and by English Partnerships—they have worked up a plan with Government money—while at the same time, a restriction has been put in place that will prevent any of those developments from happening. That will be as bad as the old D-notices that were put on villages in County Durham during the 1960s and 1970s. Some of those villages will actually die, as the hon. Member for Hexham said, because people will not be able to afford to live in them. Furthermore, the population in those areas will grow increasingly old, which will put a great deal of pressure on social services and the remaining communities.

I cannot over-emphasise how disastrous these proposals are for the future of my constituency and for County Durham. It saddens me that they are seen to be needed at all. I support proper planning regulation and local people having a say in their local district's unitary plans; that is the way in which to do planning locally—we do not need some top-down centralist approach such as this.

When I asked about the public scrutiny of the strategy, I was told that the regional assembly had been overseeing it. I have to say that if this is an example of the assembly's scrutiny, it simply reinforces my view that the North East assembly needs to be abolished.

5.52 pm

Mr. Alan Beith (Berwick-upon-Tweed) (LD): I congratulate the hon. Member for Bishop Auckland (Helen Goodman) on securing this extremely valuable debate. I agree with the hon. Member for North Durham (Mr. Jones) that, in respect of housing, the regional interim strategy is an outdated relic of Soviet-style planning. It is simply not necessary; it is also harmful and damaging.

A survey has just revealed that median house prices in my constituency are six to seven times average earnings. People who were brought up there and who work there cannot afford to live there. If the strategy is continued, and areas such as Berwick and Alnwick are allowed to build only 60 or 70 houses a year, the price of the existing housing stock will soar even further, and the impossibility of people buying a house locally will extend to more and more people in my constituency.

In the meantime, the builders will not go down to Tyneside and build 100 houses because they have been denied the opportunity to build 10 somewhere near Berwick. They will either give up that side of their work completely or move over to Berwickshire, in Scotland, where these restrictions do not apply, and build houses there. This process is not going to assist the regeneration of the central urban areas in the region. Social housing simply will not be built, partly because it is increasingly dependent on deals involving private sector building, as the hon. Member for North Durham pointed out. In many rural areas, it also involves the conversion of, and sensitive development around, existing buildings.

Relaxation of the housing limit would not harm anyone. The builders would not go mad and build vast numbers of houses that nobody wanted to buy. They understand the market, and they know that they have to sell the properties that they develop. There is no reason to suppose that a vast explosion of house building would occur if the restrictions were taken away completely from the rural areas that I represent.

Mr. Kevan Jones: Is not the real point of the local plan that local people have an input in dividing up their local unitary development plan? That would lead not to a free-for-all but to sensitive development, and at least local people and councils would have a say over it.

Mr. Beith: Existing planning laws, regulations and practices are a sufficient protection for all the things that we care about. They ensure that we have a village envelope, that there is not continuous building from one place to another, and that building is subject to some restraint. Central Government must say to the north-east, "You don't need to impose this kind of restriction on housing." That restriction arises from central Government pressure to impose such restraint. I ask the Minister to lift that restraint and to tell the regional assembly to forget about putting housing limits on areas such as the one that I represent or other parts of rural Northumberland or County Durham.

Transport is another issue, which the hon. Member for Hexham (Mr. Atkinson) mentioned. A lot of our problems in relation to the A1 date from the extraordinary practice of referring matters to the interim regional transport board, which then overlays whatever is in the spatial strategy. The Minister of State, Department for Transport, the hon. Member for South Thanet (Dr. Ladyman) now blames that for the failure to dual the A1. It has become a useful buck-passing exercise, but the way in which the matter has been handled makes a nonsense even of the aspirations in the plan.

One other element of the regional spatial strategy that is causing anxiety to many of my constituents is the vast number of wind farm applications. The reason that we are getting so many in the beautiful area that lies between the area of outstanding natural beauty and the Northumberland national park is that it is an area of least constraint in relation to wind farm applications. That is not simply a bit of gentle guidance to planning authorities to consider each case on its merits, but is having the effect of funnelling lots of applications into the area. Local planning authorities do not have the capacity to cope with those applications—they do not have the staff to deal with them, still less the large developers that they face. One of the effects of the strategy has therefore been to place an unreasonable burden on giving proper consideration to wind farm planning applications in a beautiful area where each case must be considered extremely carefully. The risk of harm to the landscape, the environment and tourism must be placed against the objective to expand our renewable energy generation.

The regional spatial strategy is not popular in my constituency. It imposes a wholly unnecessary and extremely damaging restriction on the provision of desperately needed housing, and its effects in relation to transport and the handling of wind farm applications are not benign either.

5.58 pm

Dr. Roberta Blackman-Woods (City of Durham) (Lab): I, too, pay tribute to my hon. Friend the Member for Bishop Auckland (Helen Goodman) for securing the debate and for her excellent exposition of the key issues relating to County Durham.

This very long process started in 2005 with the submission being put on deposit for six months. Evidence was then taken for 14 weeks from 98 organisations. Then the panel made a series of visits around the region, as I presume that the panel knew nothing about the region to begin with. Then there were revisions. The Government then had about eight or nine months to comment on the revisions. We are now in a period of consultation on the Government's response. Changes will then be made. Finally, another eight-week period of consultation will take place. I apologise to the House if I have missed out a stage in the process, because it is labyrinthine in the extreme. I am not sure how the public or their elected representatives are supposed to engage in it.

After all the drafts, counter-drafts, evidence and deliberation, the document has ended up being extremely damaging to my constituency and my constituents in a number of ways. First, on housing, which other Members have mentioned, the figures in the document would allow a couple of hundred houses each year to be built in Durham from now until 2021. We have independent planning inspectors' reports showing that, because of the backlog in the provision of affordable housing in Durham, about 500 units a year are needed just to catch up.

It being Six o'clock, the motion for the Adjournment of the House lapsed, without Question put.

Motion made, and Question proposed, That this House do now adjourn.—*[Tony Cunningham.]*

Dr. Blackman-Woods: The allowances would not enable us to deal with the backlog. The underlying message is that the Government do not consider County Durham to be worthy of growth, but it is an environment where there should be growth.

The second issue that I want to raise is that of the Tursdale rail freight depot. After many years, we have a developer who has experience across the country of providing rail freight depots and who wants to develop one at Tursdale. That has been taken out of the regional spatial strategy as a potential opportunity apparently because it will get in the way of the development of the ports of Tyne and Tees. However, extensive arguments have been made to suggest that they are complementary developments. There is not necessarily any competition between the two, but the Government have not taken that on board.

The third issue that I want to raise is that of NETPark. It is not in my constituency but it provides the space for the spin-out companies from Durham university, which is in my constituency. We know from the regional economic strategy and its action plan that the Government and One NorthEast want to develop a knowledge base as the basis for future economic development in the region. Durham university and its spin-out companies will be critical to that. Yet the development of NETPark will be capped. Not only does that not make any sense, but there seems to be no alignment of the regional spatial strategy and the regional economic strategy. That also sends out a very damaging message. We are trying to raise aspirations in County Durham and get our young people jobs in the knowledge sector, yet they are being denied that by the document. That is not acceptable.

My last point relates to sustainability. It is important that we mean what we say in our rhetoric and develop sustainable communities. That means having employment bases that are close to our communities and not dragging everybody in County Durham either north to the Tyneside area or south to Teesside to get employment. The transport network for that does not exist and there is nothing in the document to develop it. Crucially, we

[Dr. Blackman-Woods]

must take the environmental concerns on board and develop economic bases close to communities when that is possible.

If ever there was an argument in favour of unitary government in County Durham, this is it. We must have unitary local government so that we can have a strong voice, play our card effectively in the region and ensure that the needs of County Durham and its constituents are well heard by the Government. I want to hear what the Minister has to say about needing a regional policy from the Government, so that they start investing seriously in the north-east to give all our young people and workers secure and good jobs for the future.

6.4 pm

The Minister for Local Government (Mr. Phil Woolas): Congratulations are due to my hon. Friend the Member for Bishop Auckland (Helen Goodman) on securing the debate at a timely point, as I think the right hon. Member for Berwick-upon-Tweed (Mr. Beith) described it.

The Government of course share the ambition for the north-east region and have a proud record in investment and in improving its economic prosperity. The test, however, is for us not only to improve gross value added in the north-east, but to narrow the gap between the north-east and the rest of the country. We could achieve that goal by reducing the GVA for the rest of the country, but having discussed the possibility, we decided that it was not appropriate. The setting of that test presents us with a real challenge. I know my hon. Friend agrees that it would be unfortunate and unfair if the successes of the region were diminished by the difficulty of the test that we have set ourselves.

The timeliness of the planning of the House's business has ensured that a wide range of opinion has been expressed from across the region, both geographically and politically. I never thought I would hear my hon. Friend the Member for North Durham (Mr. Jones) and the right hon. Member for Berwick-upon-Tweed unite in describing a process as a Stalinist conspiracy.

Mr. Beith: Soviet-style.

Mr. Woolas: A Soviet-style Stalinist conspiracy.

As the Members who have spoken reflect the whole region geographically and politically, it is particularly important for the Government to take account of what has been said. I congratulate Members on raising these issues.

I am happy to set out the background to the regional spatial strategy, the current state of play and the next steps in producing a final version for publication by the Secretary of State. However, my hon. Friends and, I hope, Opposition Members will appreciate that because of the nature of the process I am constrained in what I can say at this stage. The propriety guidance provides that once a regional spatial strategy revision has been submitted for examination, Ministers and their officials ought not to enter into discussions with interested parties on the changes that may be made. The purpose is to ensure that the process is fair and transparent by channelling representations on a draft revision through the examination in public and the statutory consultation process.

The House is, of course, the forum for debate on emerging Government policy, and I have the opportunity to set the process before it. I hope that Members will understand, however, that I cannot answer specific points about the regional spatial strategy. Suffice it to say that at this stage the Government have not accepted the recommendations on large sites or affordable housing. As for the number of houses, the Government are seeking feedback through consultation. I think it is clear what the feedback from Members will be.

We published regional planning guidance note 1 for the north-east region in November 2002. Subsequent legislation—the Planning and Compulsory Purchase Act 2004—strengthened the role and importance of regional planning. That was of course a devolution of powers from the centre to the region, although Members and their constituents often see it as a sucking up of powers from the local area to the region.

Mr. Beith: I understand the Minister's difficulty, but perhaps he can clarify one point. Can he assure us that if an elected assembly in the region decided that the north-east needed more houses in general—this is, as the Minister says, a devolution of powers—central Government would respond, "That is for you to decide. We will consider the plan in the normal way"?

Mr. Woolas: Broadly, the answer to that question is yes, that is the purpose. However, I would not, of course, want to give a specific commitment on numbers or the outline. I think that the right hon. Gentleman will be reassured by what I have to say on the process.

The September 2004 RSS remains in effect. Its purpose is to set out a broad development strategy for the region for the period up to 2021. I acknowledge that the process that is being gone through is often described as laborious, but the RSS is an important document. It is part of the statutory development plan under the 2004 Act. Local planning authorities prepare the other components of the development plan, the local development frameworks, which must be in general conformity with the RSS. Therefore, this affects not only regional policy, but the LDFs of local authorities. The regional transport strategy is also incorporated.

The North East assembly is constituted as the regional planning body for the purposes of the Act. In June 2005, the assembly submitted a draft revision of the current RSS to the Secretary of State. A public consultation on the draft revision was held from July to October 2005. Various parties made representations, and the strategy was tested at an examination in public in March and April 2006.

The panel's report broadly endorsed the growth scenarios and spatial strategy in the draft revision. It also made numerous recommendations for changes to the strategy, which have been taken into account in deciding on the proposed changes. The Secretary of State's proposed changes to the draft revision were published on 29 May for public consultation. The panel raised concerns over three matters in particular, and because they have had implications for the

consultation process, I shall outline them and the response that we have made in each case.

First, the panel said that it was not persuaded that the transport proposals set out in the submission draft reflected the proper balance, or that the priorities for investment set out could be justified, and it recommended that the Government review them. In light of that, we have prepared a revised version of that material in the section of the RSS that deals with transport. That new material was based on the outcome of the regional funding allocations exercises.

Secondly, the panel recommended that further consideration should be given to the district housing allocations for Easington, Sedgefield and Blyth valley, with a view to ensuring that they were consistent with the locational strategy and the panel's conclusions and recommendations on the de-allocation and urban capacity study assessments. In view of the importance of the issue, we asked the panel for further clarification on this view, and it suggests in its addendum report that the assembly should be asked to review its forecasts in the light of that analysis.

Mr. Kevan Jones: How does what the Minister has described is proposed on housing in County Durham fit with what the Government are trying to do nationally, and with County Durham funding from English Partnerships for village regeneration and the possibility of new housing for villages in County Durham? How does all that fit together if we still have an artificial figure, as national Government are paying for something with taxpayers' money at one level and at the local level things are prevented from happening?

Mr. Woolas: That is precisely one of the questions that will be given consideration—or, more precisely, the answer to it will be given consideration. That is illustrative of both the complex nature of the decisions and the importance of them. Suffice it to say that it would be a retrograde step if there were no regional input. That may be achieved in other ways, and my hon. Friend makes his views known with characteristic clarity, but some consideration at that level is important.

The panel recommended including a proposal that changes be made to policies 19 and 20 of the submission draft. In English, those changes would have the effect of constraining the development of certain major employment sites and deleting policy references to others. We considered that, before making final decisions on the recommendation, it would assist the Secretary of State to have further information on the local circumstances. Consultees have therefore been invited to supply information on matters relevant to aspects that the panel have recommended be changed. I hope that my hon. Friend the Member for Bishop Auckland welcomes that acknowledgement. We anticipate that many stakeholders will wish to comment on the proposed changes, and they have been widely circulated.

As we announced in both Houses on 24 May, we have decided that in the light of the requests for supplementary material we should carry out a two-stage consultation. In the first and current stage, we are consulting on the proposed changes now being put forward. That stage will last for 10 weeks. Following that, Ministers will consider the material that they receive, and will then hold a further consultation, to last eight weeks, to give all concerned an opportunity to consider any further changes that may have been made as a result. Following the consultation, the Secretary of State, having considered the representations, will then approve and publish the final version.

It will be clear from the approach that we have adopted that we are seeking both views and further information before reaching our conclusions. Indeed, there will be a further opportunity for all concerned to consider, and comment on, further proposed changes that may be made as a result of the first consultation. That has of course extended the timetable, and I appreciate the frustration that my hon. Friend the Member for City of Durham (Dr. Blackman-Woods) expressed.

I hope that I have convinced hon. Members first of the importance that we place on the economic success and growth of the north-east; secondly, that we are aware of the concerns of hon. Members which have been raised during the first phase of the consultation and are therefore timely; and, thirdly, that we are committed to our goal of narrowing the gap between the north-east and the rest of the country and that this policy area is a crucial means to that end.

I congratulate my hon. Friend the Member for Bishop Auckland on securing the debate and I look forward to the further deliberations on this matter.

Question put and agreed to.

Adjourned accordingly at seventeen minutes past Six o'clock.

House of Commons

Friday 15 June 2007

The House met at half-past Nine o'clock

PRAYERS

The Second Deputy Chairman of Ways and Means took the Chair as Deputy Speaker, pursuant to the Standing Order.

9.33 am

Mr. Brooks Newmark (Braintree) (Con): I beg to move, That the House do sit in private.

Question put forthwith, pursuant to Standing Order No. 163 (motions to sit in private):—

The House divided: Ayes 1, Noes 75.

Division No. 141] **[9.34 am**

AYES

Newmark, Mr. Brooks

Tellers for the Ayes:
Mr. Richard Benyon and
Mr. Charles Walker

NOES

Ainsworth, Mr. Peter
Atkinson, Mr. Peter
Barker, Gregory
Beith, rh Mr. Alan
Berry, Roger
Brannan, Kevin
Brown, Lyn
Burns, Mr. Simon
Cable, Dr. Vincent
Carmichael, Mr. Alistair
Caton, Mr. Martin
Corbyn, Jeremy
Cormack, Sir Patrick
Cunningham, Tony
Davies, Philip
Dismore, Mr. Andrew
Drew, Mr. David
Ellwood, Mr. Tobias
Evennett, Mr. David
Fallon, Mr. Michael
Farron, Tim
Field, rh Mr. Frank
Field, Mr. Mark
Fitzpatrick, Jim
Foster, Mr. Don
George, Andrew
Goldsworthy, Julia
Gray, Mr. James
Greening, Justine
Grieve, Mr. Dominic
Griffith, Nia
Heath, Mr. David
Hodge, rh Margaret
Hollobone, Mr. Philip
Horwood, Martin
Howarth, David
Hughes, rh Beverley
Hurd, Mr. Nick
Khan, Mr. Sadiq
Kirkbride, Miss Julie
Kramer, Susan
Lancaster, Mr. Mark
Laws, Mr. David
Leech, Mr. John
Letwin, rh Mr. Oliver
Lewis, Mr. Ivan
Loughton, Tim
Mackay, rh Mr. Andrew
Mackinlay, Andrew
Main, Anne
Merron, Gillian
Neill, Robert
Osborne, Mr. George
Pelling, Mr. Andrew
Pugh, Dr. John
Redwood, rh Mr. John
Rennie, Willie
Rogerson, Mr. Dan
Rowen, Paul
Ruddock, Joan
Sanders, Mr. Adrian
Seabeck, Alison
Skinner, Mr. Dennis
Smith, Sir Robert
Spelman, Mrs. Caroline
Stanley, rh Sir John
Taylor, Matthew
Teather, Sarah
Waltho, Lynda
Willetts, Mr. David
Williams, Mark
Williams, Mr. Roger
Willott, Jenny
Yeo, Mr. Tim
Younger-Ross, Richard

Tellers for the Noes:
Greg Clark and
Mr. Greg Knight

Question accordingly negatived.

Orders of the Day

Sustainable Communities Bill

As amended in the Public Bill Committee, considered.

New Clause 6

LOCAL AUTHORITIES: TRANSFER OF FUNCTIONS

'(1) After considering the information in a local spending report a local authority may, subject to this section, make a recommendation to the Secretary of State for a transfer of functions from one person to another.

(2) A local authority may not make a recommendation for a transfer of functions pursuant to subsection (1) unless it has consulted—

(a) the person whose functions it relates to; and

(b) the person to whom the local authority considers the functions should be transferred.

(3) Within 6 months of receiving any recommendations the Secretary of State must either adopt and implement (or commence the process of implementation) or reject the recommendation, and in either case shall give reasons for his decision.

(4) If any functions are transferred pursuant to this section,

(a) the moneys for the discharge of those functions shall also be transferred, and

(b) any local authority to which the functions are transferred may determine the policies to deliver the objectives of the function, having regard to the authority's own community strategy.

(5) At least once in every calendar year the Secretary of State must publish a report listing all decisions taken by him pursuant to this section and containing the reasons for those decisions.'.—*[Mr. Hurd.]*

Brought up, and read the First time.

9.44 am

Mr. Nick Hurd (Ruislip-Northwood) (Con): I beg to move, That the clause be read a Second time.

Mr. Deputy Speaker (Sir Michael Lord): With this it will be convenient to discuss the following amendments: No. 22, page 4, line 21, clause 4, at end insert—

'( ) The Secretary of State must make the first arrangements under this section within the period of 18 months beginning with the day on which this Act is passed.'

No. 23, page 4, line 26, leave out 'commencement of that subsection' and insert

'day on which this Act is passed'.

No. 24, page 4, line 27, leave out 'commencement' and insert 'day'.

No. 25, page 4, line 28, leave out clause 5.

Mr. Hurd: I rise to move the new clause, numb with the realisation that it is almost five months to the day since the Bill passed its Second Reading in this Chamber. At times it has seemed a lot longer than that; there were periods when it seemed that the Bill would never leave Committee and that it was the fate of those condemned to serve on it to spend every Wednesday morning of their elected life turning up at Committee Room 10 to be told that they had to wait. I was once asked whether we were waiting for Godot or for

[Mr. Hurd]

Gordo, but the truth is that we were waiting for Government amendments, which were necessary because the version of the Bill that was considered on 19 January was honest but imperfect.

Amendments and new clauses have finally arrived, and they reflect the fact that we still have a bit of talking to do on Report. That is unsurprising, as the Bill is controversial. It plays a modest part in a wider process of great change in how decisions in the public sector on behalf of the communities we serve will be taken in future.

In considering new clause 6, it is important to remind Members of the premise of the Bill. In shaping the future of the communities where we live and work, meet our partners and friends and raise our children and grandchildren, we must accept that local people know best. If we want to engage local people in decisions we must give them greater influence and power over them, and as we agreed during our proceedings—the Minister accepts this—power is money.

Philip Davies (Shipley) (Con): I congratulate my hon. Friend on getting his Bill to this stage. In terms of new clause 6, I agree with the thrust of what he says: local people know best and they should have more control over things. However, does he agree that the Bill is only as good as the Secretary of State, and that it is implicit in it that the Secretary of State thinks that local people know best? Does he have confidence in that?

Mr. Hurd: I accept the premise of my hon. Friend's intervention. In the end, these matters will be down to the will of the individual Secretary of State. There are always ways and means that they can use: if the Secretary of State of the day is unhappy with the mechanics, processes and principles underlying the Bill, I am sure that clever people will be engaged to throw as many obstacles as possible in the way. However, I sense that there is a cross-party consensus in the House in favour of greater devolution. The test is how far any Government are prepared to go.

That brings me on to the main point on new clause 6. It is intended to replace clause 5, which is the key clause in the Bill as it is the ultimate test. It is the real test of how far any Government are prepared to go in giving people power, because it is designed to give them much greater influence over how money is spent in their community. As I have said, our sense during our deliberations is that the Government are genuinely committed to devolution; a large body of their legislation travels in that direction. However, we appear to have hit a buffer in terms of the test I have described and what the Government are prepared to accept.

New clause 6 is supported by the hon. Members for Falmouth and Camborne (Julia Goldsworthy) and for Stroud (Mr. Drew). It is intended to be a compromise, and it is important to set it in context. You do not need me to tell you that five follows four, Mr. Deputy Speaker. Clause 4 is important, and therefore so is what follows it. I like to think of it as a small grenade thrown into the tranquil pool of public spending. There are currently plenty of fish swimming in that pool leading a calm life, but clause 4—an emotive term historically for the Labour party—will stir the waters. If the provisions of the clause are implemented, for the first time every community will be able to see how almost every pound of taxpayers' money is spent in that community; it is currently impossible to trace such money in that way. The example that we used in Committee was of £9 billion of taxpayers' money being invested in Kent and only £2.5 billion—still a huge amount—being under the control of the local authority. That left £7 billion being spent by central Government in a way that is very hard to map.

Robert Neill (Bromley and Chislehurst) (Con): My hon. Friend will know, as will the Minister, that the London borough of Bromley has raised this issue on an number of occasions. We have highlighted the difficulty of tracing precisely how much funding all the agencies receive. In relation to formula grant, the headline figures often bear little relation to what is actually available and frequently render meaningless the various indices by which the Government calculate deprivation and so on. I congratulate my hon. Friend on introducing this important proposal for much greater transparency and local planning.

Mr. Hurd: I thank my hon. Friend for his constructive intervention. It is helpful for us to understand that this is a real issue in Bromley.

The Minister fully understands the significance of clause 4, and the opportunity that it provides to place every public sector budget under scrutiny with a much greater degree of transparency than exists today. The question is: how will the public react? They might shrug with a great gesture of collective indifference, but we believe that they will not. Once the spotlight has been shone into every nook and cranny of public expenditure, great curiosity will be aroused and elected representatives will be encouraged to campaign for something different. This will really stir things up.

The importance of new clause 6—and old clause 5—is that it has to follow on because it enables a response. We will give people the information and show them the money. This provision provides a mechanism that will allow them to respond and to argue for the reallocation of resources in the light of the information that they have received.

Mr. Greg Knight (East Yorkshire) (Con): I hope that my hon. Friend will not mind my making a minor criticism. Why did he not include in subsection (5) a duty on the Secretary of State to report back to the House?

Mr. Hurd: The short answer to that question is that we did. We had considerable debate in Committee on the mechanics of accountability. The great driving forces behind the Bill are transparency, accountability and empowering people. There was a debate about the need for the Secretary of State to report back to Parliament, but there was push-back from the Government on that. Perhaps the Minister will comment further on that when he responds today. I would also encourage my right hon. Friend to come back to the Minister on that point.

The new clause will allow a local authority to come back as a clear first among equals and to say, "We and the communities that we serve know that we have different priorities."

Mr. Dan Rogerson (North Cornwall) (LD): I congratulate the hon. Gentleman on all the work that he has done on pushing the Bill through, during the many months that we have had to wait for it to return to the House. He is making a crucial point. Does he agree that this is the reason that the Bill has created such an upsurge of support from various organisations across the country? They see it as a significant measure, not just as a means of assessing and discussing the administration of local functions. They see that it could provide the opportunity for change and for new ways of doing things in each local area.

Mr. Hurd: I could not agree with the hon. Gentleman more. I am looking at the measures through the prism of my own constituency, as every Member will. We all know that money cannot buy love, but it can save a post office, it can keep Northwood police station open for longer hours, it can hire more youth workers to work with kids and keep them off Joel street on a Friday night, and it can go towards a new youth centre. What we want, and what I believe the Minister wants, is for local communities to engage and to feel that they can influence these decisions.

I am sure that every Member is as concerned as I am about the growing sense of drift and distance from the political process. People really do not feel that it is worth getting involved. The driving force behind the Bill is that we want to send a powerful signal that it is worth getting involved because there is a decent chance of changing things. We do not underestimate the difficulties involved, but if we can create a mechanism that will allow local communities to influence the way in which taxpayers' money is spent in their area, we hope—it might be a naive hope—that it will transform the level of civic engagement.

Philip Davies: Will my hon. Friend elaborate on this subject, perhaps to whet the appetite of people in my constituency? Will he tell us what transfer of functions he envisages? Will the new clause provide an opportunity for far more to be decided at parish council level, rather than by district or county councils?

Mr. Hurd: My hon. Friend has asked for a specific example. If he has the time and inclination, he might like to read the record of our deliberations in Committee, where we went through a working example of a specific case. I do not know how active Business Link is in Shipley, but consideration was given in Committee to the proposition that if a local authority and a local community felt that Business Link was not doing an adequate job and that there was a better way of deploying the money that Business Link was spending to support local businesses in the area, they should feel free to make the case for the function and resources of Business Link to be reallocated. The crucial question was whether the local authority, if that was the body to which the function was reallocated, should be free to implement its own policy, perhaps for supporting small local businesses. It might, for example, decide that it wanted to keep post offices open and reallocate money for that purpose. There would be an active dialogue with Business Link on the issue, and if Business Link did not co-operate, the local authority would have the right under the new clause to go to the Secretary of State and say, "We have a mandate from the community. We believe that this is the right strategy for supporting local businesses in our area, and we want the function and resources to be reallocated to us." I hope that that example helps my hon. Friend.

Mr. Philip Hollobone (Kettering) (Con): I congratulate my hon. Friend on steering the Bill so ably through the Committee, on which I had the honour to serve. His latest words will be very encouraging for the constituents of Kettering, where there is even now an example involving Business Link, although sadly this legislation may be too late to make a difference there. The East Midlands Development Agency has seen fit effectively to close the local Kettering business venture trust. Had this legislation been on the books, the local council could have made a powerful case to the Secretary of State for taking over the funding of the operation.

Mr. Hurd: I thank my hon. Friend for his intervention, which is helpful in illustrating and reinforcing the potential of the Bill and the new clause. I thank him, too, for the manner in which he has supported the Bill in Committee.

Mr. Mark Field (Cities of London and Westminster) (Con): I support what my hon. Friend is saying about encouraging flair and innovation in our local communities. Does he acknowledge, however, that certain concerns are being expressed? Will he comment on the argument that a postcode lottery might be created, given that so much of local government finance comes directly from central Government? Is that not an integral problem in many areas of public policy, but particularly in relation to the Bill? How would my hon. Friend counter the argument that a postcode lottery—which would run counter to the flair and innovation that he supports—might be created?

Mr. Hurd: I would counter the postcode lottery argument in two ways. First, please let us not be under the illusion that postcode lotteries do not already exist under the present system. Secondly, if we genuinely believe in localism, we have to tolerate differences in the spirit of innovation and with the full realisation that things might go wrong. Rather than accept mediocre standards across the board, we should have the chance to raise them somewhere, to develop best practice and to provide a mechanism for people to learn from other people. That is how I would respond to the traditional argument against localism, which is increasingly unsustainable.

I tried to make the point earlier that new clause 6 is a compromise. The original clause 5—the one that we now have is, I think, the third variant on the original—was much more radical. It would have given local authorities the right to recommend the reallocation of money without reference to functions being transferred, and with a strong presumption that the Secretary of State would accept local recommendations.

10 am

Philip Davies: Will my hon. Friend give way?

Mr. Hurd: I should like to finish my point first.

New clause 6 would replace clause 5, which was a softened version of the original provision and gave the Secretary of State more leeway while still giving local authorities the right to argue for the reallocation of moneys irrespective of function. The Minister did not oppose the clause in Committee; in fact, in the afternoon sitting of 23 May he said that he did not intend to oppose new clause 3, as it was then. He was true to his word and we were told to expect amendments to the detail, but not to the principle.

Today, we shall be considering an amendment to remove clause 5 completely and when the Minister explains that proposal, he will—with your indulgence, Mr. Deputy Speaker—steer us towards his amendments to new clause 1. I look forward to his arguments that his proposals are an authentic and satisfactory response to the points we are making and the principles we are trying to establish and make clear in the Bill. In the distinctive spirit of consensus and cross-party support that is so integral to the Bill, we shall try to keep an open mind, but he knows that we were disappointed and have not been persuaded thus far, which is why we tabled the new clause as a compromise. We did so for two reasons, the first of which relates to form and narrative.

As I hope I have explained, we need a mechanism to follow clause 4. In Committee, there was much talk of the campaign for clear English, led by the right hon. Member for Holborn and St. Pancras (Frank Dobson), who pointed out that much of the legislation that leaves this place is impenetrable to the public. It was put to me that if the ten commandments had been handed to parliamentary counsel, the audience would have scratched their heads, saying, "What do you think he meant by that?" There is some truth in that observation.

The Minister's new clause 1—if I may refer to it, Mr. Deputy Speaker—has a useful provision about the right to transfer functions, which we have, in effect, copied into new clause 6, but it is in the wrong context—a national plan that is a one-off exercise in terms of the Bill. We see the publishing of local spending reports as a regular process that is subject to review, and certainly not as a one-off exercise. The Minister's proposal is in danger of leaving us with a Bill that lacks coherence.

Mr. Alan Beith (Berwick-upon-Tweed) (LD): The hon. Gentleman made a point about clear English. As we are trying to enable local communities to engage with public authorities on the direction of policy, we need to make changes in all the jargon—not just in legislation but also in reports and accountability statements—if people are not to be prevented by the opaque language used from understanding the very things the Bill is supposed to bring out.

Mr. Hurd: I thank the right hon. Gentleman for that helpful intervention, which I wholly endorse. The Bill is about enabling people; part of its driving force is to encourage greater participation so the least we can do is present the measure coherently and intelligently. Officials sometimes say that does not matter as long as we get the necessary powers. I do not agree. A Bill needs to tell a clear story about what it is trying to achieve and how it intends to do it. We should be clear.

My second point is about substance. If we are to accept—as a compromise—that the new freedom of local authorities should be restricted to arguing for reallocation of functions, we need comfort that what we believe is implicit in the Government's position is made explicit in the Bill: if functions are transferred, money should follow. It makes no sense to transfer functions without resources. I believe that is implicit in the Government's proposals but we want it made explicit. If functions and money are transferred, local authorities should have discretion over policy as long as they have regard to the objectives of their locally agreed community strategies—or sustainable community strategies, as we understand they are to be called. That is important for the reasons given by my right hon. Friend the Member for West Dorset (Mr. Letwin) on 23 May. We do not want it to be necessary for remit to follow function, so that, for example, if a local authority takes over the functions of a Business Link it will not necessarily have to take over the statutory remit of that body. We want local authorities to be free to innovate, as long as they can be seen to be working towards achieving a locally agreed target under the local authority agreement process.

We want local authorities to have that right not least because it will incentivise greater co-operation. In such circumstances, Business Link would have to work harder to go with the grain of what the community wants, because otherwise it would risk losing resources or function. Fundamentally, such a right gives us a mechanism to shake up the system—to correct failure and encourage innovation when things are getting jaded and complacent. I am sure the Minister agrees, because he is not complacent. I read the Committee proceedings of 23 May carefully and when the Minister was questioned by my right hon. Friend the Member for West Dorset about remit following function, he said:

"That is not my intention."—[*Official Report, Sustainable Communities Public Bill Committee*, 23 May 2007; c. 147.]

He then enthusiastically gave us examples of best practice and innovation, such as the south Devon youth club that had left a big impression on him when he visited it. When we stated that we wanted a presumption that local authorities should be able to get the Secretary of State's approval to take over spending, he said, "I agree". I am not trying to embarrass him by reminding him of his comments—as an experienced Minister he is beyond that—I am simply trying to explain that the new clause has been tabled in good faith.

The Minister for Local Government (Mr. Phil Woolas): As ever, I am grateful to the hon. Gentleman for his courtesy. I am not at all embarrassed; indeed I am supportive of the point he makes. It may help the House if I point out that our policy in that regard has to be seen in the context of the architecture we are creating for local area agreements under the Local Government and Public Involvement in Health Bill. They are financial agreements as well as policy agreements.

Mr. Hurd: I thank the Minister. We are all sensitive to the fact that he and his officials are trying to wrestle with the difficulty of reconciling and marrying the little fish that is the Bill with the whale of legislative reform that he is trying to ride through the waters of local government. There is an honest attempt at integration and I do not underestimate the difficulties of achieving it, not least in terms of timing. I stress, however, that we tabled the clause in good faith because we thought it reflected the Minister's intentions and we wanted to make them explicit.

When the Minister responds, will he recognise that we need a mechanism to follow clause 4? Is he prepared to put on record the Government's acceptance that resources must follow transfer of functions? Did we understand him correctly in Committee when he appeared to agree that remit should not necessarily follow function—that local authorities should have discretion over policy when function is transferred as long as it is geared towards locally agreed targets? If so, will he explain why he appears to oppose the new clause?

I hope that the Minister accepts that our discussions have been open, but if we cannot reach agreement, my instinct, shared by co-sponsors of the Bill, is not to push for a vote on the new clause. There is strong support for the Bill inside and outside the House, as the Minister knows, and a desire to see us agree about it, but there will be disappointment if there is a feeling out there that the Government are diluting the measure. I shall listen carefully to the Minister's contribution and hope that we will hear reassurance that what we want made explicit is implicit in the Government's intentions and that there is an appropriate mechanism, or a willingness to find reconciliation and common ground. I have to tell him that we think there is unfinished business; we want to give people real power to influence the spending of taxpayers' money in their communities and, if need be, we shall continue the argument in the other place.

Mr. David Drew (Stroud) (Lab/Co-op): I commend the promoter of the Bill. He has waxed lyrical and I have no reason to take up much of the House's time. I have attached my name to the new clause and I know that the spirit behind it is shared by the hon. Member for Falmouth and Camborne (Julia Goldsworthy).

As the Bill's promoter rightly said, we have taken an awful lot of time over the Bill. I think it is fair to say that, in recent weeks, I have seen more of him and the hon. Member for Falmouth and Camborne than I have of my family. I have also seen a lot of the hon. Member for West Ham (Lyn Brown) and the Minister, and it is good to see Ron Bailey in his Box. Perhaps some of us will want to keep him in his Box.

Mr. Deputy Speaker: Order. The hon. Gentleman is an experienced Member of the House and knows that we do not refer in that way to people sitting outside the Chamber.

Mr. Drew: I shall pay careful attention to your advice, Mr. Deputy Speaker.

Mr. Oliver Letwin (West Dorset) (Con): I am sure that the hon. Gentleman would not wish to mislead the House. It is quite impossible to imagine Ron Bailey in any kind of box.

Mr. Deputy Speaker: Order. That is not a very helpful intervention. I suggest that the hon. Member for Stroud (Mr. Drew) moves gently on.

Mr. Drew: I shall move speedily on.

This is an important new clause and it is clear that it will not be pressed to a vote. The spirit behind it is well intended and I hope that the Minister will clearly spell out how the Government intend to listen to what has been said in Committee and today. There must be a mechanism, because functionality without the resources to back it up involves a somewhat meaningless gesture. The Government have made it clear that the Bill must be been seen in parallel with the Local Government and Public Involvement in Health Bill, which I hope will be enacted shortly. There is talk about how the mechanism will work in the local area agreements, which I hope we will now see as local area and spending agreements, because the issue is all about money and how it will make a difference. Will the Minister therefore spell out how the mechanism will operate in practice?

We have compromised and we have been willing to compromise. This Bill has been one of compromise and consensus and everyone says that that is a terribly bad thing because it means that we get bad legislation that is all mushy and means warm words to everyone. However, I think that we will come out with a good Bill and this issue is at its kernel. There is healthy disagreement on a philosophical point about the degree to which we can genuinely devolve resource allocation to a local level and persuade Government that what local areas want to do is appropriate and right. If that cannot be done under this Bill, it would be good to know how it can be made to happen; otherwise, what we will have is not a poisoned chalice, but there will be a lost opportunity for local areas. When they look to carry out their functions in all sorts of promising ways, the money will not be there.

I hope that the Minister is listening to what we are saying. We are trying to work through some difficult points, but doing so on the basis of unanimity. I hope that we will genuinely learn how the mechanism can be made to operate. Local communities must understand that and, as the hon. Member for Ruislip-Northwood (Mr. Hurd) explained, the point must be made explicit; otherwise local communities may use the mechanism in a way that some of us do not want them to. I hope that the Minister has heard that point, and he should have heard it because it was made on several occasions in Committee. I know that there is a way forward and I hope that he will explain what it is.

I make no apology for seeking a compromise even if we reach a compromise on a compromise, given that we will not press the new clause to a vote. The spirit of what we have said is important, so I shall now sit down and listen to what the Minister has to say.

Julia Goldsworthy (Falmouth and Camborne) (LD): I do not intend to jeopardise the Bill's progress by speaking over-enthusiastically to try to ensure that local communities can participate in their own local policy making. I am pleased that the Bill has returned to the Floor of the House after a rather long and winding journey, with plenty of fits and starts, to get us to where we are today.

[Julia Goldsworthy]

New clause 6 and whether we need clause 5 have been at the heart of the most heated discussions that we have had on the Bill. As the hon. Member for Stroud (Mr. Drew) said, the danger of consensus is that we end up with mush and warm words. What I want to be protected is a real sense of narrative in the Bill. It is good news that the Minister has accepted clause 4 and that we will have clear reports on public spending at local level. However, something must flow from that; if nothing does, all we will do is raise expectations at a local level but fail to deliver any action. To provide a narrative and to meet the public's expectations of what the Bill can deliver, we need a mechanism to flow from clause 4.

10.15 am

After everything that the Minister said in Committee, we are disappointed that one of the amendments to the Bill will delete clause 5 without any replacement. I support the new clause tabled by the hon. Member for Ruislip-Northwood (Mr. Hurd), because we are arguing that there should be a narrative. The new clause is our suggested compromise. As I say, we do not want to jeopardise the Bill, but there must be mechanisms flowing from clause 4, and we still do not see them.

It may not be possible to resolve the problems today but, as the hon. Members for Ruislip-Northwood and for Stroud have said, we want to be sure that there is a way forward. If there is not, all that we will achieve is raised expectations. When the public see the public money that is being spent in their local area, they will push at an open door and say, "Hang on a minute. If x is being spent in this area and we don't agree with it, why don't we have a say on how it is spent?" I imagine that such pressure will be exerted, so I hope that the Minister will anticipate the problem and deal with it before it arises locally.

Mr. Woolas: Let me try to reassure the hon. Lady about what she has described as the narrative and about the consequential actions. I strongly agree with her point about raised expectations, but may I put another point into the pot? She says that she is scared of mushy compromise, and we are all scared of that. However, she is also a proponent of the view that what happens in Cornwall is different from what happens in, say, West Dorset. I do not want mushy compromise to take away the important point the Bill's promoter made: if one is a localist, one accepts differences.

Julia Goldsworthy: I absolutely agree with the Minister. We need to celebrate diversity. Business Link is a good example of that. My constituency, and Cornwall more widely, have more small businesses at micro level per head of population than anywhere else in the country. Business Link provides services across Devon and Cornwall, and even in that small area there will be a real need for a diversity of solutions to meet diverse problems.

The Minister is right. We need to celebrate diversity by finding a mechanism that allows diversity to be captured. At the moment, we have a snapshot of how central decisions have an impact on funding at local level, but no mechanism to give us a sense of what will flow from that and how local communities will be able to take real decisions. *Function follows power, and that* is followed by money. At the moment, that chain is broken.

Mr. Woolas: This is an important point. The power that will be unleashed by the local spending plans in what is now clause 4 and the ability of local areas to set the 35 targets that are expressed in the Local Government and Public Involvement in Health Bill will be different in different areas. There is support across the parties for putting those two things together, as that would create a powerful and, I expect, helpful tool.

Julia Goldsworthy: Again, the Minister is right. It is important that there is symmetry between this Bill and the Local Government and Public Involvement in Health Bill and that local area agreements offer a way of discussing such issues. We debated how to break the impasse in Committee. There is a danger that if agreement cannot be reached locally, progress cannot be made.

I hope that the Minister will be able to reassure us that he recognises the importance of something flowing from clause 4 for reasons of narrative and function. Although the Government have not put forward any options on that today, I hope that they are committed to ensuring that changes are made that will make sure that the important narrative of the Bill is not lost.

Mr. Letwin: I do not think that anyone in the Chamber intends to press new clause 6 to a Division. However, what we say about it will be important, as there will be further discussion in the other place. In addition, as the Bill proceeds through the other place, as I hope it will, there will be wider public discussion.

It is important that we tease out the difference of substance that my hon. Friend the Member for Ruislip-Northwood (Mr. Hurd) ably began to expose. Almost the only difference, although it is crucial, between new clause 6, which my hon. Friend tabled—it is supported by the hon. Member for Stroud (Mr. Drew) and, morally at least, by the hon. Member for Falmouth and Camborne (Julia Goldsworthy)—and new clause 1, which was tabled by the Minister, lies in new clause 6(4), especially paragraph (b). New clause 1 will allow, as would new clause 6(2), the function carried out by a public body through expenditure identified in the local report to be sought by the local authority. So far so good. The problem is that new clause 1 does not make it clear both that the money follows the function and, critically, that in the use of the money that follows the function, the local authority to which the function has been transferred should have the ability to achieve the objectives of that function via a different method from that determined for the public or central authority whose functions have been transferred to the local authority.

If that sounds like a complicated sentence, let me try to crystallise the argument in a simple example that the Minister and I constructively discussed in Committee. I said:

"a local authority might feel in a particular case that the general objective of promoting more sustainable small and growing business"—

the very example cited by the hon. Member for Falmouth and Camborne—

"would be better achieved by providing people with something completely different".

such as something completely different from what Business Link, acting on behalf of the Government, was proposing as the means of supporting local business. I went on to say:

"We want a position whereby if the business link group does not feel that the local authority is proposing the right kind of thing, then so long as the area is not defined as primarily nationally significant the local authority will have the presumption of getting the Secretary of State's approval to take over the spending."

My remarks on such matters are neither here nor there because the Minister has the power and it is what he says that matters. He said:

"I agree and would go slightly further. The best way of promoting small business in an area might be to provide a youth club for 19-year-olds... As the hon. Member for Ruislip-Northwood said, the point is the outcome...If the best way of creating small businesses is to build a youth club so that there is access to young people, which is what I want to achieve, that is desirable."

I said:

"I do not know whether this is a parliamentary term...but my response to that is 'bingo!'"—[*Official Report, Sustainable Communities Public Bill Committee*, 23 May 2007; c. 148.]

That was my response because it seemed then that the Minister accepted that we were not just talking about a power grab, whereby a local authority took over a function and carried on business as usual, albeit in its hands, but that we were actually talking about whether a local authority could decide not to spend the money the way that Business Link spent it, or the way that Business Link's remit determined that it should be spent—to put it in the terms used by my hon. Friend the Member for Ruislip-Northwood—but to spend in another way, which the local authority thought was the best way to promote local business, given the agenda of promoting local sustainable communities.

The crucial difference between new clauses 1 and 6 is that new clause 6(4)(b) precisely spells out that

"any local authority to which the functions are transferred may determine the policies to deliver the objectives of the function, having regard to the authority's own community strategy."

If the Minister is going to tell us that we do not need to spell that out because the transfer of functions allowed by new clause 6(2) or new clause 1(3) will automatically and implicitly not only allow a local authority to determine the policies to deliver the objectives of the function, but give the local authority the money to carry out the function, thus fulfilling the purpose of new clause 6(4)(a), it seems to me there will be ample room to achieve agreement in the other place on drafting that will leave that in no doubt. We do not need to do that today—we can do it later. If the Minister agrees that there will be a shift of not only the function, but the money, and that the local authority will be able to decide how that money should be spent, we can achieve agreement on the drafting anon. If, on the contrary, the Minister actually believes that new clause 1(3) and new clause 6(2) do not automatically imply that—I do not think that they do—we have a point of enormous substance between us, which we shall have to continue to discuss over the summer. If that is the case, I hope that the Minister, or his successor, will eventually change his or her mind, because otherwise the Bill's main purpose cannot be fulfilled.

If a transfer of function merely allows a local authority to be and to do exactly the same thing as the central authority was being and doing, nothing will be achieved. That will not get us to where we need to be. Given that that is the main point of the Bill, we will have to keep discussing the matter until it is crystallised in another place. The Government will have to decide whether they are for or against the aims of the Bill. What we must not have is a fudge where it looks like we have the Bill, but in fact we have a Bill that does not do the job that it is meant to do. That is why the Minister's comments about new clause 6 will be important.

Lynda Waltho (Stourbridge) (Lab): I understand what the right hon. Gentleman is saying about a body such as Business Link, but perhaps he or other members of the Public Bill Committee will be able to help me with something with which I am struggling. If the community in Stourbridge decided that the local Jobcentre Plus was not fulfilling its function, what safeguards would there be to prevent the local council from charging an employment agency to take over that function? I am worried about the consequences of dismantling of the important mechanisms of state that are in place for the most vulnerable.

Mr. Letwin: The hon. Lady asks a serious and pertinent question that has been at the centre of much of our discussion as the Bill has progressed. She can be reassured—this is not a bone of contention between the Government and the rest of us—by the fact that under any version of the Bill, a local authority will be able to propose that it should spend money differently, but will not have the right to determine that it should do so. The Secretary of State of the Government of the day will be able to consider the proposal. If that Secretary of State thinks that the proposal is zany and that local people should not be able to elect a government that would do such a thing, he or she will be able to say no and that will be the end of the matter. The hon. Lady can relax, because there is no potential for monkeys to distribute peanuts instead of jobs.

10.30 am

However, let us say that we are talking not about a lunatic proposing nonsense, but about a genuine disagreement of view between the centre, whoever is in government, and local government, no matter what its political composition may be, about how an objective is best met. Let us take the example of employment that hon. Lady mentioned. In our version of the Bill, the local view would generally prevail. However, the Secretary of State could still battle it out and say no, if they were really determined to do so.

Let me give the hon. Lady an example of where such a process would be useful, not dangerous. In Kent, because of the local area agreement, one of the most productive things that have happened is in the field of employment. Through agreement in the local area agreement framework, the county council has taken the lead in changing some of the ways in which are people got into jobs, so that people have more sustainable jobs

for longer, which has saved the Department for Work and Pensions and the Treasury benefit and tax credit expenditure. Under the local area agreement, that can be recycled into yet more efforts to help more people into sustainable jobs. That is clearly a virtuous circle on which she and I would agree.

Mr. Woolas: I am grateful for the right hon. Gentleman's comments; they are very helpful. It may reassure my hon. Friend the Member for Stourbridge (Lynda Waltho) to know that, in the Kent example, when the target is met—we can have a debate about how many targets there should be another time—there is a reward, financed through the local area agreement, to give an incentive for achieving outcomes in the jobs market.

Mr. Letwin: That is absolutely right, and it is one of the reasons why that virtuous circle was set in motion in Kent. That is a point of agreement between us. However, as the Minister would accept and as I certainly accept, the consequence of that is that there will be times and places in which the Government of the day, whoever they may be, think that the obvious way to achieve an objective is x, and the people who have been elected locally and are answerable to the local electors think that the way to achieve it is y. We are asking the Government to take the risk, although they will be able to veto the decision if they must, of leaving local people, generally speaking, to make that decision for themselves. The system will not always be perfect and it will not always produce perfect results. It will be a political risk for the locals who take that step and a risk for Government, as they will be letting go of some of their powers, but the point of the Bill is precisely to achieve that.

If the hon. Member for Stourbridge is asking whether there are safeguards, the answer is yes. If she is asking whether those safeguards will always ensure that the policy machine of the Government of the day determines the outcome, the answer is no. The effect would be that, very often, locals would get a say in how the system was operated, although the Government of the day might or might not thoroughly approve of that.

Lynda Waltho: Following that, what happens if the system goes wrong? That is my concern. Whose fault would it be, who would shoulder the blame, and where would we go from there?

Mr. Letwin: It is interesting that, although we are having a debate that is deeply relevant to new clause 6—I am grateful to you, Mr. Deputy Speaker, for letting us have it—it also relates to the centrepiece of the Bill, because the question that the hon. Lady asked is the main question raised by the Bill. What happens if things go wrong? The responsibility would be with the local authority that had caused things to go wrong and it would answer to its electorate. If she is saying, "Oh dear. The Government may allow some public money to be given, via tax, to the local authority, which may spend it in ways that fail and it may then be accountable to its population. Oh dear, dear," I would say the following to her. First—I do not say this in a partisan spirit—things frequently go wrong for Governments of all hues. I will not trouble her with the many things that have gone wrong in the past 10 years, and I hope that she will not trouble me with the things that went wrong in the years before that. Governments of all hues get things wrong, as do local authorities. Actually, Governments get things wrong on a bigger scale than local authorities, because Governments cover more ground and have more money, so when things go wrong for Governments, they very often go wrong more comprehensively.

Secondly, a local authority that goes wrong is pretty directly answerable to its people, in the sense that they can see what it has done locally. Thirdly—and this is the guts of the whole theory and culture of the Bill—until and unless we are willing to say that local people should be able to make their own mistakes, and should be answerable to their local electors when they make those mistakes, we will not ensure that our population is seriously engaged in local democracy and local participation. It is because of the hon. Lady's fears that Governments of various persuasions have for many years fought shy of giving local people real control. As a result, local democracy has become less and less effective and participatory. The Bill seeks to change that, and that is actually in tune with the Government's general objectives. That is the effect that the Minister is trying to achieve, as he has frequently said in debates on his other Bills. We are saying that the single most important thing that we can do is to achieve that effect by giving locals real power of the purse, and that is what the provisions seek to do.

My last point is that I hope that the Minister will at least make it clear which side of the line he is on. Is he saying that we have misunderstood, and that his new clause 1(3) does the work of the whole of our new clause 6, including subsection (4), in which case we are simply talking about a drafting issue, which we can resolve in another place, or is he saying that our new clause 6(4) is not acceptable to him, because it does more than new clause 1(3)? In that case, we have a point of substance to resolve in another place. It would be really helpful to know which of those situations we will be dealing with in the coming months.

Philip Davies: First, may I formally congratulate my hon. Friend the Member for Ruislip-Northwood (Mr. Hurd) on introducing a Bill that gives more power to local people—something that I believe is immensely important? Like my right hon. Friend the Member for West Dorset (Mr. Letwin), I think that new clause 6 goes to the heart of what my hon. Friend the Member for Ruislip-Northwood is seeking to achieve.

I support my hon. Friend's Bill and his new clause, but I would like to explore in a bit more detail some of the contradictions in the Bill, because as the hon. Member for Stroud (Mr. Drew) has said, it is a compromise, and there has been an attempt to ensure consensus. I am not quite as big a fan of consensus as the hon. Gentleman is. Someone—I am struggling to remember who it was—once said, "My father taught me the value of consensus; there is no value in consensus", and I endorse that quotation wholeheartedly. Most of the biggest disasters in political life have been brought about through all-party consensus, so, unlike the hon. Gentleman, I am a bit more doubtful about its merits.

The difficulty with the new clause—and with the Bill, to a certain extent—is how much power it gives to local people and local authorities. I support the

determination of the leader of my party, my right hon. Friend the Member for Witney (Mr. Cameron), to ensure more localism. I endorse that aim. The one problem with the new clause and the Bill is that we are still investing an awful lot of power in the Secretary of State. I agree with my right hon. Friend the Member for West Dorset that true localism is about giving real power to local people, and perhaps even allowing them to make their own mistakes from time to time, but within a democratic framework, so that if people do not like what the local authority is doing, they can vote it out at the local elections. If people had some real power, there might be higher turnouts at those elections.

Julia Goldsworthy: The problem is that many of the powers that we want to devolve are held by a Minister or the Secretary of State. We cannot simply take those powers off them by revolution; there must be some degree of consent. That is why there is a need to co-operate with the Department—unless the hon. Gentleman is proposing revolution, of course.

Philip Davies: The hon. Lady may have noticed that I am a Conservative and I do not believe in revolution. My hon. Friend the Member for Aldershot (Mr. Howarth) once said that if it is not necessary to change, it is necessary not to change. That is a sentiment that I tend to endorse.

I accept the point that the hon. Lady makes. The tension in the Bill is that we all want to see local authorities and local people being given a greater say in what goes on locally. That tension is partly illustrated by the points made by the hon. Member for Stourbridge (Lynda Waltho) when she asked about the safeguards if much more power were invested in local authorities. I would not like to see the new clause or the Bill being used by some overbearing local authorities to start empire building and adding to their role.

I would like to see power devolved from national Government to local government, from local authorities to parish councils, and perhaps also from local authorities to the voluntary sector and the charitable sector. I want to see power going one way—down, with no scope for power to go up. That is the thrust of what my hon. Friend the Member for Ruislip-Northwood is trying to achieve in the Bill and why I welcome it so much. I would not like to see—the point that the hon. Member for Stourbridge was making—councils empire-building and taking on additional functions that could be done better at an even more local level. That was a fair point.

Anne Main (St. Albans) (Con): My hon. Friend is pointing out some of the merits of the Bill and perhaps some of the drawbacks. One of its huge merits is that the Bill has opened up a debate on what is sustainable. Part of the problem is that local authorities have had "sustainable" stuck in front of many of the policies delivered to them, have been expected to implement them and have had very little say over how sustainability works locally. I welcome the Bill because it allows local people to have an input into what is going on in their area, instead of being told prescriptively how they must do things.

Philip Davies: I agree. As usual, my hon. Friend is right about that. We would all like local people to have a greater say in what happens in their community.

One of the topics that I wish to explore through new clause 6 is the potential for local authorities to free themselves of some powers and hand them down to parish councils. I have a number of parish councils in my constituency. I should declare an interest. My wife, Debbie, was recently elected to Baildon parish council when it was newly formed earlier this year. I would not want anyone to think that I was trying to empire-build for my wife. She has enough power at home, without building on her powers in the local community.

There is great value in local authorities giving up some powers and handing them down to parish councils, which are the bodies most closely linked to the local community. Their members have a vested interest in the sustainability of their local village and their local community, and are usually best placed to know what should be done to further that. I hope my hon. Friend, the promoter of the Bill, will confirm that he would like to see the new clause being used to help parish councils gain more powers from the local authority.

Mr. Hurd: My hon. Friend may take some comfort for the thesis of his speech. Clause 3(3) puts in place a mechanism to ensure that the voice of parish councils is heard in the formulation of recommendations by local authorities to the Secretary of State for input into a national action plan for sustainable communities. The thrust of the Bill is that in formulating a response to community breakdown and promoting the development of more sustainable communities, the strategy to counter social problems must be driven from the bottom up. Specific mechanics are in place to ensure that that can start with parish councils.

Philip Davies: I thank my hon. Friend for that helpful and reassuring intervention.

New clause 6 and the Bill as a whole can help with the worrying lack of involvement locally. Not only turnout for local elections, but the number of people putting their names forward for election to parish councils, for example, have gone down. The Minister will recall that we had a lengthy discussion about the role of the Standards Board in that. If we can give parish councils more decision-making powers over what happens in their village and their local community, more people would want to get involved in parish councils and to join in events in the local community.

10.45 am

Mr. Greg Knight: Is not the problem something for which we cannot legislate in the Bill—that councillors on district and county councils are often unwilling to see powers go from the authority on which they serve to the parish council, when they should be standing up to their officers and arguing for the power or function to be devolved?

Philip Davies: My right hon. Friend goes to the heart of the issue. He is right. Local authorities often wish to empire-build, as we saw in the debate on district councils and unitary authorities. Often, the bigger

[Philip Davies]

council wants a unitary authority because it would have more power, and it has difficulty handing powers down.

My next point concerns the role of the Secretary of State. It is always Opposition parties that want Governments to give up power, but when those parties get into government, they often forget that and think it essential that they hold on to those powers because they will use them better than the previous Government. The Bill invests an awful lot of power in the Secretary of State, and contains no guarantee that local authorities will get more power from the Government or that local people will have more say. To a certain extent, it is at the whim of the Secretary of State whether that is allowed to happen. I have great respect for the Minister, and I believe I speak for the whole House when I say that. I have no doubt that he would be prepared to give more powers to local people, but we are still at the whim of any—

Mr. Letwin: I hope my hon. Friend will accept that it is not quite a question of whim. A Secretary of State who is faced with the situation in which local people can see how the money is being spent, and who then resists local plans to spend it better, faces a certain political penalty in the area if he or she rejects the local plan or local proposals. I hope my hon. Friend will recognise, therefore, that there is a mechanic in the Bill that is politically and practically quite powerful.

Philip Davies: My right hon. Friend makes a fair point. I very much hope that that is the way the Bill will work, but there is still a tension. We need a Secretary of State who genuinely believes that local people know best about what happens locally. I flag that up, although I accept the point that my right hon. Friend makes.

My final point relates to the character of the Bill. I was slightly concerned by what all the previous speakers have said. My hon. Friend the Member for Ruislip-Northwood said that new clause 6 was a compromise and was not as radical as clause 5. The hon. Member for Stroud said that it was a compromise on a compromise, and the hon. Member for Falmouth and Camborne touched on the matter as well. There seemed to be a feeling that the Government were trying to water down—that was the phrase that my hon. Friend used—the effect of the Bill.

That surprised me, as my understanding in Committee was that the Minister gave assurances on a number of occasions that the Government support the Bill, despite voting against it on Second Reading, and would not attempt to water it down. Will the Minister tell us whether his opposition to new clause 6 or the Government amendments are an attempt, even a minor one, to water down the Bill? Many people in my local community and many hon. Members would be worried if that was the Government's intention. Many representations have been made to me locally about how important the Bill is. Much of the correspondence that I receive relates to things that are important to the local community rather than international or national events. I hope that the Minister will not attempt to water down the Bill, which is important for the future of local government and the maintenance of participation in local government and on parish councils. It is important to make sure that everybody in our local communities feels that they are part of what is being decided in their local areas.

Mr. Greg Knight: With new clause 6, we are also debating Government amendment No. 22. Can my hon. Friend think of any reason why the Government would want to delay implementation for 18 months?

Philip Davies: My right hon. Friend is as eagle-eyed as ever. His contributions are always valuable, because he notices things that other hon. Members miss. The honest answer is that I do not know the Government's motivation in tabling that amendment. I have no doubt that the Minister will seek to tell the House exactly why amendments Nos. 22 to 25 are so important. I hope that he will reassure the House that their purpose is not to water down or delay the Bill.

Like my right hon. Friend the Member for West Dorset, I think that new clause 6 goes to the heart of the debate. It is essential for local democracy, local participation in democracy and people's faith in the political system that we respond to what people want locally, and I therefore support new clause 6. If the Minister is not prepared to support new clause 6, I hope that he will think again and reflect on how important it is to our local communities.

Anne Main: I support the Bill because local people feel impotent and frustrated. Most of us accept that impotence is frustrating, but it concentrates the mind wonderfully at a local level—I look to hon. Members to support that statement.

Local people say, "What is the point in voting when we have so little say over changes in our community?" They feel that so much has been directed at them on high, and if we can repatriate that feeling of control over the shaping of local communities, they would be a lot happier because they would be much more engaged. People who are involved in local communities, charities and directing good works turn up regularly to events, but they have so little say. If people turn up and present their view, they feel that it is ignored. That situation cannot continue, which is why I welcome the Bill. New clause 6 would provide some clout at a local level.

People are heartily sick of being dumped on. In my community, we have problems with road noise. People were promised whisper-quiet tarmac, but four or five years down the line, the promise was dumped and nobody heard anything more about it. If the local council had been able to say, "Here is the money. It will be used for that," repatriating control to a local level would possibly have meant that my constituents in Bricket Wood would not be complaining like mad about the state of the roads and road noise.

We should consider environmental sustainability and not just tack it on as a word in front of everything that we do. I want to give the Minister an example of the frustration that local people feel. People feel that they have no control over planning at a local level, because alterations to planning law mean that what the Government say must be implemented. I am sure that this example is not an isolated incident and that similar events have occurred in other constituencies. Only three weeks ago, planning permission was granted for a

block of 12 flats with one parking space, which is simply for disabled parking, so that block of flats has no parking spaces. That supposedly makes the block sustainable within planning policy statement 6, which states that parking does not have to be provided in a sustainable location. Local people had their say, but they could not effect a change. If they had been given the control to put in extra transport or extra facilities, they might have accepted that the block was sustainable, but they feel that they have been given more clutter on local roads.

The situation cannot continue. I am very concerned about environmental sustainability. I participated in an Adjournment debate on housing totals for Hertfordshire—the Minister was not present—where I pointed out that sustainable communities should be environmentally sustainable. Local people feel that they have much to contribute and that they have been ignored. The Government have not conducted any environmental capacity studies on the Hertfordshire housing totals that have been imposed on us. Anecdotally, local people feel that they can tell the Government much about the state of the M25 and the roads around our area. They can tell the Government what we need to deliver those housing totals, should we have to deliver them. It is worrying that we are given those things to deliver but have little say about how we will deliver them and the impact on our communities. If the Bill means that we will have some say, some control and a way of shaping our community and not just delivering what the Government want us to deliver, then it will be all to the good.

Like many hon. Members, I have some concerns about whether there will be failures under the Bill. However, it is the nature of our belief, as Conservatives, that it is no good saying to people, "Yes, you can have choice. Yes, you can shape your place. Yes, you can determine your community. However, if we think that you are doing it wrongly, we will quickly whip those powers off you and tell you what is best." Many of my hon. Friends and I do not subscribe to the nanny state, and I know from my postbag that many of the public do not, too.

People do not have a political motive when they write to me and say, "We are sick of being dumped on. We are sick of being told what we have to do." The fallout is that people do not vote and do not attend council meetings. I have been a parish councillor and a district councillor. I remember packed parish meetings, where people debated small things happening in a village. Those people cared about that place and had a sense of place and community that meant that they genuinely cared. Such people would not spend money irresponsibly, and if a parish council or district council were to do that, the council would, as other hon. Members have said, be booted out. The best way to establish accountability and to relieve impotence and frustration is for people to go up to their local councillor and say, "This is what I value in my community."

Lynda Waltho: I accept what the hon. Lady has said about parish issues and constituency issues. On employment, however, Government targets and Government policy have meant the virtual eradication of long-term youth unemployment in Stourbridge. The targets in the Jobcentre Plus and new deal policies made that happen in my constituency. I am worried that such Government mechanisms, which are fed by Government policy, would be dismantled, in which case Stourbridge might become an unemployment blackspot.

Anne Main: I accept the hon. Lady's concern, but I have a higher opinion of my local area. We have very low unemployment in St. Albans, but it would be foolish maliciously to break up something that works for the good of the community. Surely this is about our taking the best practices from other areas, examining them and implementing them in our own areas. We should value what we have got that is good, but we should not be told how to do things, which is what we want to move away from.

Lynda Waltho: I am not suggesting that such action would be malicious. I am just going on my constituents' experience of Dudley council. The thought of Dudley council being in charge of anything to do with employment would fill my constituents with horror.

Anne Main: The hon. Lady obviously knows her council better than mine. My council is not Conservative run, and I am talking about councils generally. I believe that most councils, of whatever political hue, genuinely want what is best for their local area. I am not being at all political about this; I have no wish to know about the politics of the hon. Lady's local council.

11 am

I accept that there are some bad councils—we have all experienced them—and some duff councillors. I hate to say it, but we all have duff councillors on our councils, and that is because they have so little power. What would encourage anyone to work in a local council as a councillor—

Mr. Greg Knight: On a point of order, Mr. Deputy Speaker. I am sorry to interrupt my hon. Friend. According to the press today, the National Audit Office is saying that hundreds of thousands of homes and businesses are at risk of flooding due to the fact that the Environment Agency has failed to maintain proper flood defences. At the same time, the Met Office is saying that parts of Yorkshire and the midlands could be at the risk of flooding this very weekend. Have you, Mr. Deputy Speaker, received notice from the Environment Secretary that he intends to come here today to make a statement on this very important matter? Should not he come to the Dispatch Box to tell us what he is going to do about the incompetence of the Environment Agency and what action he is going to take to prevent many hundreds of thousands of people from facing the misery of having their homes flooded?

Mr. Deputy Speaker: I have no knowledge of the matters that the right hon. Gentleman raises, certainly not the most immediate news that he has given to the House. The points that he has made are on the record.

[Mr. Deputy Speaker]

They are not a matter for the Chair, but no doubt those on the Treasury Bench will have heard them and will convey them to the appropriate quarter.

Anne Main: We all have councillors of various abilities on our councils. As my hon. Friend the Member for Shipley said, we struggle in some areas to get people to stand as councillors. Many people ask us what is the point of being a councillor when they have so little control over what happens in their local area. The Bill would mean that people with business acumen and all sorts of strengths would start to be more engaged in their local council because they could start really to shape the community in which they live. That would be a good consequence.

Philip Davies: I entirely endorse what my hon. Friend says. Would she go slightly further and say that the other benefit of the new clause and the Bill would be to increase accountability? When my constituents have a complaint that I take up with the local authority, it often says that there is nothing that it can do about the matter because it is prescribed by the Government. When I then write to Ministers, they say that it is nothing to do with them and for the local authority to determine. We often find that there is no local accountability whatsoever. If the powers were clearly handed to a particular local authority or function, there would be increased accountability as well as increased participation.

Anne Main: My hon. Friend makes a valuable point. Councils often recite the argument that they are officer led, not member led. The officers recommend that they should do something, and so, sheep-like, they all go ahead and do it. We hear that particularly often in relation to planning. That is frustrating. We should have member-led councils elected by, responsive to, and directly accountable to the people whom they serve.

Mr. Richard Benyon (Newbury) (Con): Does my hon. Friend agree that one of the recent innovations that has been to the advantage of local accountability has been the formation of parish and town plans? That has allowed a wider group of people to get involved in deciding what is wrong in local communities, not just the usual suspects who get involved in parish politics, such as the wife of my hon. Friend the Member for Shipley in a "Vicar of Dibley"-like scenario. *[Interruption.]* I was not disparaging my hon. Friend's wife at all, but suggesting that sometimes the framework of parish councils means that more people need to get to grips with what are the problems in the community and finding solutions to them.

Anne Main *rose—*

Mr. Deputy Speaker: Order. The hon. Lady may of course respond to that intervention in her own way, but I am anxious that we should not develop this argument too far; we are after all discussing new clause 6.

Anne Main: I shall be brief, Mr. Deputy Speaker.

As somebody who has been involved in two parish plans, I suppose that I must be "Vicar of Dibley" mark 2. My hon. Friend makes a valuable point. When I was involved in parish plans, we asked local people questions and tried to formulate a draw-down mechanism to ensure that funding went to what they wanted. In the case of the Colney Heath parish plan, we knew that there was a dearth of play equipment because we had talked to local people and that is how they wanted the funding to be spent. New clause 6 is a bigger version of that. It would ensure that people were asked what they wanted and prioritise funding to go to those particular projects. Bringing back that deal of control and giving people a say and an input would be all to the good and has my full support.

Mr. Hollobone: I support new clause 6. I should like to draw to the Minister's attention a possible early application of the Bill were it to pass into law. In the borough of Kettering, we have a particular problem with parking in the town centre. For many years, that has been the responsibility of the local police. The local police do many wonderful things in catching criminals and bringing them to justice, but it is fair to say that they have not had a terribly strong record on parking enforcement. Indeed, if I tell the Minister that Kettering currently enjoys the services of just one traffic warden who is now largely funded by Kettering borough council, as opposed to the police, perhaps he will realise the extent of our problem. This extends to the whole issue of the decriminalisation of on-street parking enforcement.

For years, throughout the country, local police forces have been given the responsibility for enforcing on-street car parking. They have not been doing it properly, and local councils have taken up powers to undertake those procedures themselves. However, I am not aware that in Northamptonshire the moneys that the local police were meant to be spending on parking enforcement have in any sense been transferred to the local authorities that have taken on those responsibilities. In Northamptonshire, the county council has now taken responsibility for on-street parking enforcement for most of the district areas in the county—but not, I am happy to say, in Kettering. I serve as a borough councillor in Kettering, and we are going to try to hold our ground. In our view, on-street parking enforcement would best be done by the borough council, which is fully aware of the needs of local people, local sensitivities and the particular issues that arise. Northamptonshire county council has many good qualities, but I am afraid that being aware of the particular local sensitivities of people in Kettering with regard to traffic issues is not one of them.

Kettering borough council does have responsibility for off-street car parking and raises a considerable amount of local revenue from that. In our view, it would make sense to put on-street parking enforcement together with off-street parking enforcement and run an incredibly efficient town centre parking enforcement operation. That would be to the benefit of residents and shoppers in the town because it would help to create a new vibrancy in the town centre, which is plagued by many different parking difficulties. If the Bill becomes law, there could well be an early application from Kettering borough council, having consulted the local police and the county council, to take over on-street parking enforcement in Kettering borough. If that were the case, as the local MP I would want to draw that to the attention of the Secretary of State and urge him or her to approve that application.

At the moment, the mechanism whereby Kettering borough council can advance its cause is not clear to me. It is locked in a dispute with the county council that will be difficult to resolve, despite the fact that on many issues, at a local level, there is a lot of good will between the two local authorities. That is best evidenced by the recent discussions locally about the Government's intention to try to bounce the people of Northamptonshire into a unified local authority, which I am pleased to say local councillors at borough, district and county levels, after much debate and discussion, universally agreed to reject in favour of enhanced local co-operation at three levels of local government—the county council, the district and borough councils, and the parish councils.

I believe that the enhanced local government network initiative in Northamptonshire will be one of the leading lights in the country for the way in which local authorities deliver their services effectively to local people. A good example is the customer service centre at Kettering borough council in the middle of the town. A local resident who goes to the customer service centre is not immediately aware of which local authority runs that centre, which is a joint initiative between the county council, Kettering borough council and other local agencies. That well run centre aims to ensure that the local resident who turns up asking for a local service gets what he or she wants in the quickest possible time. There is no particular pride in ownership—all the local councils agree that that resident should be served as quickly and helpfully as possible.

I use the opportunity of the debate to flag up to the Minister for Local Government that I hope that he accepts the new clause and that the Bill becomes law. If the Bill does become law, I hope that an early application will come his way from Kettering borough council to try to resolve the local parking problems.

Mr. Woolas: I congratulate the sponsors of the Bill and especially the promoter. The hon. Member for Ruislip-Northwood (Mr. Hurd) again spoke eloquently about his Bill. He has shown great skill and gone out of his way to be consensual. I shall comment on the hon. Member for the independent republic of Shipley (Philip Davies) shortly. I thank the hon. Member for Falmouth and Camborne (Julia Goldsworthy) and my hon. Friends who served on the Committee.

The Committee was unusual for the hon. Members who served on it and for me as the Minister who responded on behalf of the Government. I sat on the Front Bench with my fantastically loyal Parliamentary Private Secretary, my hon. Friend the Member for West Ham (Lyn Brown), whom I also thank, and without a member of the Whips Office to look after me and keep me on the straight and narrow. I now welcome the presence of the Whips, who bring certainty and provide gentle reminders of when one is straying beyond Government policy.

The experience was also unusual for another reason. I appreciate that it is not normal to mention civil servants and I hope that you, Mr. Deputy Speaker, will not mind my paying tribute to them. It is difficult for Government officials, who worked extraordinarily hard for me, my team and the Committee, to work outside Government policy. When dealing with a private Member's Bill, one inevitably has to adapt policy to meet objectives sometimes by the hour during the course of deliberations. There has been no lack of willingness to help the Minister. Officials have gone through the proper procedures of Cabinet Government to get Government clearance and rightly abided by the advice of parliamentary counsel, which is independent. Ministers are obliged to act on the advice of parliamentary counsel. If that were not the case, we would politicise the law and make bad law.

I am now delighted to report to the House that I have Government clearance and parliamentary counsel advice to support the Bill. It is the Government's policy that it should reach the statute book. I give those assurances not only to hon. Members who served on the Committee, but to my hon. Friend the Member for Hendon (Mr. Dismore), who is not in his place, but who is promoting the next Bill that we will discuss. I wanted to stress to him that it is Government policy to support the measure that we are considering.

I ask hon. Members not to accept new clause 6 but to adopt new clauses 1 and 2 instead. I can give the right hon. Member for West Dorset (Mr. Letwin) the assurance that he needs and has requested. Our advice is that we can achieve the intention of new clause 6 on function, money and a proper process following the spending report and other matters better through new clauses 1 and 2 than through new clause 6. The problem is not, therefore, one of principle.

11.15 am

Mr. Roger Williams (Brecon and Radnorshire) (LD): I support the principles of new clause 6, but could the Minister comment on the applicability of the new clause—and, indeed, the whole Bill—to Wales? Although it states that it is an England and Wales measures, a Library research paper on the Committee stage states:

"The Bill is now intended to apply to English local authority areas only."

When did the change occurred? Hon. Members who served on the Committee were unaware of that change.

Mr. Woolas: Let me revert to that point later so that I can give precise guidance. *[Laughter.]* Hon. Members should not get over-confident. I am not dealing with that aspect of the Bill at the moment. There is a serious point that relates to the power-making orders under the new procedures for Wales, not to what is going on in Cardiff, in case the hon. Gentleman is worried. However, I shall shortly spell out the exact process that we wish to follow.

Let me comment on hon. Members' points before dealing with the substance of new clause 6. If you will give me leeway, Mr. Deputy Speaker, I should also like to mention the objective of new clauses 1 and 2 and amendment No. 25, which would delete clause 5, because, although I appreciate that we are debating new clause 6, there is a direct interrelationship between those amendments. I shall be as strict as I can.

Let me repeat my praise for the Bill's promoter. When I had been elected for as long as the hon. Member for Ruislip-Northwood, I did not have the knowledge, gumption or courage to pilot a Bill and engage in the way in which he has done. Indeed, I spent

[Mr. Woolas]

most of my first two years in this place trying to find my locker, which I had been allocated on the first day. Even now, I cannot remember where it is. However, I sincerely congratulate the hon. Gentleman and I believe that he has a distinguished career ahead.

I hope that my hon. Friends will not report me to the Whips Office, but I also wanted to praise the hon. Member for Shipley, who is a proper Tory and a proper Yorkshireman. I genuinely believed that he would say that the law should be different in Yorkshire. However, I then realised that he was probably more interested in Shipley than in those strange people in places such as—

Philip Davies: Lancashire.

Mr. Woolas: I was going to say Keighley, never mind as far away as Lancashire.

To put the record straight, the Government did not oppose Second Reading.

Philip Davies *indicated assent.*

Mr. Woolas: I am grateful for the hon. Gentleman's acknowledgment of that. I did not have the collective agreement that we enjoy now, but we did not oppose Second Reading.

The hon. Gentleman also made a point about parishes. I assure him that not only the Bill but the Local Government and Public Involvement in Health Bill and other measures give more power to parishes. Parishes will be given the right to pass byelaws. At the moment, the Secretary of State, acting on the advice of a Minister, passes byelaws for parishes. That is an example of a power that we do not want. I did not join the Labour party at 16 to determine whether the civic hall in Fleet in Hampshire should have a new front door, yet I have been asked to make that decision. It is wrong; we should devolve those powers.

Secondly, there is the power of well-being for parish councils. As the hon. Gentleman acknowledges, the size of parish councils can vary significantly. However, when they have the power of well-being, which principal local authorities have, it will significantly increase what they can do locally, because they will be given a statutory right to look after the well-being of their area and make proposals to improve matters. That turns upside down the legislative framework in which they operate. At the moment, they can do only what we tell them, but in future they will be able to do what the heck they want, as long as it is not against the law.

Mr. Knight: The Minister is rightly identifying the vital role that parish councils could play in the process. I understand that this country is unique in the European Union in having parish councils. Will the Minister confirm that the Government have not entered into discussions with any of our European partners to abolish parish councils?

Mr. Woolas: Yes. I am trying to think of which of my colleagues may have done so.

Tony Cunningham (Workington) (Lab): Don't go there.

Mr. Woolas: I hear my hon. Friend telling me not to go there. It must have been confusion between the word "commune" and "communist" that led me to speculate on which of my colleagues might have had those leanings earlier in their lives.

Over a number of years, Government policy has been to improve the powers of parishes, because quality parish council schemes, village plans and now the new measures are all important. Parishes—not just for rural and semi-rural areas, but wherever they are wanted—are part of our policy. I can give the right hon. Gentleman the assurance that he seeks. In fact, we have a lot to learn from France and its system of communes, but I suspect that the right hon. Gentleman would not want local council leaders to be appointed by the central Government.

The hon. Member for Shipley, as well as informing us about the parishes in his area, was fearful that, in asking the House not to adopt new clause 6, I would be attempting to water down the provisions. My central purpose this morning, however, is to convince the House by argument and by my policy proposals that, far from watering down the Bill, I am trying to strengthen it. The Bill has an important interrelationship with the Local Government and Public Involvement in Health Bill, and indeed will strengthen it. That is my evidence that, far from watering down the provisions, I am laying down some cement.

Mr. Hollobone: On that interesting point, did the Minister give any consideration to including the contents of this Bill within the Local Government and Public Involvement in Health Bill and then using Government time to advance the cause?

Mr. Woolas: Yes, but of course the success of the hon. Member for Ruislip-Northwood in gaining first place in the ballot was not known when the Queen's Speech was compiled. Throughout the process, however, my and the Government's objective has been to use the Bill in a positive and constructive way. Given the widespread support either for the Bill or for the idea behind it, I have wanted to use—use in the best sense, not abuse—the momentum to draw attention to some of our policies.

Clause 108, which is now clause 139, of the Local Government and Public Involvement in Health Bill is, in my view, one of the most important statutory measures for local government since the second world war. However, nobody other than me had even heard of it before the Local Works campaign put full-page adverts in the papers to draw attention to the significance of clause 108, so there has been a coming together. I must move on now.

The hon. Member for Shipley also talked about devolution, arguing that political parties argue for it in opposition, but keep power centrally when in government. To be fair, the Government have a reasonable record on devolving powers. This Bill does not apply to Scotland because we have devolved power to Scotland. Some of my colleagues may well think that in the light of recent changes there we should not have done so, but that is devolution—we have to trust the people. Our framework for local government has sometimes been criticised for being over-centralised,

but it has improved the position and we are now in a genuine period of devolution. That is not beginning with the legislation before the other place, as other measures have preceded it. We have devolved powers and, as I have said, I believe that English councils should be the next part of the country to which significant powers should be devolved.

On a lighter note, the hon. Member for Shipley said that he feared that my Secretary of State might act on a whim. Let me assure the hon. Gentleman that my right hon. Friend the Member for Bolton, West (Ruth Kelly) never acts on a whim. She has given me full support in respect of this Bill. Given the processes of decision making in government, it would not have been possible to have acted as quickly without it. The hon. Member for Ruislip-Northwood said that he thought that progress on his Bill had been very slow at times and apologised for it, but believe me, in comparison with Government decision making, this has been quick. As to the argument that progress requires a Secretary of State who is genuinely devolutionary, it is important to note that history often reveals different views on different Secretaries of State, but in any event, this Bill locks in the devolutionary powers, which is one of the reasons why we welcome it.

The hon. Member for St. Albans (Anne Main) was concerned about what many of us are concerned about in the modern world: the involvement of local people and the feelings of frustration over the absence of it. All the evidence is that giving more information, providing greater transparency and facilitating a greater degree of participation are positive developments, but whether or not the public then choose to use that is, in democratic politics, a matter for them. We politicians would like everyone to vote and everyone to turn out at meetings and be as interested in politics as we are, but I am really not sure whether I would like to live in a country where that happened. I want people to have the opportunity to take part; I do not want to compel them. I recognise, of course, the frustration that the hon. Lady described. A little later, I shall point out some of the contradictions in what she said, but may I assure her that I strongly believe that clause 139 of the Local Government and Public Involvement in Health Bill—which provides for a duty to inform, consult and involve people and organisations—will, along with this Bill, help to change the situation.

The hon. Member for Falmouth and Camborne (Julia Goldsworthy) rightly keeps reminding us about raised expectations. I am sure that the hon. Member for St. Albans would agree that part of the frustration she describes comes from the fact that if people attend a meeting and think that they have taken a decision that subsequently does not materialise—either because it was a false promise, because the power to do it was not available or for disingenuous reasons—they will not turn out to meetings again. We all have to try to change that.

Anne Main: On that very point about the frustration felt when a decision taken does not materialise, I am sure that the Minister will agree that part of the problem comes from the fact that the decision is often moved higher up into government through an appeals system. That is often where the decision is overturned, which is why local people have such a huge sense of frustration. If we could move the power lower down, that is where happiness would lie in my constituency.

Mr. Woolas: On the whole, I agree with the hon. Lady, but as a planning Minister I have to act within the law and within the independent advice that I am given from the planning authorities in order to be fair to everyone. I can give the hon. Lady some encouragement in that the changes made to the code of conduct take away some of the fetters on local councillors that prevent them from speaking about planning. The restriction of the activity of local councillors came about more through case law than through planning law. The code of conduct is addressing that point. Some of the issues dealt with in the planning White Paper will also help towards meeting the hon. Lady's point.

I cannot comment on the hon. Lady's particular example, but I am more than willing to look further into it for her. On the face of it, it seems that it could fall outside the planning guidance, but I should not give any commitments. However, she cannot say on the one hand that we all want an environmentally sustainable future and then say on the other that we want more car parks. We need a policy that recognises that difficulty—*[Interruption.]* I was going to ask for your help there, Mr. Deputy Speaker, but the hon. Lady has seen sense.

The issue of road noise and the need for tarmac was also raised. I presume that that is a county matter. It is also a matter of money, and the issue of who pays is relevant. We all know, as elected politicians, that the public want to have their cake and eat it. They want low taxes and improved services, and I understand that—

Justine Greening (Putney) (Con) *rose*—

11.30 am

Mr. Woolas: Oh, I have opened up a can of worms now.

Justine Greening: The Minister appears to suggest that spending more is the only way to improve services. Anyone who has spent any time in business will know that when things are run better they tend to cost less.

Mr. Woolas: I did not mean any slight by saying that I had opened up a can of worms. I have also invited an accountant into the debate. I agree with the hon. Lady. The Gershon policy of recycling money to the front line through efficiency savings proves her point again, if it needed it. If one does things more efficiently, one gets better value for money, achieving both objectives of improved public services and taxes that are as low as possible. A devolutionary policy, in which joining up is done locally—because it cannot be done perfectly from the centre—will give us better value for money.

I would add a third point, on which I am sure we will all agree, that better information and transparency will also lead to improvement in public services. The research evidence from the Audit Commission and elsewhere backs up that point.

[Mr. Woolas]

I do not wish to get into a philosophical debate, much less an accountancy one, but I was trying to make the point that sometimes, as an elected politician, one has to say that money does not grow on trees and that we cannot afford to do everything.

The hon. Member for Ruislip-Northwood and the right hon. Member for West Dorset have asked substantial questions about the Government's attitude towards new clause 6 and new clauses 1 and 2. It may be helpful to the House if I briefly deal with amendments Nos. 22, 23 and 24. The right hon. Member for East Yorkshire (Mr. Knight) asked why we wished to put in the 18 months' limit. My intention is to provide the reassurance that the Committee requested of a set timetable for implementation. That time limit is workable, and it gives the assurance to the Committee and now the House. The purpose of amendment No. 22 is to provide a timetable to ensure that arrangements for the production of local spending reports are made in a timely fashion.

Mr. Greg Knight: I am grateful to the Minister for that explanation. In the spirit of the speech that he is making, will he confirm that he will regard 18 months as the latest possible date, rather than the date that he intends to use? In other words, if he can do it more quickly, will he do so?

Mr. Woolas: That depends on what happens in 12 days' time—*[Laughter.]* Let us get the legislation through before then. The answer is yes, because we want the arrangements in place before then. That will also ensure that the relevant provisions of both Bills—this Bill and the Local Government and Public Involvement in Health Bill, if it meets the approval of the other place—include a sensible timetable for coming into force, so that we get the best of both worlds. That will also avoid confusion. Local authorities often make the point that different commencement dates cause confusion and can be self-defeating. By taking that date, I can introduce a package of measures from both Bills, and I am grateful for the support of the members of the Committee on that point. Amendments Nos. 23 and 24 are consequential on amendment No. 22.

I was also asked why provision for accountability to Parliament was not included in new clause 6. The accountability to Parliament and the measures that flow from that are included in new clause 3(3) and I hope that that is to the satisfaction of the members of the Committee. If Parliament is not informed, the accountability does not follow.

With your permission, Mr. Deputy Speaker, I wish to refer to new clauses 1, 2 and 3. The point has been made about what was described in Committee as the narrative. There must be something that flows from the local spending reports and the other measures. Unfortunately for me, my proposals come in the Bill before new clause 5, but my argument is that coherent legislation is more important than my ability to understand my speaking notes—as the right hon. Member for West Dorset teased me in Committee. I hope that I can convince the House that the narrative is fully in place.

The Government have proposed measures as a replacement for the existing clause 5, which itself replaced the original clause 5 that we debated on Second Reading. Oppositions often accuse Governments of giving the "not invented here" reason for opposing amendments. New clauses 1 and 2 were invented by the Committee, in that the policy and the sentiment were taken from the Committee, translated by me into instructions to parliamentary counsel and given back to me. Although those new clauses are in my name, I see them as the proposals from the Committee's deliberations. My reason for asking the House to agree those clauses rather than new clause 6 is not, I assure the right hon. Member for West Dorset, because I did not invent it.

New clauses 1, 2 and 3 will strengthen the core measures in the Bill by encouraging local people to make proposals that go to central Government, about what the Government can do to help them sustain their local community. They will codify and set out that process, so that in the same way that the Local Government and Public Involvement in Health Bill codifies the right of the citizen and the local councillor to have a process by which the council and its partners must respond, this Bill will provide the right of local people, through the local authority, to have a process by which the Government must respond. The role of the selector will assist that enormously. Tasking the Local Government Association with that role will add transparency and order to that process.

The provisions also require local authorities to consult representatives of local people, including under-represented groups, if they choose to make proposals. I have included that point in the Bill at the request of the Committee to provide reassurance that that is the case. The provisions also introduced what I have described as new consultation plus, which will require the local authority to try to reach agreement with the representatives. Concern was expressed in Committee that what is now clause 139—it was clause 108 of the Local Government and Public Involvement in Health Bill—was not strong enough, so we have tried to strengthen that.

The provisions also require the Government to appoint a body—in practice, the Local Government Association—to present them with a shortlist of proposals, also with the new consultation plus to require the Government to consult, co-operate and reach agreement with the LGA. That will provide accountability and transparency by requiring the Government to publish their responses to all proposals; to publish an action plan; to lay reports on progress annually before Parliament, which meets the point raised by the right hon. Member for East Yorkshire; and to enable local authorities, for the first time, to request a transfer of function from one body to another if they believe that it will better promote the sustainability of their local community. I will give the reassurances that were asked for regarding the transfer of functions and money, based on the advice and definitions that I have been given.

Mr. Letwin: Before the Minister does that, I hope that he is not under the illusion that new clause 3(3) has the effect that I think he was just describing. It does indeed mandate a report to Parliament, but only on the action plan, not on the transfer of functions and money.

Mr. Woolas: I am grateful to the right hon. Gentleman. He is right and that is an important point. Under my measures, the codification of the process that the Bill provides for has the advantage of allowing proposals to come forward that are based not simply on the local spending report—important though that is—but on other considerations, an example being a local organisation that is failing to meet the agreed objectives within its area.

I did not respond in detail to the hon. Member for Kettering (Mr. Hollobone), but he has given us a very good example of how that process could be used. One of my frustrations is that it is often forgotten that a police authority is of course itself a local authority under law, and is itself accountable to local councillors. Somewhere along the line, some local councillors have forgotten that point, although I am not suggesting that the hon. Gentleman's have. This is not Government policy—yet—but my personal view is that the link between police authorities and the executive leadership of councils needs to be strengthened, partly to meet those points. A very important benefit of the Bill is that if the hon. Gentleman's local police authority were aware, as it will be, that the local council had powers to make such proposals to change function, I suspect that it would come quickly to the table to discuss a way forward. That would be especially true if it was clear through the representations of the Member of Parliament, as it would be in this case, and of the local authority—in the traditional, perhaps informal manner—that the Secretary of State was minded to agree, which, on many such occasions, I imagine they would be. In other words, the very existence of this process, combined with the other measures, will bring better co-operation locally and act as an incentive. However, if the hon. Gentleman drops me a line, I shall certainly try to help him to sort out the parking in Kettering, for example. Of course, we did devolve these powers.

Mr. Letwin: I do not want there to be a lack of clarity on this issue. I hope that the Minister recognises that as far as we are concerned, the question of the report is very much unfinished business. The question whether the Secretary of State has to come to Parliament and list all the decisions on spending where he has said no is very material. It is material because doing so is what would embarrass a Secretary of State who had just given a blanket "no" to everything. Without that, there is no embarrassment factor and the force of new clause 6—or, as the Minister is now saying, new clause 1—would be diminished.

Mr. Woolas: The report to Parliament regarding the action plan is provided for. The right hon. Gentleman is raising a question about the report to Parliament on requests for transfer of functions. The answer to that question is yes, and there is the added benefit of parliamentary questions, of course. The right hon. Gentleman looks sceptical, but the embarrassment factor on any Government is a function of the strength of feeling at local level. The stronger the feeling at local level, the greater the embarrassment of the Secretary of State of the day in refusing such requests. There is no attempt in my proposals not to provide for accountability and reporting to Parliament, and I believe that I have covered the issue in my proposals on the reporting of the decision on functions. *[Interruption.]* The right hon. Gentleman is shaking his head. If he is not convinced, we perhaps need to debate this issue further, although I am concerned as to how we do that. The other place might want to look at the Bill and to make changes, and we would have to be very careful that such changes were desirable and that the Bill's further progress was not thereby inhibited. So let us be clear this morning about what we are achieving.

11.45 am

The processes covered by new clause 1 require the Secretary of State to invite local authorities to make proposals that they consider would contribute to promoting the sustainability of local communities. Such proposals could cover, among other things, policy change, changes to the law and changes to funding arrangements. They may also include a request for a transfer of functions from one person to another. If a local authority proposes to make such a request, it should of course consult, and under my proposals it must consult both the person whom the functions relate to and the person whom it considers the functions should be transferred to. Before making any proposal, a local authority must have regard to the matters specified in the schedule. The Secretary of State must issue the first invitation within a period of one year, beginning with the day on which the Bill, once enacted, is passed. That is the length of time that I believe would be required to put the structure into place.

Mr. Hollobone: On a point of clarification, subsections (2) and (3) of old clause 5, in the Bill as drafted when it left the Committee, said that principal councils may not make recommendations regarding services of a "wider or national significance". As I understand it, those subsections are now going and are not being included in any of the clauses that the Minister is introducing.

Mr. Woolas: I believe that that is correct, and that was certainly my intention. Of course, the problem is similar to the one that we found when we examined how one in practice produces a local spending report. Many financial decisions are local, regional and national, and a similar point applies to the functions, policies and proposals under discussion. I do not imagine that through this process, Kettering council will often be writing to the Secretary of State about foreign policy and other such issues. However, I have to tell the hon. Gentleman that we get lots of such proposals from councils—of all political persuasions. In fact, those on foreign policy normally come from my own party.

Mr. Hollobone: I do not anticipate Kettering borough council making any representations about foreign policy. However, if what the Minister said is accurate, there could be a representation from, say, Northamptonshire county council, which looks after local roads, regarding taking over responsibility for a road that comes under the remit of the Highways Agency. Such a move might help local development proposals. My understanding is that the Bill as now drafted would allow for that.

Mr. Woolas: That is absolutely right. It is both my policy intention and, I am told, the practical impact of the measure, and that is desirable, especially when combined with the powers to co-operate in the Local Government and Public Involvement in Health Bill, although I do not want to over-egg those, because they are duties to co-operate in setting goals. The processes to achieve such functions, in so far as they exist at the moment, are cumbersome, bureaucratic, opaque and the stuff of late-night red boxes full of immense detail. They benefit neither the Government nor the local area. The right hon. Member for East Yorkshire is not in the Chamber, but I could wax lyrical about the Bridlington harbour board, where the development of Bridlington was delayed because there was no set process. The hon. Member for Kettering gives us a good example of what can happen.

Let me make the position on Wales clear. We all have the idea that we should empower Wales to apply the Bill's measures if it wants to. To that extent, the Bill covers Wales. However, as a result of an amendment tabled by the hon. Member for Ruislip-Northwood, the Bill was changed in Committee on 23 May. The Government of Wales Act 2006 and the local government Bill give power to the Assembly to legislate in many local government matters. I am advised that the Assembly could enact a version of this Bill, and I will need to discuss that with my colleagues in the Welsh Government. In essence, the Bill does not impose itself on Wales, but measures taken in the 2006 Act and the local government Bill, should Parliament adopt it, will allow the measures in this Bill to be taken up in Wales. That is an important matter for my hon. Friend the Member for Llanelli (Nia Griffith) and others. It is one of those devolved matters on which we have to decide whether we should tell the Assembly how, to act. The same problem arises with the interaction of the proposed local panels.

Mr. Roger Williams: I thank the Minister for that explanation. Some funding of functions, such as the police service, is based in Westminster, but some of the problems could be addressed by moving funding from the police service to other authorities. We need to consider the situation in great detail. It is not relevant to Wales-only legislation alone, but England and Wales legislation as well.

Mr. Woolas: The hon. Gentleman makes an accurate point on police funding. Policies on police funding, in particular the precept, where some powers rest in Cardiff and some in London, require the Welsh Assembly Government and the UK Government to get their act together, which we successfully did eventually for police funding for this current financial year.

On the core of the difficulties raised by the right hon. Member for West Dorset and the hon. Member for Ruislip-Northwood, the latter places great importance on including a specific provision to enable local authorities to request the transfer of function from one body to another. That is his first issue. I have made that provision in subsections (2) and (3) of new clause 1. Following on from that, he has three concerns. One is that replacing clause 5 with my provisions rather than his will disrupt the narrative—the understanding—of the Bill. As I said, I have some sympathy for that, but it is the integrity of the legislation and its consistency that concern me. That will be important in the other place. We must be able to show that the Bill is consistent.

Should new clause 1 be adopted, I would be more than happy to work with the hon. Member for Ruislip-Northwood—indeed, I would welcome it—to develop a broader narrative, in the wider sense of the word, to explain the Bill to local authorities and the wider public in documents or other material in plain English. This is a useful opportunity for me to make a point about plain English, although I know that he is not criticising us in that regard. The right hon. Member for Berwick-upon-Tweed (Mr. Beith) said that part of the problem with engaging the public is the language that we and public institutions use. Anybody who attended the Adjournment debate last night on the north-east regional spatial strategy would have needed a masters degree in public administration to keep up with it. It was difficult enough just reading out my speech. The subject of the debate of my hon. Friend the Member for Bishop Auckland (Helen Goodman) is hugely important to the north-east, but the language used was impenetrable. I take my share of the responsibility for that. We want to explain the Bill in plain English, so that the public understand it and do not have false expectations.

I shall now turn to a more substantive objection. New clause 6 allows local authorities, having considered information in a local spending report, to

"make a recommendation to the Secretary of State for a transfer of functions from one person to another."

It goes on to say that

"the Secretary of State must either adopt and implement...or reject the recommendation"

within six months, and that if functions are transferred

"the moneys for the discharge of those functions shall also be transferred"

and

"any local authority to which the functions are transferred may determine the policies to deliver the objectives of the function".

The difficulty with that is that, in effect, local authorities would decide how any public money in their area should be spent and how any public functions should be delivered. If they could not convince their local partners to agree, they would call in the Secretary of State to arbitrate—and, they would hope, to take their funding and functions off them. That is not only impractical, but undesirable for the following reason. It would require the Secretary of State to step into any number of local disputes between local partners. The Secretary of State's remedy would be to compel the transfer of one body's functions and funding to a local authority. In that respect, the measure would strengthen the hand of the Secretary of State to determine what happens locally. Therefore, it would create further centralisation, not devolution.

There is also concern that the Government's drafting and process for achieving the transfer of functions does not include funding. That is simply a drafting point. The function includes the finance; we are very clear about that. If a proposal were made about transfer of a function, it is extremely likely—and would, therefore, most often be the case—that it would cover a proposal about moving funding. A proposal covering transfer of

function and movement of funding would clearly, therefore, fall within new clause 1. That is not only my view; it is also the view of the lawyers.

Mr. Letwin: I am grateful to the Minister for that. What he has said will be important in the context of Pepper v. Hart and so forth. Will he confirm that what he meant to say in his last remarks is that if a local authority applies for a transfer of functions and applies for a transfer of funding, a Secretary of State in granting the transfer of functions would be granting the transfer of funding?

Mr. Woolas: Yes, that is the consequence. It is one of those rare examples where the law and common sense are the same.

Let me make a point about the production of a local spending report that identifies the money that is spent locally—such as the Kent £9 billion, although it was £8 billion when this was first explained to me, so it appears to have increased by £1 billion since then. I think that it actually has increased by £1 billion since then. Let me explain one of the advantages of the Bill. First, at present most of the £2.5 billion that is Kent's is in fact mine—it is ring-fenced. Secondly, some of the remainder is within the control of Kent at the margin, but most of it is not. There is also the crucial point raised by my hon. Friend the Member for Stourbridge (Lynda Waltho). I urge Members to trust the processes set up in new clauses 1 and 2 because what they do is square the circle that devolutionists always face between equity—the point that my hon. Friend addressed—and devolution, which the Bill addresses. The hon. Member for Ruislip-Northwood put his finger on it when he said that it is the judgment of the outcome that matters. How unemployment is reduced in Kent or elsewhere is not the fundamental issue. The fact that it is reduced is the important thing.

Under the framework of the Local Government and Public Involvement in Health Bill and the comprehensive area assessment, it is up to a local authority and its partners to decide on the setting of local targets. Where it is clear that a function is failing, the local authority should be given the right to make a representation to transfer the function so that its objectives can be met. That proposal can come from anywhere, not just from the local spending report, under new clauses 1 and 2.

The example of the youth club given by the right hon. Member for West Dorset is important. Another example has been given to us by the hon. Member for Kettering. Let me give the House a further example. Among the schemes that aim to reduce reoffending among young offenders who come out of borstal, the most effective that I am aware of are provided by the fire service. Crudely put, if we put a young bad lad in the fire service, two weeks will sort him out. The non-offending rates from those programmes are remarkably successful. However, it is not the job of the fire service to reduce offending. That is something that it does out of partnership, common sense and good spirit. It is extraordinarily difficult, under the present arrangements, for the local probation service and the police to give money to the fire service to provide that facility, even though the benefits from the work of the fire service result in savings to police budgets.

I shall give one more example before I come to my argument about why new clauses 1 and 2 are better than new clause 6. Within the local government family, there is the brilliant example of the Blackburn slipper. We discussed this in Committee, and I apologise for repeating myself. The purchase by social services of new pairs of slippers for pensioners in Blackburn resulted in a reduction by a half in admissions to the local accident and emergency hospital for broken bones caused by falls. For the cost of a new pair of slippers, the local hospital saved a fortune, yet the local hospital is not allowed to give money to social services for those purposes under the present arrangements. I believe that new clauses 1 and 2 make more sense because they deal with a process of proposals from communities and individuals relating to the decisions of local authorities, set against the framework of their own objectives, not ours.

Mr. Letwin: We are getting close to the nub of the argument. Let us return to the Minister's example of the Blackburn slipper. If a transfer of functions were sought from the NHS, or a public health aspect of the Department of Health, to the local authority to enable the local authority to provide the slippers, would the local authority have the power under new clause 1 to achieve the objective of improving public health by a means which the body giving over the function to the local authority would not have been empowered to engage in itself? In other words, in this case, would the local authority be able to give the slippers to the pensioners if the body from which it was getting the function and the money had not had the power to do so under its own remit? If the answer is that it would have those powers under new clause 1, we are where we need to be. If, as I suspect, the answer is no, and the local authority would be constrained to doing only those things that the body from which it derived the functions was able to do under its vires, new clause 1 does not quite get to where the Minister and I want to get.

Mr. Woolas: The right hon. Gentleman is rightly asking probing questions because we need to be clear about these things. He is asking about the transfer of the social care function, but does he mean from the local authority to the hospital or—

Mr. Letwin *indicated dissent.*

Mr. Woolas: From the hospital to the local authority?

Mr. Letwin *indicated assent.*

Mr. Woolas: In that case, the answer to the right hon. Gentleman's question is yes; we believe that we achieve that objective.

At the heart of the policy is the desirability of changing financial arrangements at local level. It is clear from evidence from the health and social care sectors that preventive money is the way forward. As a nation, we must be able to spend money on prevention as well as on acute services, but the existing architecture does not allow us to do that sufficiently. We could all give many illustrations of that point; for example, the same arguments apply very much to early

[Mr. Woolas]

years. Evidence shows that intervention in the early years can save significant sums in teenage life. If we provide problem children with child care, Sure Start and other back-up mechanisms, we save three times as much as we spend over an 18-year period. The problem is that the agencies making such decisions have, of course, to abide by the law and by financial imperatives; they are not free to act in the best interests of the case.

I concur with the right hon. Gentleman about the objective, but I shall explain a bit more. I can tell from his expression that I have not yet convinced him and I want to do so. Under new clause 1, if a local authority wants to recommend a transfer of funding or function, it may do so, but through the selector. That point may have posed a difficulty, so I shall explain the process.

The selector is a person who is representative of local authorities. If the selector believes that the local authority has a strong case, they would include that recommendation in the shortlist of proposals. The Secretary of State would be duty bound by my proposed new clause to co-operate with the Local Government Association, which is a significant change since Committee. Furthermore, the Secretary of State would then have to consider the proposal. We shall be considering related amendments, but I can see the House is getting restless so I shall move quickly on.

If local partners cannot settle their differences, the issue should be taken to a sector body—the selector. In my view, it should not be referred directly to the Secretary of State. It is not practicable or desirable for the Secretary of State to intervene in every local dispute by taking functions from one body by force and placing them with another. That is not how we see the relationship either between local partners or between the Government and local partners.

In short, the proposed new clause—which I think comes from the Committee even though it is in my name—would allow proposals in any context, not just that of the local spending report, important though it is. It would provide a practical process and a framework for decisions, which would avoid the danger of mischievous or vexatious proposals—although I do not believe that would be common—and would give the public the reassurances they need. I hope that I have convinced the right hon. Gentleman.

Mr. Letwin: The Minister is being generous and his comments will be useful in the debate that follows, but may I try to get absolute clarity on the point? Let us take the earlier example about the Highways Agency and a road. A local authority makes a proposal for the transfer of functions in relation to the management of the road, and it has to do so through the selector. My hon. Friend the Member for Ruislip-Northwood (Mr. Hurd) and I have no problems with that, and I do not think our colleagues on the Liberal Benches do either. Let us suppose that the selector selects the proposal and it thus goes to the Secretary of State, who says yes. The Minister has clearly said—for which I am grateful—that if the function of running the road transfers from the Highways Agency to the local authority, the money devoted to running it will transfer, too. That is very good.

I come to my next question. I do not know what existing statutes say about the duties and powers of the Highways Agency, but if it is charged under those statutes to run the road in a certain way and if the transfer of function occurs and the whole point of seeking the transfer of function was that the local authority wished to achieve the same objective of transport sustaining the community properly, but in a way that is not provided for in the legislation governing the Highways Agency, will the local authority, once the transfer of functions has occurred, be able to run the road in a different way from the way in which it was run by the Highways Agency? That is the nub of the issue.

Mr. Woolas: The right hon. Gentleman asks perhaps the most important question. The Government's policy intention is to achieve that. I cannot give him an absolute guarantee because one would have to look at statutes right across the board, but we believe that our drafting reflects the policy objective. The great beauty of having parliamentary counsel is that they tell us how to meet in law our policy objectives. *[Interruption.]* That is what they do; the first parliamentary counsel is very clear about that.

If, for example, there was something in highways law and we needed to change the legislation, we would obviously have to come to Parliament. The beauty of the Bill is that it provides the process by which that must happen. At the moment, local authorities and other local agencies have the frustration that there is no clear process for them to achieve their objectives. The Bill will make their ability to do that more effective. The hon. Member for Kettering has given us a really good example. In practice, the Highways Agency would come to the table at the local level and address the problem.

Let me give the right hon. Gentleman another assurance. In law, the "Secretary of State" does not mean just the one Secretary of State; we are talking not just about the Secretary of State for Communities and Local Government, but about the Government, which includes the Department for Transport. The benefit of the process is that it not only brings a greater ability for local people to see that they can get their will done, but improves the way in which we govern. That is what we are attempting to achieve.

I think that I have convinced the right hon. Gentleman on two out of three points. He and the Bill's promoter are sceptical on the third point but, on balance, I hope that they will accept my argument.

David Howarth (Cambridge) (LD): Will the Minister give way?

Mr. Woolas: I said earlier that I would give way for the last time; this really is the last time.

David Howarth: I thank the Minister for giving way. Does he agree with the following summary? New clause 1 allows the transfer of powers from any authority to another authority, but it cannot overcome any prohibitions that are on the authority in the first place. In other words, one would need new legislation to expand or change the powers, or to get over an existing prohibition, but existing functions could be transferred from one authority to another in the sense of powers.

Mr. Woolas: If I have understood the hon. Gentleman correctly, the answer is yes. As I said in Committee, on the transfer of function the Government's objective is to provide much greater flexibility in how local agencies can achieve objectives. That is at the heart of the Bill.

If an authority wanted both to transfer and to change the method by which it did something—it would want to do that; otherwise who was doing it would be the only issue—and the change in method came up against a problem with the existing law, we would obviously have to deal with that. However, that is the case anyway because a problem arises if a local body cannot carry out a function because the law is in its way. Local people and local authorities will have the opportunity to use a process to do something about the situation.

12.15 pm

Let me return to a point that was made on Second Reading. There is no compact with local areas in this country. We have one with employers and employee representatives, so we understand that concept, although it has differed over the years and parties have different views on the form that it should take. The Bill provides for a compact with local areas.

I will try to reassure hon. Members on both sides of the House. The Government's existing central-local partnership with the Local Government Association involves voluntary meetings. Indeed, the LGA is a voluntary body, which was why we had difficulty when drafting the selector proposals. Another advantage of the Bill is that because it locks in the relationship between the Government of the day and the LGA in a mutually beneficial manner, it gives councils a powerful reason why they should be members of the LGA. The substance of that relationship will be based in law, although one cannot legislate for how the relationship works in practice.

Hon. Members might not be aware that as part of the central-local partnership, the LGA meets not only my Department, but all the Departments in Whitehall. A side benefit of the Bill, albeit an important benefit, is that the association will be given real meat. We all want a strong LGA.

Mr. Hurd *rose—*

Mr. Woolas: I said that I would not take any more interventions. However, as the hon. Gentleman is the Bill's promoter, I must give way.

Mr. Hurd: I am very grateful to the Minister for that and for the constructive way in which he has focused his remarks on the concerns that have been expressed. I put on record that I do not intend to press new clause 6 to a Division because he has convinced me that our policy objectives are alive.

Will the Minister briefly address a possible understanding? Someone reading new clause 1 might think that local authorities will have a one-off opportunity to make recommendations on the transfer of functions. The intention behind new clause 6 was to make it clear that information on public spending would be published regularly so that local authorities could respond to it. The opportunity under new clause 6 would not be time-dated, but new clause 1 seems to provide for a one-off invitation of submissions to a national action plan. Will the Minister clarify his intentions?

Mr. Woolas: The process will go on until Parliament says otherwise. I understand why the hon. Gentleman asks his question because new clause 1(5) states:

"The Secretary of State must issue"—

I inserted the word "must" at the request of the Committee for the purpose of clarity, although legislation usually includes the word "may", even when the Government intend that something must be done—

"the first invitation under this section within the period of one year".

The word "first" should reassure the hon. Gentleman.

It is proposed that reports be produced at least annually. I want to create a framework based on the Bill that will give local authorities a clear process to allow them to say that they want consideration to take place. I will even call it the Hurd process, if it helps me to get the Bill through the House. I commend the Government amendments to the House and ask the hon. Gentleman to consider withdrawing new clause 6.

Mr. Hurd: I beg to ask leave to withdraw the motion.

Motion and clause, by leave, withdrawn.

New Clause 1

PROPOSALS BY LOCAL AUTHORITIES

'(1) The Secretary of State must invite local authorities to make proposals which they consider would contribute to promoting the sustainability of local communities.

(2) Without prejudice to the generality of subsection (1), a proposal may include a request for a transfer of functions from one person to another.

(3) A local authority may not include a request under subsection (2) unless it has consulted—

(a) the person whose functions it relates to, and

(b) the person to whom the local authority considers the functions should be transferred.

(4) A local authority must have regard to the matters specified in the Schedule before making a proposal.

(5) The Secretary of State must issue the first invitation under this section within the period of one year beginning with the day on which this Act is passed.'.—*[Mr. Woolas.]*

Brought up, and read the First time.

Mr. Woolas: I beg to move, That the clause be read a Second time.

Mr. Deputy Speaker: With this it will be convenient to discuss the following: new clause 2—*Decision on short-list—*

'(1) Before inviting proposals under section [Proposals by local authorities], the Secretary of State must appoint a person (the "selector") to consider the proposals and, in co-operation with the Secretary of State, draw up a short-list of proposals in accordance with regulations under section [Proposals: regulations].

(2) The selector must be a person who represents the interests of local authorities.

(3) On receiving the short-list from the selector, the Secretary of State must decide which, if any, of the proposals on the short-list should be implemented.

(4) Before making a decision under subsection (3) the Secretary of State must consult the selector and try to reach agreement.'.

Amendment (a) to the proposed new clause, in subsection (3), leave out 'if any'.

New clause 3—*Action plans*—

'(1) The Secretary of State must publish—

(a) the decision under section [Decision on short-list](3) and the reasons for it, and

(b) with the decision, a statement of the action the Secretary of State proposes to take with a view to the implementation of any proposal.

(2) A statement published under subsection (1)(b) is referred to in this section as an action plan.

(3) The Secretary of State must publish and lay before Parliament a report, describing the progress which has been made in relation to any action plan, within the period of one year following the publication of the action plan and at intervals of not more than one year thereafter.

(4) Subsection (3) does not apply in relation to an action plan if the action plan has been implemented.'.

New clause 4—*Proposals: regulations*—

'(1) The Secretary of State must make regulations about the procedure to be followed in relation to proposals under section [Proposals by local authorities].

(2) Before making regulations the Secretary of State must consult—

(a) the selector, and

(b) such other persons who represent the interests of local authorities as the Secretary of State thinks fit.

(3) Regulations may, in particular—

(a) specify, or authorise the selector to specify, steps to be taken by a local authority before making proposals;

(b) specify steps to be taken by the selector in considering the proposals and drawing up a short-list;

(c) require the selector to prepare, and give to the Secretary of State, a report on the proposals.

(4) Regulations must—

(a) require a local authority, before making any proposal under section [Proposals by local authorities], either—

(i) to establish a panel of representatives of local persons and consult it about the proposal, or

(ii) to consult representatives of local persons in accordance with another enactment mentioned in the regulations (and an enactment that has not yet come into force for other purposes is deemed to have come into force for the purposes of the regulations),

(b) require a local authority to try to reach agreement about proposals with the panel or other persons consulted under paragraph (a), and

(c) require a local authority to have regard to any guidance issued under subsection (5).

(5) The Secretary of State must issue guidance to local authorities about making proposals, which—

(a) must include guidance about the inclusion among representatives of local persons (for the purposes of subsection (4)(a)(i) or (ii)) of persons from under-represented groups,

(b) may include other guidance about establishing and consulting a panel of representatives of local persons, and

(6) Before issuing or revising guidance under subsection (5) the Secretary of State must consult—

(a) local authorities, or

(b) persons who represent the interests of local authorities.

(7) For the purposes of subsection (2) or (6) any consultation undertaken before the day on which this Act is passed is as effective as it would have been if undertaken after that day.

(8) In this section—

"local person" means, in relation to a proposal by a local authority under section [Proposals by local authorities], a person who is likely to be affected by, or interested in, the proposal;

"panel" means a panel constituted in accordance with regulations;

"representative" means, in relation to local persons, a person who appears to the local authority to be representative of the local persons;

"under-represented groups" has the meaning given by regulations.

(9) Regulations under this section—

(a) must be made by statutory instrument, and

(b) are subject to annulment in pursuance of a resolution of either House of Parliament.'.

Amendment (a) to the proposed new clause, in subsection (4)(a)(i), after 'establish', insert 'or recognise'.

Amendment (c) to the proposed new clause, in subsection (4)(a), leave out sub-paragraph (ii).

Amendment No. 3, page 1, line 9, clause 1, leave out 'principal councils' and insert 'local authorities'.

Amendment No. 4, page 2, line 1, leave out Clause 2.

Amendment No. 5, page 2, line 2, clause 2, leave out 'principal councils' and insert 'local authorities'.

Amendment No. 6, page 2, line 8, clause 2, leave out 'principal councils' and insert 'local authorities'.

Amendment No. 7, page 2, line 13, clause 2, leave out 'principal councils' and insert 'local authorities'.

Amendment No. 8, page 2, line 25, clause 2, leave out 'principal councils' and insert 'local authorities'.

Amendment No. 9, page 2, line 42, clause 2, leave out 'principal councils' and insert 'local authorities'.

Amendment No. 10, page 3, line 4, leave out clause 3.

Amendment No. 11, page 3, line 5, clause 3, leave out 'principal council' and insert 'local authority'.

Amendment No. 12, page 3, line 10, clause 3, leave out 'principal council's' and insert 'local authority's'.

Amendment No. 14, page 3, line 17, clause 3, leave out 'council's' and insert 'authority's'.

Amendment No. 15, page 3, line 28, clause 3, leave out 'principal council' and insert 'local authority'.

Amendment No. 16, page 3, line 34, clause 3, leave out 'council' and insert 'authority'.

Amendment No. 17, page 3, line 37, clause 3, leave out 'council's' and insert 'authority's'.

Amendment No. 18, page 3, line 41, clause 3, leave out 'principal council' and insert 'local authority'.

Amendment No. 20, page 3, line 44, clause 3, leave out 'principal council' and insert 'local authority'.

Amendment No. 21, page 4, line 10, clause 4, leave out 'principal council' and insert 'local authority'.

Amendment No. 26, page 4, line 31, clause 5, leave out 'principal council' and insert 'local authority'.

Amendment No. 27, page 4, line 33, clause 5, leave out 'council' and insert 'authority'.

Amendment No. 28, page 4, line 35, clause 5, leave out 'council' and insert 'authority'.

Amendment No. 29, page 4, line 36, clause 5, leave out 'principal council' and insert 'local authority'.

Amendment No. 30, page 4, line 41, clause 5, leave out 'council' and insert 'authority'.

Amendment No. 31, page 4, line 42, clause 5, leave out 'principal council' and insert 'local authority'.

Amendment No. 32, page 5, line 4, clause 5, leave out 'principal council' and insert 'local authority'.

Amendment No. 33, page 5, line 7, clause 5, leave out 'council' and insert 'authority'.

Amendment No. 34, page 5, line 12, clause 5, leave out 'principal council' and insert 'local authority'.

Amendment No. 35, page 5, line 20, clause 6, leave out from 'means' to end of line 21 and insert

'a county council in England, a district council, a London borough council, the Common Council of the City of London or the Council of the Isles of Scilly;'.

Amendment No. 36, page 5, clause 6, leave out lines 22 to 27.

Amendment No. 37, page 5, clause 6, leave out lines 30 to 34.

Amendment No. 39, page 7, line 3 of the schedule, leave out 'indicators' and insert 'matters'.

Amendment No. 40, page 7, line 3 of the schedule, leave out 'indicators referred to in section 2' and insert

'matters referred to in section [Proposals by local authorities]'.

Amendment No. 41, page 7, line 10 of the schedule, leave out 'principal council' and insert 'local authority'.

Amendment No. 43, page 7, line 28 of the schedule, leave out paragraph (j).

Amendment No. 42, in title, line 1, leave out from 'provision' to 'and' in line 8 and insert

'about promoting the sustainability of local communities;'.

Mr. Woolas: I will not repeat myself, Mr. Deputy Speaker, and you would not allow me to anyway. I am grateful to you for allowing such latitude in the debate on the new clause 6, which is the other side of the coin to new clauses 1 and 2. I shall just take the opportunity to put on the record some information that I hope will be beneficial to the House.

First, I will talk about the words, "if any", which would be omitted by amendment (a) to new clause 2, which the hon. Member for Ruislip-Northwood tabled. I will not make a big fuss about the issue. The formal situation is that the original drafting included the words "if any", which presented the Government with a problem because it meant that there was compulsion on the Secretary of State. The hon. Gentleman may argue that that is a jolly good thing, and in some circumstances I could see myself arguing that. However, as I asked my colleagues for their views on the matter, there has been a change, namely the insertion in new clause 2 of "co-operation".

I have listened to the argument, and do not want to make a big thing about the issue. I would prefer that the amendment not be made, because it is not necessary, and it ties the Secretary of State down. The argument has moved on and I would be interested to hear what the intention behind the amendment is. I hope that that helps.

I give the assurance that the Government are not looking for a get-out. We want the process to work, and we want the proposals that come from the action plan and the selector to be workable. Including a requirement for co-operation in the production of the shortlist would make it most likely that the proposals made were workable. It is difficult to envisage a situation in which any Government presented with a shortlist of high-quality consensual proposals would simply turn them all down. There may be circumstances in which that would happen, but it would be a foolish Government who did that. From time to time, we have had foolish Governments, but that is not the case at the moment, of course.

The clause is drafted as it is simply to ensure that if at any point the selector produces a shortlist that does not contain proposals that could be implemented, the Secretary of State would not be required to implement them. As I say, the change made by introducing the word "co-operation" is important. Hon. Members will be aware that the Bill places little restriction on the selector in terms of how they arrive at a shortlist, what is on it, and how proposals are presented to the Secretary of State. There could be a shortlist of one, although I do not imagine that that would be the case, or the shortlist could contain only proposals that would be very expensive to implement or that conflicted in a significant way with a Government's manifesto policy. However, I cannot foresee that situation occurring, because of the relationships that exist between central and local government, which are broadly good at the moment. We have a very good working relationship with the Local Government Association—it might in time break down, but I hope not. The arguments are valid, but on balance I would not go to the wall on them, particularly, as I say, because of that co-operation.

I have explained to the House my objectives in new clause 1 and how I think they will strengthen the Bill. The requirement on the Secretary of State—the word used is "must"—to invite local authorities to make proposals is covered by new clause1. I do not intend to go into the detail of the proposal, as we have already discussed it at great length. I draw the attention of the House to new clause 1 to show how it fits into the narrative.

Just as local people and councillors are being given new rights and new powers, so too should local authorities be given new rights and new powers to make proposals. The clause provides the reassurances that local partners will need. A local body—the highways authority has been used as an example—has a right to be consulted about a proposal to change its function. As I have said before, that right to be consulted is more likely to lead to the outcome that we seek. Subsection (5) sets a timetable of one year, and I have explained why that is the case.

There is no limit on the number of proposals on the shortlist. The proposals from local authorities would go to the selector. I shall repeat an assurance, for the avoidance of doubt and for the benefit of the House and those listening—I am reminded that obscure though the debates on a Friday often are, on this

[Mr. Woolas]

occasion my words are being listened to and read very carefully. Last night my answering machine was full of messages of encouragement, such as, "Don't back down, you so-and-so." It is amazing how cynical some people can be. The industrial language used by some of them was fluent, and those were just the members of the Labour party. I paid particular attention to the 100-plus letters that I received from the fine people of Oldham, East and Saddleworth, who are the finest in the nation, and the most important newspaper on planet Earth, the *Oldham Evening Chronicle*, is watching and listening closely. I repeat: there is no intention to water down the measure.

The provision in new clause 2 for us to appoint a selector gives reassurance and establishes a sensible process. We are talking to the Local Government Association about the matter. Letters of support have no doubt been received by hon. Members across the House. We want the proposals to be workable, and it is desirable that we help to strengthen the LGA as well.

New clause 2 as drafted states:

"On receiving the short-list from the selector, the Secretary of State must decide which, if any, of the proposals on the short-list should be implemented."

She or he

"must consult the selector and try to reach agreement."

That is enshrined in the proposals. The narrative of the Bill is built on that.

Mr. Greg Knight: I am grateful to the Minister for giving way. May I ask him a small favour? Between now and the Bill reaching completion in another place, will he give further thought to the name that he has chosen—the selector? It is an awful description. Would not community secretary or community officer be better?

Mr. Woolas: I am sorry, but I did not hear the right hon. Gentleman's suggestion. If he has one, I invite him to put it forward.

Mr. Knight: Community officer or community secretary.

12.30 pm

Mr. Woolas: I have carried out extensive and comprehensive consultation across the Houses of Parliament in the past five seconds, and although early indications show that the right hon. Gentleman has a point about the word "selector", I am not sure whether his suggestion is better. We debated that point in Committee, where there some concern was expressed about the word "selector". We had a fascinating conversation about early 1980s pop music and, indeed, rock music.

Something tumultuous is happening in this House—my right hon. Friend the Member for Manchester, Gorton (Sir Gerald Kaufman) is sitting opposite me. I assure television viewers that it is not a change in ideology.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): I sat here too often to do it deliberately.

Mr. Woolas: My right hon. Friend has made his point well.

The word "selector" is not ideal, but it describes the role. Because it is clear that the LGA is the obvious body to undertake the role, "selector" will disappear into statute. In practice, one will refer to the LGA. Because the LGA is a voluntary body, one cannot compel it to act through statute, but we hope that the agreement will provide for the selector role. I still have an open mind on the name, but I will not repeat the musical preferences of members of the Committee.

Although this group contains a number of other amendments, new clauses 1 to 4 plus the consequential arrangements provide for a simple process in legislative terms. There should be identification of and transparency in local spending. People should have the ability to get involved and to be consulted and informed. I had great difficulty in drafting the proposals for the panel relating to clause 139 of the Local Government and Public Involvement in Health Bill, which does not exist in law so legislation cannot refer to it. Hence the perhaps obscure wording, which builds on clause 139.

I think that the hon. Member for St. Albans (Anne Main) will take comfort from this and take it back to her local meetings. It is desirable that there should be involvement, consultation and so on. Generally speaking, how that is done will be determined locally, but a local authority must be able to show that what is done satisfies the requirements of the legislation and the detailed guidance that flows from it, which will be consulted on. If an authority cannot do that, we will tell it how it must consult. The Bill sponsors have chosen the panel as the proper method, and there is strength in that idea in terms of public reassurance. People are cynical about elected politicians—by goodness, they are—so consultation on proposals with a panel of 12 good men and true, 12 good men and women true or 12 good youngsters will strengthen the Bill. That process—that building block—is put in place and it strengthens the ability to take the financial decisions sought by the hon. Members for Bexhill and Battle (Gregory Barker) and for Ruislip-Northwood.

I think that I have covered all the points raised by the new clauses and amendments. I commend our proposals to the House.

Martin Horwood (Cheltenham) (LD): I congratulate the hon. Member for Ruislip-Northwood (Mr. Hurd) on getting the Bill this far and offer him my warm support. I am beginning to understand the patience required by those who served on the Committee and the lengths to which people sometimes have to go to support the causes in which they believe.

I am concerned by the tone of some of the Government amendments, including new clauses 4 and 2. I welcome amendment (a)—a cheeky little amendment that makes an important point—but amendment No. 39 is an example of the way in which some of the language of the Bill is beginning to change, threatening its sense and purpose. Reflecting earlier Government amendments to other parts of the Bill, it changes the word "indicators" to the word "matters", but that implies that the various matters listed in the schedule are simply issues for discussion and not, as they are really intended to be, indicators of the health of a local community.

Let me illustrate that by reference to my own constituency. To outsiders, Cheltenham often seems like a very affluent place, and it is indeed doing well by many conventional economic indicators. However, a list of indicators such as that in the schedule would probably reveal a rather different picture. For instance, it might reveal the loss of local NHS services, including in-patient children's services and some local mental health services, and the imminent downgrading of our local maternity ward. It might reveal that the opening of five large supermarkets, while obviously delivering benefits to constituents as consumers, has occurred at some cost, in the most recent case almost immediately resulting in the loss of a series of local shops, in turn resulting in a loss of choice for consumers. The second indicator would reveal whether that was at some cost to the local economy.

The list of indicators might reveal the loss of local post offices, which have been reduced from 19 to 14 to 10 and will soon be reduced to nine or even fewer. It might highlight the risk to our green spaces, which seem to be continually threatened by over-development, or the threat to local railway services, which, it has been suggested, might move out of town and thereby make the town less, not more, sustainable. It might reveal the difficulty faced by local businesses such as Battledown brewery, which is struggling to get Cheltenham's only local beers into the large local supermarkets. That is a cause that I am sure that many hon. Members would happily support.

Mr. Woolas: I am outraged to hear that, and I will take up the cudgels on that matter if the hon. Gentleman wants me to.

My intention in amendments Nos. 39 and 40 is to avoid confusion. The local government White Paper refers to national indicators, and the targets in the new comprehensive area assessment will be referred to as indicators. I am trying to avoid confusion in the public mind—that is my only intent—but I take the hon. Gentleman's point.

Martin Horwood: I am grateful to the Minister for that response, particularly support for Battledown brewery and getting Cheltenham SPA into local supermarkets. I shall take him up on that. His comments were instructive in relation to the use of the word "indicators". The point is that they should be treated as genuine indicators of the health of a community locally. I appreciate that he is trying not to cause confusion, but I fear that we may be losing the sense of an important part of the Bill.

The amendments are important in relation to how consultations are dealt with. In many of the cases that I cited, certainly those relating to local services, there has been a strong sense locally either that consultations have not happened or that they have been granted grudgingly and that the wishes of local people have been ignored—in some cases, such as that of in-patient children's services at Cheltenham general hospital, spectacularly ignored.

If the Bill would still achieve what those who campaigned for it intended—namely, delivering not only consultation but participation—it has my continued enthusiastic support. Participation is not the same as consultation, which can be ignored. We are considering a genuine shift in power to local people that cannot easily be ignored.

Mr. Woolas: We agree with the hon. Gentleman's intention. The Bill, clause 139 of the Local Government and Involvement in Public Health Bill and the accompanying statutory guidance, will make participation and involvement more accessible and more likely. Crucially, the duty will be to inform, consult and involve. That is important for communities and for the third sector, which the hon. Gentleman supports.

Martin Horwood: I am grateful for the Minister's comments and I welcome the intention behind them but, again, the language is a little revealing. We are considering not only involvement but building into the Bill a presumption that the measures that communities and local people suggest will be adopted unless there are good reasons not to do that. I should like that important presumption to survive the Bill's later stages. If it passes that test, it remains one of the most important and radical measures that we have considered in this Parliament. It sets an important precedent for Government as a whole and continues to have my enthusiastic support.

Mr. Hurd: I thank the hon. Member for Cheltenham (Martin Horwood) for his support for the Bill and the small amendments in my name, which I shall explain briefly.

Amendment (a) to new clause 2 would remove the words "if any" from subsection (3). I believe that the Minister understands our point: someone who read the new clause might be encouraged to believe that we were passing a measure under which nothing need happen. Although we understand the Minister's possible need for safeguards, we encourage him to take comfort from the inclusion in the process of the selector, which we all hope will be the Local Government Association. We all agree that that is a highly credible body in which we should have some trust. The Minister already has a safeguard in the duty of co-operation in drawing up the short list. Clearly, the Secretary of State would not co-operate in including absurd proposals that are impossible to implement. I therefore hope that the Minister will consider our amendment reasonable and not divide the House on it.

On amendment (c) to new clause 4, we believe that subsection (4)(a)(ii) should be removed because it undermines what we are trying to achieve. We should send a strong signal that the Bill should promote best practice in engaging with local communities and in the process of consultation with communities. I believe that the Minister accepts the concept of community panels. Sub-paragraph (ii) of subsection (4) undermines that concept and may leave too much space for local authorities to avoid setting up the panels and to engage in more traditional consultation processes of meeting in the town hall or issuing a questionnaire. In our experience, those processes are rather debased in terms of public trust. Traditional public consultation is often perceived as a sham. The Bill intends to send a strong signal that there is something different about the new process of

[Mr. Hurd]

engagement and consultation. If that explanation is clear, I hope that the Minister will not divide the House on those amendments.

Mr. Greg Knight: I want to speak briefly about amendment No. 43, which would leave out paragraph (j) of the schedule. The schedule may not survive the Bill's passing into law, but I would like to tease out of my hon. Friend the Member for Ruislip-Northwood (Mr. Hurd) his reason for believing that paragraph (j) is essential. It covers

"measures designed to decrease emissions of greenhouse gases".

I know that my hon. Friend, together with my hon. Friend the Member for Bexhill and Battle (Gregory Barker) are on the energetic wing of our party when it comes to climate change issues, whereas my hon. Friend the Member for Shipley (Philip Davies) and I are somewhere between my hon. Friend the Member for Ruislip-Northwood and Lord Lawson of Blaby on these matters.

12.45 pm

Having established our respective positions, it is fair to say that the Bill is primarily about making local communities sustainable, not about greenhouse gas emissions, which is a global issue and is more properly addressed in any climate change legislation. My concern is that almost any activity that helps make a community sustainable will increase CO_2 emissions—employment, commerce, construction, farming and transport, for example.

Martin Horwood: Does the right hon. Gentleman not see the connection, for instance, between encouraging renewable sources of energy at local level and sustainability on a global scale? The two are intimately connected.

Mr. Knight: I do see that and I will come on to that very issue in a few moments, if I may.

It seems to me that the particular requirement in the Bill could be used against the local food economy. When I started to investigate the impact of food on the environment, I thought that I would find myself concentrating on the issue of food miles, but it appears that transport is a tiny component of agriculture's worldwide contribution to greenhouse gas emissions—and the main culprit is in the fields chewing cud. It turns out that livestock, predominantly cattle, are responsible for about 18 per cent. of the total of all emissions. A fifth of all our emissions—more than the emissions produced by the poor old tax-clobbered motorist—are due to cattle. About 70 per cent. of all agricultural land is used to raise animals and that amounts to about a third of the land surface of the planet. What is more, more than a third of all our cereal production goes to feed those animals. A recent UN report estimated that 160 millions tonnes of carbon dioxide are associated with the fossil fuels emitted by cattle.

Martin Horwood: I am awaiting with great anticipation the right hon. Gentleman's endorsement of vegetarianism; otherwise, what solution is he suggesting to deal with the problem presented by the cows and how would he prevent emissions of methane?

Mr. Knight: I am not a vegetarian and I am not advising the House to go vegan, although I presume from the hon. Gentleman's intervention that that is what he would like me to do. We are able to tackle some issues—home insulation, for example—without destroying people's lifestyle. Emissions from homes and factories account for about a third of the present total, so we could eat into a whole third without affecting local communities, without changing the way people go about their business and without destroying the sustainability of local communities.

It is not just a matter of carbon dioxide, as animals produce other gases, but I do not want to go any further into that now. This is not a debate on agriculture. I would, however, like my hon. Friend the Member for Ruislip-Northwood further to consider the particular provision in the schedule. It could be used by some people to close local businesses or it could be used against the activities of local farmers and others. I feel that it sits uneasily with a Bill that is trying to promote sustainable communities. My view is that this issue should be left to be dealt with comprehensively by a climate change Bill.

Julia Goldsworthy: Following on from the right hon. Member for East Yorkshire (Mr. Knight), we need to ensure that local services remain available at the community level. If we want to cut down on people's car miles, the easiest way is to ensure that they have access to local services. There are therefore measures that can simultaneously benefit the environment and the sustainability of the local community.

I shall not dwell on new clause 1, as it was extensively debated in the earlier string of amendments. New clause 3 is obviously welcome because it underlines parliamentary accountability in the working of the Bill. I shall thus comment briefly on new clauses 2 and 4 and the amendments tabled by the hon. Member for Ruislip-Northwood (Mr. Hurd).

We must remember that the body that will put forward the list of proposals will be the Local Government Association. That filter will represent an important safeguard and it will not be the case that an irresponsible local council will be able to go directly to the Secretary of State with proposals that do not make sense or that have a clear political motive. The LGA is duty bound to represent the views of all of its members, and that is an important safeguard that will mitigate the need for the inclusion of "if any" in the clause as drafted. I hope that the Minister will think about that again.

New clause 4 contains the regulatory framework for the mechanism of how consultation and participation will work in relation to new clause 1. Amendment (a) to new clause 4 would ensure that it will be possible to recognise existing bodies instead of requiring additional bodies to be set up, so I hope that the Minister will not object to it.

Amendment (c) tries to deal with the issue of either/or. We need to ensure that there is a minimum standard of democratic right in this part of the Bill and remember the cynicism that exists. If a local council abuses the mechanisms that we are trying to create, the public will be well aware of that, and that provides democratic accountability. It is important that the Bill sends a clear signal that the public should be confident

that no Government will use the Bill to act in an unreasonable way. Our amendments are reasonable in terms of the democratic standard for participation rather than simple, qualitative consultation, and I hope that the Minister will consider them. We must also be realistic about the fact that the public are alert to the potential for abuse by local and central Government.

Philip Davies: I rise to touch briefly on some of the issues that have been mentioned. We had a long discussion earlier about why new clause 6 was better than new clause 1, and I do not intend to revisit it. My hon. Friend the Member for St. Albans (Anne Main) raised the elephant in the room in relation to the Bill and new clause 1, and that is planning and where it fits into this issue.

In my constituency, the issue that undermines the sustainable community that we all wish to see is the planning regime and, for example, the infrastructure that is needed to support new development. That is a huge issue in many areas. I wonder whether the Minister could clarify where the regional assemblies fit in in relation to new clause 1. The functions currently performed by regional assemblies would be better dealt with at a local authority level, especially when it comes to how many houses local authorities have to build in their area. Whatever local control local authorities have over planning—and they do not have very much—is hindered in my area by the fact that the regional assembly is insisting that over the next 15 years Bradford council has to build some 15,000 houses, whether it likes it or not. That regional assembly is unelected, unaccountable and unnecessary. It has no popular support. There was no popular support for an elected assembly in the north-east, so there is certainly no popular support for an unelected and unaccountable regional assembly. I hope that Minister will explain where planning and the ability of local authorities to decide how many houses can be sustained in the local area fit into new clause 1.

Richard Younger-Ross (Teignbridge) (LD): I am slightly puzzled by the hon. Gentleman's remarks. If there is no support for an unelected regional assembly and he would not favour an elected assembly, how can strategic decisions for a region be taken democratically?

Philip Davies: My point relates to the amount of houses that should be built in a given local area. I believe—to be honest, I am surprised that the hon. Gentleman does not agree—that the decision on how many houses are sustainable in a given area and community should best be made by the local authority concerned and not by a regional assembly based in another part of the area.

Lynda Waltho: I am sorry—I do not know the political make-up of the assembly that the hon. Gentleman is referring to, but surely his local council has elected representatives on it.

Philip Davies: The point is that although there may well be such a representative, they can be outvoted, whereas if the issue is dealt with at a purely local level, a decision cannot be foisted on my local area and on Bradford that the people do not want, which is what happens at the moment. Housing developments in my constituency have been insisted on by a combination of the regional assembly, which insisted on a particular number of houses being built, and a Government planning inspector who decided that the area was ripe for development—totally against the wishes of the community and of the local authority. If we are trying to encourage sustainable development, we should encourage the making of these decisions at a local level.

Mr. Drew: I refer the hon. Gentleman to paragraph 1(l) of the schedule, which clearly refers to

"planning policies which would assist with the purposes of this Act, including new arrangements for the provision of affordable housing".

Indeed, that was an amendment that I was pleased to move in Committee, so the argument is made regarding sustainability of settlement and what can be achieved through this Bill. I therefore do not know why the hon. Gentleman has chosen to go on at such great length about regional assemblies at this point.

Philip Davies: The hon. Gentleman is ignoring the fact that regional assemblies currently decide how many houses have to be built in a local area, whether or not the authority in question wants them. That situation has to be dealt with. There is no point in saying that we are giving more powers to local people and local authorities on matters of sustainability, when the power to decide on one of the biggest sustainability issues in our local communities has been taken away from them and given to regional assemblies.

Mr. Woolas: I am sure, Mr. Deputy Speaker, that you will not allow a debate on regional assemblies, but just to give the hon. Gentleman some reassurance, I point out that the Bill as drafted and before the House today includes regional assemblies within the list of bodies in respect of which a local authority can request a transfer of functions. So such a mechanism exists.

Philip Davies: I am incredibly grateful to the Minister for providing that clarification, which will certainly give people in Shipley and Bradford and members of Bradford council a lot of hope and encouragement when this Bill reaches the statute book.

I should point out in passing that I support the amendments—the "cheeky" amendments, as I think the hon. Member for Cheltenham (Martin Horwood) described them—tabled by my hon. Friend the Member for Ruislip-Northwood (Mr. Hurd) and the hon. Member for Stroud (Mr. Drew), which would delete the words "if any" from new clause 2 and insert "or recognise" after "establish" in new clause 4. I am sure that we do not want to create a new bureaucracy by establishing new bodies; rather, we should simply be recognising existing ones.

I want to touch on the issues raised by my right hon. Friend the Member for East Yorkshire (Mr. Knight), who made a very valuable point. I mentioned earlier my concern about consensus in politics. We appear to have gone down a road whereby people's ability to exercise free speech on certain subjects is being undermined, and there is no greater example of that at the moment than climate change. People have jumped on to that particular bandwagon with religious zeal,

[Philip Davies]

rather than looking at the issue from a purely objective perspective. Of course we all care about the future of our planet and the legacy that we leave our children and grandchildren—nobody doubts the importance of that—but the question is how effective the measures taken are in tackling any problem that there may be. It is no good our trying to do something completely disproportionate that disproportionately affects our economy and the quality of life of the people of this country, with no overall benefit to the world as a whole, anyway.

1 pm

My right hon. Friend touches on an important point. We know that only 2 per cent. of the world's carbon emissions are emitted from the UK. How much of the world's carbon emissions are emitted from each of our local areas? A tiny fraction. We all want to encourage people to get involved in things such as recycling and helping the local environment. That is to be welcomed and happens in many of our local communities already. However, as he said, do we really want to encourage people who are motivated not by a belief in environmental issues but by wider anti-capitalist views to charge along with something that they have introduced on the basis of sustainable development, when we all know that the overall impact on global emissions will be tiny and worthless while China churns out new power stations week after week?

I hope that people will not use this popular Bill, which will be important for enhancing local accountability, to jump on a bandwagon that will make little difference to global warming and global carbon emissions. The Bill's purpose, which I strongly support, is to enable local people, in their local community, to have a real say on the decisions that are taken on their behalf. I hope that it will not be used by people in the pursuit of objectives that are not consistent with that purpose, which will allow my local residents to have a greater say in decisions taken in their area.

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. The hon. Gentleman was in danger of making a Third Reading speech, which is something that I shall bear in mind.

Mr. Woolas: I apologise for taking time to get to my feet, Mr. Deputy Speaker, but I was taken by surprise. I was waiting to hear where we were going next. The hon. Member for Shipley (Philip Davies) speaks his mind, and I congratulate him on that, although I am not sure what it had to do with the amendments.

I commented on the removal of "if any" and do not intend to oppose amendment (a) to new clause 2. The hon. Member for Ruislip-Northwood (Mr. Hurd) explained why we need it, especially as the drafting change requires co-operation in drawing up the shortlist of proposals. It gives us an opportunity to have a sensible and pragmatic approach. As for the panels, it is not desirable to say that there must be a panel if there is an alternative, but he wants to ensure that there is another way of going about things. Everyone who served on the Committee agreed and saw that as at the heart of the proposals. As I said, I would prefer not to have those amendments, but I do not intend to delay the passing of the Bill on that basis.

The right hon. Member for East Yorkshire (Mr. Knight) put forward his argument on amendment No. 43. We are neutral on that. The Government see the benefits of including emissions in the Bill, but I had not thought of the point that he made. I pay a lot of attention to what he says, because my experience is that he makes thoughtful, and correct, amendments.

Mr. Greg Knight: I am grateful for the Minister's response and for noting my comments. On that basis, and on the basis that he bears my comments in mind when he pursues the matter further, I shall not press my amendment to a Division.

Mr. Woolas: I am grateful to the right hon. Gentleman for that. I should mention that I visited his local authority area, and that the authority has helped the Government. It has taken great strides forward in involving local people and providing services at the local level—and it has done so on an all-party basis. The ideas that it, and particularly its leading councillors and chief executive, put forward were important in the formulation of our policy as set out in the local government White Paper. The East Riding of Yorkshire is one of the most beautiful parts of the country. The local authority has made tremendous improvements as a result of using new technology to service what is largely a rural area—in fact, almost all of it is rural.

The group of amendments under discussion includes many Government amendments that simply make drafting improvements, in particular changing "council" to "authority", which I am told is important for the avoidance of doubt. I will not comment further on them.

The Bill is workable and there is consensus on it. It complements and adds to other legislation and policies. It is an important part of the architecture of measures in respect of local government. I think that all the questions on this group of amendments have now been answered.

Question put and agreed to.

Clause read a Second time, and added to the Bill.

New Clause 2

DECISION ON SHORT-LIST

'(1) Before inviting proposals under section [Proposals by local authorities], the Secretary of State must appoint a person (the "selector") to consider the proposals and, in co-operation with the Secretary of State, draw up a short-list of proposals in accordance with regulations under section [Proposals: regulations].

(2) The selector must be a person who represents the interests of local authorities.

(3) On receiving the short-list from the selector, the Secretary of State must decide which, if any, of the proposals on the short-list should be implemented.

(4) Before making a decision under subsection (3) the Secretary of State must consult the selector and try to reach agreement.'.—*[Mr. Woolas.]*

Brought up, and read the First and Second time.

Amendment made: (a), in subsection (3), leave out 'if any'.—*[Mr. Hurd.]*

Clause, as amended, added to the Bill.

New Clause 3

ACTION PLANS

'(1) The Secretary of State must publish—

(a) the decision under section [Decision on short-list](3) and the reasons for it, and

(b) with the decision, a statement of the action the Secretary of State proposes to take with a view to the implementation of any proposal.

(2) A statement published under subsection (1)(b) is referred to in this section as an action plan.

(3) The Secretary of State must publish and lay before Parliament a report, describing the progress which has been made in relation to any action plan, within the period of one year following the publication of the action plan and at intervals of not more than one year thereafter.

(4) Subsection (3) does not apply in relation to an action plan if the action plan has been implemented.'.—*[Mr. Woolas.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 4

PROPOSALS: REGULATIONS

'(1) The Secretary of State must make regulations about the procedure to be followed in relation to proposals under section [Proposals by local authorities].

(2) Before making regulations the Secretary of State must consult—

(a) the selector, and

(b) such other persons who represent the interests of local authorities as the Secretary of State thinks fit.

(3) Regulations may, in particular—

(a) specify, or authorise the selector to specify, steps to be taken by a local authority before making proposals;

(b) specify steps to be taken by the selector in considering the proposals and drawing up a short-list;

(c) require the selector to prepare, and give to the Secretary of State, a report on the proposals.

(4) Regulations must—

(a) require a local authority, before making any proposal under section [Proposals by local authorities], either—

(i) to establish a panel of representatives of local persons and consult it about the proposal, or

(ii) to consult representatives of local persons in accordance with another enactment mentioned in the regulations (and an enactment that has not yet come into force for other purposes is deemed to have come into force for the purposes of the regulations),

(b) require a local authority to try to reach agreement about proposals with the panel or other persons consulted under paragraph (a), and

(c) require a local authority to have regard to any guidance issued under subsection (5).

(5) The Secretary of State must issue guidance to local authorities about making proposals, which—

(a) must include guidance about the inclusion among representatives of local persons (for the purposes of subsection (4)(a)(i) or (ii)) of persons from under-represented groups,

(b) may include other guidance about establishing and consulting a panel of representatives of local persons, and

(6) Before issuing or revising guidance under subsection (5) the Secretary of State must consult—

(a) local authorities, or

(b) persons who represent the interests of local authorities.

(7) For the purposes of subsection (2) or (6) any consultation undertaken before the day on which this Act is passed is as effective as it would have been if undertaken after that day.

(8) In this section—

"local person" means, in relation to a proposal by a local authority under section [Proposals by local authorities], a person who is likely to be affected by, or interested in, the proposal;

"panel" means a panel constituted in accordance with regulations;

"representative" means, in relation to local persons, a person who appears to the local authority to be representative of the local persons;

"under-represented groups" has the meaning given by regulations.

(9) Regulations under this section—

(a) must be made by statutory instrument, and

(b) are subject to annulment in pursuance of a resolution of either House of Parliament.'.—*[Mr. Woolas.]*

Brought up, and read the First and Second time.

Amendments made: (a), in subsection (4)(a)(i) after 'establish', insert 'or recognise'.

(c), in subsection (4)(a), leave out sub-paragraph (ii).—*[Mr. Hurd.]*

Clause, as amended, added to the Bill.

New Clause 5

SUSTAINABLE COMMUNITY STRATEGIES

'(1) In each of the enactments mentioned in subsection (2) for "community strategy" substitute "sustainable community strategy".

(2) Those enactments are—

(a) section 4(1), (2) and (3) of the Local Government Act 2000 (c. 22), and

(b) section 19(2)(f), (2)(g) and (7) of the Planning and Compulsory Purchase Act 2004 (c. 5) (local development documents).

(3) In section 4(5) of the Local Government Act 2000 (c. 22) (Wales) at end insert '", and as if for "sustainable community strategy" there were substituted "community strategy"."

(4) The Secretary of State may by regulations amend any other enactment, whenever passed or made, to convert a reference to a "community strategy" to a reference to a "sustainable community strategy".

(5) Regulations under subsection (3)—

(a) may amend an enactment only in so far as the enactment applies in relation to England,

(b) must be made by statutory instrument, and

(c) are subject to annulment in pursuance of a resolution of either House of Parliament.'.—*[Mr. Woolas.]*

Brought up, and read the First time.

Mr. Woolas: I beg to move, That the clause be read a Second time.

Mr. Deputy Speaker: With this it will be convenient to discuss the following Government amendments: No. 1, page 1, line 4, clause 1, leave out from 'Act' to end and insert

'references to promoting the sustainability of local communities, in relation to a local authority, are references to'.

No. 2, page 1, line 6, clause 1, leave out 'an area' and insert

'the authority's area, or part of its area'.

No. 13, page 3, line 12, clause 3, leave out 'or community'.

No. 19, page 3, line 42, clause 3, leave out 'or community'.

No. 38, page 6, line 1, clause 8, leave out subsection (3).

Mr. Woolas: I am grateful to you, Mr. Deputy Speaker, as ever, for your chairmanship. This is an important private Member's Bill, and we have made good progress. I am also grateful to Members for their assistance in that regard.

New clause 5 and the amendments tabled in my name combine to ensure that the Bill refers consistently to "local authorities" rather than to "principal councils". The motive for that is to replace the present interpretation of "local authority" with a new interpretation which reads:

"Local authority means a county council in England, a district council, a London Borough council, the Common Council of the City of London, or the Council of the Isles of Scilly."

That might seem dry and technical to hon. Members, and I shall move quickly on, but it is important that we get the definitions right. I do not think that I need to put any other definitions into *Hansard* for the record.

Mr. Greg Knight: Before the Minister sits down, will he touch on his reasons for Government amendment No. 38? He said earlier that he wished to phase in the Bill alongside other legislation. Will he confirm that that is the only purpose of that amendment—that it is for administrative reasons and not because he is proposing any delay in implementing the Bill, should it be passed by the other place?

Mr. Woolas: I can confirm that. Ministers in this situation normally read out their speaking notes, not the explanatory notes in their brief. I can confirm that both meet his objective. The notes state:

"Amendment 38 deletes clause 8 subsection (3). The subsection stated that 'This Act shall come into force on the day on which it is passed'. The reason for deleting this subsection is that it is superfluous—under the Interpretation Act of 1978 the Act would come into force on the day it is passed without a specific requirement to do so."

So the right hon. Gentleman's objective is therefore met.

Question put and agreed to.

Clause read a Second time, and added to the Bill.

Mr. Deputy Speaker: I must advise the House that, as the House has agreed to new clauses 1 to 4, the following remaining amendments fall: amendments Nos. 5 to 9, 11 to 20, 26 to 34 and 39. With the leave of the House, I will therefore put all the remaining amendments as a single question.

Remaining amendments agreed to.

Order for Third Reading read.

1.13 pm

Mr. Hurd: I beg to move, That the Bill be now read a Third time.

I would like to place on the record my thanks to a few people. Taking a private Member's Bill through this place is an enormous privilege but, as the Minister has said, it is also a daunting task for a new Member, and I simply would not have been able to do it without the help of a number of people, starting with the Clerks in the Public Bill Office, who have shown extraordinary patience with me. I should also like to thank those hon. Members who served on the Committee, many of whom are here today, not least my sponsors, the hon. Members for Falmouth and Camborne (Julia Goldsworthy) and for Stroud (Mr. Drew), who have given me great support throughout the process.

I should particularly like to place on the record my respect for and gratitude to the hon. Member for West Ham (Lyn Brown), who has educated me as to what a Parliamentary Private Secretary can achieve—I had always wondered—and set a benchmark for loyalty, tenacity and the power to persuade when one has no power to do so. I know that she has enjoyed the process. We would not be where we are without her support, and our friends at Local Works would also like to place on record their thanks to her.

I certainly thank the Minister. He had to juggle a number of balls throughout this complicated process, but he always argued his case clearly and was open and extremely constructive. He was kind about my political prospects and I have no doubt that his star will continue to rise and that he will grace shadow Cabinets for many years to come.

Last but not least, I am sure that my sponsors would want to join me in expressing thanks to Local Works, for which the Bill is the culmination of a four-year campaign. Without the group's tenacity and its success in building coalitions, which spanned organisations from the women's institute to the Campaign for Real Ale, to put pressure on the Government, I doubt that we should have reached this stage today.

The Bill is an honest attempt to help communities address the social problems that arise from community decline and the loss of local services. To some degree, the debate today has been technical and wrapped in an envelope of questions about localism, governance and the devolution of power, but the Bill's starting point was the need to respond to the clear social problems of community decline, which is, as we realise, market-driven. However, we should not forget that loss of local services inspired the coalition, rather than questions about localism or how we govern ourselves. The starting point for the Bill was a desire for a policy response to the problems—that is the passion outside this place.

One could say that if people want to support the high street they should just get their wallets out and walk down it, but we need a policy response from this place. That is the driver of the Bill. Part of that response must be central Government's responsibility to pull strategy together in a coherent framework—what we call a national action plan. The point of the Bill was not to be prescriptive but to create the mechanics to do something important—to make sure that the strategy was driven from the bottom up with the full engagement of the communities we represent. We have made considerable progress in achieving that aim.

The main point of the Bill is to give communities real influence in shaping their future. The Bill gives greater transparency to the spending of public money in local areas, which is important, but we intend to pursue the real prize—to give people the opportunity to influence how that money is spent. We had a useful debate about new clause 6 and the Minister has given us assurances from which we can take comfort, so we will consider them.

We have made real progress today. The Bill is more workable than the version we debated on 19 January, although we still need some clarification about money issues and new clause 6. The Bill is not an end; it is only the start—the first ratchet in a process that will empower people to be more engaged in building and sustaining their communities. We have started an irreversible process and I commend the Bill to the House.

1.18 pm

Clive Efford (Eltham) (Lab): It was a pleasure to serve on the Committee and I congratulate the hon. Member for Ruislip-Northwood (Mr. Hurd) and my hon. Friend the Member for Stroud (Mr. Drew), who have been pursuing the Bill for some time, supported by the hon. Member for Falmouth and Camborne (Julia Goldsworthy). They all deserve much congratulation.

I join in the congratulation of my hon. Friend the Minister. Although the Bill was supported on both sides of the House, there were difficulties for him at times, especially when he looked behind him at some of the more independent-minded—and hirsute—Labour Members who had miraculously been selected to serve on the Committee, but he dealt with those situations with consummate skill. He was supported ably by my hon. Friend the Member for West Ham (Lyn Brown), his Parliamentary Private Secretary, who helped to overcome some of the difficulties faced during the passage of the Bill.

The test of the Bill, as it will be for the Local Government and Public Involvement in Health Bill, is whether it empowers those sections of the community that do not engage in our democratic processes and civic structures. We had long debates in Committee about the people who meet in front rooms in villages to try to influence what happens in their local community. The key is to ensure that all sections of the community are empowered and encouraged to engage. One of the ways to empower them is to provide information, which is key to their being able to make choices about how their local community should be improved. I am an inner-city Member of Parliament and the test will be whether we can engage with those sections of the community who do not have a great deal of influence over how decisions are made in their area. This Bill, and the Local Government and Public Involvement in Health Bill, will be a step in the direction of empowering those people.

I congratulate all those who have been involved in achieving the consensus. I wish the Bill every success.

1.21 pm

Julia Goldsworthy: Many people need to be congratulated and commended on the work that they have done to make sure that the Bill has reached Third Reading. Without the hon. Member for Ruislip-Northwood (Mr. Hurd), none of this would have been possible. Without his conduct of negotiations and perseverance, we would not have a Bill of such quality. He has navigated through a complicated and technical process with considerable skill, and I am not sure that I would have been able to do the same had it been my first private Member's Bill. I have learned a lot from the process and from him.

All the Committee members are to be congratulated on their patience—if nothing else—given the number of abortive attempts to get the Bill through Committee. I hope that they feel, as I do, that it was worth it in the end. The Bill would not have reached this stage without the co-operation of the Minister and his Parliamentary Private Secretary, the hon. Member for West Ham (Lyn Brown). Many thanks go to them.

Ron Bailey and Local Works have been the drivers behind the Bill for a number of years and they have ensured that we have stayed focused on the issues. As we have seen today, it is quite easy to disappear down rabbit-holes that relate to the Bill's broader implications. Ron and his colleagues at Local Works have made sure that we have remained narrowly focused on the issues.

We must remember that the Bill's gestation has not just been the past five months—for the Minister, that is a short space of time—but the past five years. Sue Doughty, the former Member for Guildford, was responsible for first drawing the Bill to the attention of the House of Commons and for pushing it forward. Without her work at an early stage, I am sure that we would not be here today.

If we sit back and reflect on what the hon. Member for Ruislip-Northwood said, it becomes clear that it is amazing that there is consensus for the Bill. It is radical and talks about turning the way in which government works upside down. Policy will be driven by local communities in a way that it never has been before and we will see accountability where there is currently none. The Bill will give power to the people to reverse the problems of ghost-town Britain. Every single Member will know of problems in their constituency that need to be resolved. Finally, there is a mechanism to meet the need for affordable housing and to help the towns in my constituency where there is an appetite, but not the mechanism, to deliver the solutions to the problems that have been identified.

We now have a definition of what a sustainable community is and should be. The Government have done a lot of work on sustainable communities but without having that definition. We now have it, so how we can pursue our aims should become much clearer not only in the context of the Bill, but of wider legislation, regulations and guidance.

It is important to remember that we are not here just because the Bill is radical. The principle behind it has massive popular support and there is a real drive to find solutions to the problems that we have discussed today. Hon. Members on both sides of the House who participated in public meetings were probably as surprised as me by the turnout at those meetings and the range of people who attended—they certainly were not the usual suspects. Although the hon. Member for Islington, North (Jeremy Corbyn) does not like me using that phrase, I think that everyone understands

[Julia Goldsworthy]

what I am trying to say. There is such an appetite because there is engagement, which we have not seen on local area agreements, and an understanding that the Bill will cast light on not only the workings of government, but the spending of both local and central Government.

The Bill is also important because people are disillusioned. When people discuss parish plans, or work at a more local level, they are frustrated that even when there is a willingness to recognise problems, there is often a block because there is no mechanism to bring about the changes that are wanted. My constituency has seen how extreme such disillusionment can get because the Cornish National Liberation Army is threatening serious action against second home owners and, slightly bizarrely, celebrity chefs. However, there is a serious point because part of the drive behind such behaviour might be the feeling that there is no other way to voice such discontent.

I thank everyone who has facilitated the progress of the Bill, and I am sure that it will be considered with a similar approach in another place. I look forward to its completing its passage.

1.26 pm

Mr. Drew: I congratulate the hon. Member for Ruislip-Northwood (Mr. Hurd). In the years to come, I am sure that the Bill will be cited in politics textbooks as an example of how a new Member can change the law. He deserves every credit, as does the hon. Member for Falmouth and Camborne (Julia Goldsworthy), my co-sponsor. We have got to know each other rather well.

I thank the Minister and his team. It was helpful that we were able to resolve problems in a friendly manner. Politics is about not only the cut and thrust of debate, but getting things done. A lot of work has gone on behind the scenes. While that seemed to take a long time, the proof of the pudding is in the eating, and we now have a good Bill.

I thank the Minister's Parliamentary Private Secretary, my hon. Friend the Member for West Ham (Lyn Brown), who has been the meat in the sandwich on more than one occasion. I now understand what a PPS does. She is obviously going to go places; I told her yesterday that she had every prospect of real promotion. After dealing with us, the job of prisons Minister might be an easier role. She spent an awful lot of time trying to make the Bill happen.

Like others, I pay tribute to the Local Works campaign. The campaign has come from without to within. We sometimes like to think of ourselves as the fount of all knowledge and those who create all the ideas, but the Bill has genuinely come from the grass roots. Local Works and the New Economics Foundation have pointed out why we need to get hold of ghost-town Britain. It is to their credit that they have worked towards the Bill for such a long time and I am immensely humbled to have been part of the process.

1.29 pm

Gregory Barker (Bexhill and Battle) (Con): "Sustainable Communities" is not only the name of the Bill, but one of the great imperatives of British politics in 2007. As my hon. Friend the Member for Ruislip-Northwood (Mr. Hurd) said, the Bill provides a framework for people who want to underpin and nurture sustainable communities. It also provides an encouraging signpost for people who might be disillusioned about whether we in Westminster are able to influence the things that they care about. More importantly, they wonder whether it is worth getting involved with their local community. The Bill is the answer to all those people who say, "Is it really worth my while? Should we bother?" because it will provide a reason and a vehicle for them to get involved and help shape their community.

In my constituency, the Bill will be particularly welcomed by the traders and residents of Little Common, who are fighting inappropriate development and planning applications. They will be able to feel a sense of real ownership of the development of their local community, where they want to preserve village life. It will also be welcomed by the people who are fighting for the post office in Staple Cross and other post offices that are under threat across my constituency. The Bill will reinforce their belief and hope that they can have a real say.

I am particularly pleased that the Bill will go through the House today because I was a co-sponsor of its previous incarnation in the last Parliament. The way in which its provisions have been taken forward by those directly concerned with the Bill before us is a great credit to Members of all parties—to the Minister, the Government and all the Opposition parties. We can all be very proud of the way in which the House of Commons has responded to the great enthusiasm and demand that there is for the Bill in the country, proud of the sensible way in which it was scrutinised in Committee and proud of the way in which Members have picked their way through a complex and at times vague piece of legislation. We have ended up with a Bill that is robust, that reflects public concerns and that will, I hope, address them. The whole process started with Local Works, which deserves huge credit for making the Bill a reality. I am very pleased to be associated with the Bill today.

1.31 pm

Jeremy Corbyn (Islington, North) (Lab): I was happy to be a member of the Committee on the Bill—

Mr. Drew: It was because you have got a beard.

Jeremy Corbyn: I think that the main reason why I was chosen to sit on the Committee was because I have a beard. Speaking as someone who is not in any way a usual suspect—I am just a normal activist—I consider the Bill to be extremely welcome. I congratulate the hon. Member for Ruislip-Northwood (Mr. Hurd) on getting it through the House. Perhaps he could inform the House why it is that new Members come up high in the private Member's Bill ballot and old lags like me never come anywhere in it. A Privy Council inquiry should be held into why bearded Members do not get high places in the private Member's Bill ballot. *[Laughter.]* It is a serious point; there is evidence to prove it.

I thank my hon. Friend the Member for Stroud (Mr. Drew) because he has done a fantastic job in supporting the Bill and has campaigned for many years

on the issue of local sustainable communities. I also thank the hon. Member for Falmouth and Camborne (Julia Goldsworthy) for the work that she has done. It is a useful piece of legislation, and as my hon. Friend the Member for Stroud pointed out, the best legislation does not start in the unseen reaches of the civil service; it starts outside in campaigns to improve community life around the country, and that is where the Bill comes from.

I think back to a public meeting that we held in support of the Bill three years ago in Archway in my constituency. I was invited to come and speak at it, and I thought, "A public meeting on sustainable communities—how many people will be there?" but 350 people turned up. That is absolutely amazing. It was not that they necessarily wanted to talk about the details of a Bill; they wanted to find out why they had so little power over the future of local shops, particularly those around Junction road, over the future of big planning decisions that would affect them, and over housing developments, given that we desperately need social housing.

Martin Linton (Battersea) (Lab): Does my hon. Friend agree that some of the strongest defenders of the village high street are the residents of villages in cities? The situation is similar in my constituency, where the community living around one of the nicest village high streets in London has been agitating partly in support of the Bill and partly in support of its high street. Those people look to the Bill to help them to revitalise their high street and to defend what they have, namely a high street that has all the shops that are required in a high street, including a post office.

Jeremy Corbyn: I thank my hon. Friend for that intervention. I strongly agree with his remarks. As a former chair of a borough planning committee in London, I look back to the days when there were considerable powers for local planning to decide what range of shops were to be available in a particular street. That is an important power, because if three or four key shops are lost, such as local grocers or bakers, gradually the whole place deteriorates because people cannot do all their shopping there. Such sustainability is important.

Like my hon. Friend the Member for Eltham, I am proud to represent an inner-city community. Inner-city communities are very complicated. The Bill applies just as much to them as it does to rural areas. It is important to ensure that there is a good range of shops, that all the linguistic requirements of the local community are met and encouraged to be met, and above all that local shopping is inclusive and sustainable.

Yesterday morning I had a good meeting with the new town centre manager who is dealing with the Finsbury Park area. I was discussing with her the importance of a Bill like this in improving her possibilities of ensuring that we maintain a sustainable local business community, a sustainable local community and improved local housing opportunities in order to enhance the whole area. As a former chair of a planning committee in Haringey and chair of area improvement committees, and having seen rehabilitation committees in operation, I think the Bill is a good step forward.

Local communities are what it is about. A good local community, good local shopping, good local facilities, good transport and good housing bind communities together, cut crime, cut racism and increase understanding. That is what I see the Bill as having achieved. The work of Ron Bailey and others who have campaigned for that over many years ought to be recorded with thanks by all of us in the House today.

1.36 pm

Philip Davies: Following your earlier comments, Mr. Deputy Speaker, I rise to congratulate briefly all those who have been involved in the Bill from the start to the point that we have now reached, particularly my hon. Friend the Member for Ruislip-Northwood. It is a tremendous achievement for him to have got his private Member's Bill so far, having been in the House for just two years. I entered Parliament at the same time as he did, and I would not get any Bill anywhere near this stage. The way my hon. Friend has conducted himself throughout the passage of the Bill shows that he has a bright future ahead of him in this place.

I pay tribute also to the Minister for the constructive way in which he has engaged in the debate on the Bill and offered reassurance to those of us who raised our concerns. The Bill may not be perfect, but it is very good. I am delighted that we have not made the perfect the enemy of the very good. The Bill will give great hope and encouragement to people in my constituency and make them feel that they can make a real difference to the decision making that affects their lives and their local community. On their behalf I pass on my heartfelt thanks to everybody who has been involved, especially my hon. Friend.

1.38 pm

Lynda Waltho: I add my congratulations both to the hon. Member for Ruislip-Northwood (Mr. Hurd) and to the hon. Member for Falmouth and Camborne (Julia Goldsworthy) and my hon. Friend the Member for Stroud (Mr. Drew). The way in which the Bill has been dealt with shows Parliament working at its best across the parties and with the support of the vast majority of local community groups.

The Bill will not necessarily allow people to solve the problem of global warming, but it will allow them to add their own local efforts and to make decisions that involve them and make a difference locally. That is extremely important. I have been assured that the Bill cannot be used as a nimby's charter. That was a possibility in the early stages, when there was less information available.

Congratulations have been offered to my hon. Friend the Member for West Ham (Lyn Brown), who has elevated the role of PPS and shown us all what can be achieved. As a flatmate of hers, I can say that she has been working on the Bill 100 per cent. of her time, and the rest of us who share the flat are grateful that has got this far. I offer congratulations and thanks to all concerned.

1.39 pm

Mr. Rogerson: As a member of the Committee, I want to add to the record my thanks to all those involved in the passage of the Bill. Whether they are

[Mr. Rogerson]

bearded or unbearded, they have all made a great contribution, and we are delighted to have reached this point.

As other hon. Members have said, the Bill comes from outside this place, despite the efforts of those hon. Members who have ably advanced the case for its introduction. That is a good example how the Bill will work—ideas will come from local communities about how best to solve problems. We have established that the problems will be different in each area, and it would be ludicrous to require a national Government solution to each of them and to expect the Government to legislate. All of us have local issues that we want to see resolved in our constituencies, and we could spend a very long time asking the Government, of whichever complexion, to get around to addressing them. The facility to enable local communities to come up with and effect solutions is a huge change.

I want to highlight the issue of the proliferation of second homes in my constituency, which I raised in Committee. At that stage, the Minister felt that the Bill would offer us in Cornwall the opportunity to propose the solutions to deal with that problem and to maintain sustainable communities. I know that, for example, areas where studentification is taking place also feel that this is an opportunity for them to come up with local solutions. They want to welcome everybody, but they want to ensure that there is a balance in the community and that local services can be maintained.

Ultimately, the Bill allows local communities to see where they are—that is akin to the parish plan process, which we have discussed—to analyse where public money is being spent and to come up with solutions, which may involve some changes to the provision of local functions in order to deliver plans to deal with their problems. The Bill is highly significant, and it has a great deal of support out in the country. It will be welcomed, and we have done a very good thing today in taking it forward. I look forward to seeing it emerge from another place, perhaps improved even further. It will allow us to show the country that we have listened and acted to create and sustain communities, which are so important to us.

1.42 pm

Richard Younger-Ross: I add my congratulations to all those who have participated. I will not list them, except for the hon. Member for Ruislip-Northwood (Mr. Hurd), who has done a stunning job in introducing the Bill.

The hon. Gentleman mentioned that the Bill is just the beginning and that the process needs to go further. I hope that the Government will consider the point that the Bill is the start of a process.

For 40 years, we have witnessed the strange death of rural Britain and of the British high street. The Bill is significant because it will enable the resurrection of those high streets and those communities. It is very important.

1.43 pm

Mr. Letwin: I echo the many congratulations to my hon. Friend the Member for Ruislip-Northwood (Mr. Hurd). As we noted in Committee, any Bill that brings me and the hon. Member for Islington, North (Jeremy Corbyn) to the same side of a debate is remarkable. *[Interruption.]* Speaking as a Privy Councillor, I hope that Her Majesty will not commission a report on the question why bearded Members fail in the ballot.

In thanking the Minister for his co-operation, I want to make one point. Although we took considerable comfort from his remarks about the transfer of functions, we want carefully to examine precisely what he said when we read *Hansard*. We also want to investigate whether the intent of new clause 6(4)(b) is fully captured by his new clause 1(3). If not, I hope that we can hold discussions with either him or his successor as the Bill proceeds to another place, because it is, I hope, clear that we have a policy agreement about our objective in that all-important part of the Bill.

1.44 pm

Mr. Woolas: I will speak briefly because I am conscious of the presence of my hon. Friend the Member for Hendon (Mr. Dismore), who has silently overshadowed my considerations in the past few weeks. I am aware of his capacity for examining Bills in detail and I do not want to eat into his time.

I have already congratulated and thanked people involved in the Bill and, like the right hon. Member for West Dorset (Mr. Letwin), I do not wish to spend too much time on repeating that. However, I particularly want to mention my hon. Friend the Member for West Ham (Lyn Brown). When my right hon. Friend the Secretary of State put this Bill into my in-tray, my inclination was to stitch together a deal. My hon. Friend has embroidered a deal and created a Bill that is workable, makes sense and meets the policy intentions of its sponsors.

I am also grateful to the right hon. Member for West Dorset. It is significant that he is at the Dispatch Box, because he is responsible for policy development. As politicians, we are moving firmly into a world where localism is one of the key points in public debate. That has not always been the case but, as I said at the Local Government Association meeting, Ministers and shadow Ministers now line up to prove their localist agendas. My difficulty is to ensure that we move together in consensus, particularly with the LGA, while at the same time maintaining a political advantage over the right hon. Gentleman, which is very difficult because of his intelligence and articulacy.

Before the Bill went into Committee, I did some research and read David Butler's excellent book, "Failure in British Government: The Politics of the Poll Tax". The hon. Member for Shipley (Philip Davies) said that things go disastrously wrong when there is consensus, but they can also go disastrously wrong when there is not consensus. The book gives an account of the celebratory party at the house of the then Local Government Minister, William Waldegrave, present at which was the young No. 10 policy adviser, a certain Mr. Oliver Letwin. I say that to tease him, but I acknowledge the thought that he has given to policy development in this area and the assistance that he has given to the hon. Member for Ruislip-Northwood (Mr. Hurd).

Let me finally thank one other one other person—my right hon. Friend the Deputy Prime Minister. He was the author of the policy idea—ridiculed when it was first proposed—of sustainability for our communities. That phrase was part of the departmental logo for many years. I know that we all wish him a speedy recovery.

It is right that the Bill has had a long gestation period. I acknowledge the work of the hon. Member for Falmouth and Camborne (Julia Goldsworthy), and Sue Doughty before her, and of other Members, including my hon. Friend the Member for Stroud (Mr. Drew).

In the past 40 years, three Members have passed private Members' Bills of significant substance through this House. The first was Sidney Silverman, whose Bill led to the abolition of capital punishment in this country, and the second was the right hon. David Steel, whose Bill led to this country's abortion laws. Many other Members have got private Members' Bills through—indeed, I got one through in 1997. It took me about 10 minutes because it was a handout Bill and nobody noticed it. The hon. Member for Ruislip-Northwood has had to spend months getting his Bill through.

I genuinely believe that the Bill will change the relationships in British politics. I do not think that it will achieve everything that the promoter and sponsors claim for it, but it will change the relationships. Although it will not grab the headlines as much as Sidney Silverman's Bill or David Steel's, it will contribute enormously to British politics, and I am proud to be the Minister who helped it through Parliament.

Question put and agreed to.

Bill accordingly read the Third time, and passed.

Human Rights Act 1998 (Meaning of Public Authority) Bill

[Relevant document: Ninth Report from the Joint Committee on Human Rights of Session 2006-07, The Meaning of Public Authority under the Human Rights Act, HC 410]

Order for Second Reading read.

1.50 pm

Mr. Andrew Dismore (Hendon) (Lab): I beg to move, That the Bill be now read a Second time.

The purpose of the Bill is to clarify "public authority" in section 6 of the Human Rights Act 1998 to ensure that, when the private sector carries out public functions—for example, in contracted-out care for the elderly—the Act will apply. Although the Joint Committee on Human Rights, which I chair, has not formally endorsed the Bill, many members of the Committee support it. It implements one of the key recommendations in our recent report on the meaning of "public authority" under the Human Rights Act.

It has been immensely important that the Human Rights Act brought home the rights set out in the European convention. Before the Act came into force, British people had to go to Strasbourg to tackle breaches of their human rights. However, in one respect, the protection that the Act affords has been less comprehensive than Parliament intended. The problem has arisen because of the development of case law interpreting the meaning of "public authority" in the Act.

Under section 6, it is unlawful for a public authority to act in way that is incompatible with a convention right. The Act does not provide a list of public authorities to which it applies. Instead, it states that a public authority includes

"any person certain of whose functions are functions of a public nature".

During the measure's passage, statements by the then Home Secretary and Lord Chancellor made it clear that privatised or contracted-out public services were intended to be brought within its scope.

We were told that the public function definition emphasised the functions rather than the institutional status of the body performing them. For example, a private security company that ran a prison under contract with the Government would be deemed to perform a public function within the scope of the Act. However, when a private security company provides a service to another private company, the Act does not cover it.

Since the Act came into force, a series of court cases have turned on whether a specific private company or organisation that provided services came within the ambit of the Act. The result has been to undermine and even overrule the comprehensive and wide interpretation of public authority that was originally intended.

One specific case has left utter confusion about the matter. It is the 2002 case, which is commonly known as the Leonard Cheshire case. The local authority-funded residents of a care home run by the Leonard Cheshire Foundation, which is a private charity, wanted to challenge the decision to close the home and

[Mr. Andrew Dismore]

disperse the residents. They claimed that that broke their right to respect for their home under article 8 of the European convention. However, the Court of Appeal found that the managers of the care home were not a public authority under the definition in section 6. Residents could not, therefore, enforce their human rights against the care home, even though the council still had its obligations under article 8, regardless of its contract with Cheshire Homes.

In 2004, after reviewing that judgment and other cases, which had turned on the definition of public authority, the Joint Committee on Human Rights concluded that the test being applied by the courts was "highly problematic". It resulted in many instances of an organisation

"standing in the shoes of the State",

but without responsibility under the Human Rights Act. That had led to a "serious gap" in the protection that the Act was intended to offer.

Mr. Greg Knight (East Yorkshire) (Con): Will the hon. Gentleman cover the scope of the Bill? Would it go beyond bringing care homes within the scope of the 1998 Act? I am thinking, for example, of circumstances in which a local authority contracts out a community bus service. Would the Bill bring that service within the scope of the Human Rights Act?

Mr. Dismore: That would depend on the basis on which the contracting out was done. If it was done as part of the local authority's public function, it would fall within the scope of the Human Rights Act, but not if it was done on any other basis. The position will become clearer as I continue.

The gap is not simply a theoretical legal problem—we just had an example of that—but a problem with significant and immediate practical implications as many services previously delivered by public authorities become privatised or contracted out to private suppliers. The law has failed to adapt to that reality.

The implications of this failure extend across the range of especially vulnerable people in society, including elderly people in private residential care or nursing homes, tenants in housing association properties, children outside the maintained education sector and looked-after children in receipt of children's services.

In its 2004 report on the subject—I believe that the Under-Secretary of State for Justice, my hon. and learned Friend the Member for Redcar (Vera Baird), was instrumental in organising the inquiry as she was a member of the Committee at the time and endorsed its recommendations—the Joint Committee on Human Rights examined several possible solutions, including amending the Human Rights Act 1998 to make clear the responsibility of organisations in carrying out public functions to protect human rights, protecting human rights in terms of the contracts between public authorities and private providers of public services, backed by authoritative guidance on when an organisation was likely to be classed as a public authority for purposes of the Act, and the development of case law on the meaning of public authority.

At that time, at such an early stage after implementation, the Committee took the view that amendment of the Act would be likely to create as many problems as it solved. Guidance on the formulation of contracts and best practice would be helpful, it argued, but could not provide a complete or enduring solution. It argued that the Government as a third party should intervene in the public interest in cases where a broader interpretation could be argued for. The Government accepted those recommendations at the time.

Three years on from that report, a number of significant developments have taken place and, generally speaking, they have been none to the good. In November 2005, the Government published guidance to local authorities on contracting for services in the light of the Human Rights Act. That guidance was reviewed in our most recent report, published in March this year. We made a number of criticisms and recommendations, stressing that guidance alone could not solve the problem.

The reality is that the method of using guidance has proved utterly unsatisfactory and negative in respect of dealing with the difficulties surrounding the use of contracts to secure better protection of human rights. It dissuaded procurement officers from taking a positive approach and no model process was recommended. We found that the guidance was badly written, difficult to follow and suffered from a lack of publicity. The guidance lacked accessibility and, being written in highly technical language, it was difficult to understand. It was hard to find, hard to follow and did not give any practical examples. There were no mechanisms in place to monitor the impact on procurement practice and local authorities were in general unaware of the guidance's existence and it had little effect or influence on their policy. Without the use of model or standard contract terms, that guidance was not going to develop a consistent approach to public service commissioning and to human rights.

We felt that without significant joint efforts on the part of the then Department for Constitutional Affairs, now the Ministry of Justice, and the Department for Communities and Local Government, the guidance would continue to fail. We saw it simply as a stop-gap that could not ultimately protect human rights through the use of contractual terms. It could never be a substitute for the direct application of the Human Rights Act to service providers.

Following the Leonard Cheshire judgment, the Government have intervened in cases before the courts to try to broaden the definition of public authority. The Government strategy in acting in this way has not so far been successful and risks making a complex area of law increasingly uncertain and difficult for people to understand.

In the current the House of Lords case of the Crown (on the application of Johnson and others) v. the London borough of Havering, the Government have argued that the meaning of "public authority" covers elderly and vulnerable people who are receiving care from a private provider on behalf of a public authority. The case concerned whether local authority care homes that were transferred to the private sector remained public authorities in respect of local authority-placed residents. The Government have been unsuccessful so

far, but the appeal is being heard and we await the judgment of the House of Lords, which I understand is due to be handed down this Wednesday.

The Joint Committee on Human Rights found that even if the issue were resolved in respect of the residential care sector, further complex litigation would be likely to arise in other areas. The Government could choose to intervene only in those sectors that it considers should attract public authority status and not others which Parliament had previously been led to believe would be subject to the application of the Act. We were concerned that whatever decision was reached in the House of Lords, it would be unlikely to lead to an enduring and effective solution to the interpretive problems associated with the meaning of public authority. Waiting for a solution to arise through the evolution of the law in this area by judicial interpretation might mean that uncertainties surrounding the Act's application would continue for many years, which we considered to be unacceptable.

It therefore remains the case that there is an urgent need to ensure that our human rights law clearly protects vulnerable people. The British Institute of Human Rights, for example, has reported on the treatment of residents in residential care homes that clearly amounts to a breach of their human rights. Cases included the circumstances of home closures, notices to individuals to leave homes and inhuman and degrading treatment such as elderly residents being fed their breakfast while sitting on the commode. We in the Joint Committee on Human Rights are about to conclude our own inquiry into the treatment of the elderly in hospitals and care homes. We have received appalling evidence of woeful neglect, lack of dignity and respect and ignorance of the human rights of the elderly.

The Under-Secretary of State for Health, my hon. Friend the Member for Bury, South (Mr. Lewis), who has responsibility for care services, has made it clear that he considers the present position to be an anomaly that must be addressed. Help the Aged, in its briefing for the Second Reading, has welcomed the proposals in my Bill. It says that 400,000 people are vulnerable to serious violations of their human rights without any recourse to legal remedies. Help the Aged points out that the present arrangements can force life-long couples apart and gives the example of a couple who have been married for 61 years who were placed in homes five miles apart because they had different needs. The wife had advancing dementia and the husband was physically disabled. It was agreed that an adapted taxi would be supplied five days a week for the husband to visit his wife, but the arrangement was stopped because of lack of resources. That is clearly a breach of their human rights, but it is not enforceable.

Residents have no tenancy or residential rights in care homes and can be asked to leave at any time, and we heard evidence of that time and again in our recent inquiry. Of course, the most extreme example is elder abuse. Help the Aged reckoned that 500,000 older people are believed to be being abused at any one time in the UK. It claims that the loophole left by the Leonard Cheshire judgment has grave consequences for vulnerable older people, as approximately 90 per cent. of care homes and 60 per cent. of domiciliary care agencies are run by private or voluntary organisations. It views the Bill as a crucial opportunity to reconsider the meaning of public authority and it urges hon. Members to support it.

When such poor treatment occurs in a private residential care home, it is not satisfactory for residents to have to rely on interpreting a contract between the local authority and the home's managers, a contract to which they are not a party and in relation to which they have had no say in its drafting or terms. They should be able to enforce their human rights directly.

In a recent debate on the Government's "Human Rights: Common values, common sense" campaign, the Minister told the House that the Government recognised that the protection of human rights through a contract was a poor substitute for the direct application of the Act to functional public authorities, as intended by Parliament. We reiterate the conclusions to which the Minister signed up in the first report on the meaning of public authority. Human rights cannot be fully and effectively protected through the use of contractual terms and I hope that the Minister will support the Bill today.

Last October, we asked the Lord Chancellor about the Government's position in an evidence session. In his Department's July 2006 review of the Human Rights Act, 1998, he repeated the extraordinary proposition that a "widening" of the definition of public authority could have the effect of driving private providers out of the market. That is extraordinary, because it would not be a widening of the definition, but on all fours with what Lord Irvine of Lairg—the then Lord Chancellor—told Parliament was intended when the Bill was before it.

Moreover, the appalling implication is that those in private sector care homes, who are probably more vulnerable to abuse than those in in-house facilities, are not to have a right to challenge that abuse in our courts, making them second-class citizens—in growing numbers, as local authorities continue to contract out. The contractors' commercial interests have been put before the decent treatment of the elderly and vulnerable.

I would be grateful to know whether the Minister agrees with the Lord Chancellor's proposition, or whether her view is that the best way to deal with the issue is

"to make sure that public and private bodies are treated the same way when they are providing a public service."

Those are not my words, but the exact answer that I was given by the Prime Minister in February, when I questioned him on this point in the Liaison Committee. I hope that the Minister will be able to say that the Prime Minister is right and that the views expressed by the Lord Chancellor were not an accurate representation of Government policy, at least as it now stands.

The JCHR concluded in its recent report that amending the Act would be the last resort, but it went on to say that

"in light of the pressing need for a solution...there is a strong case for a separate, supplementary and interpretative statute"

to clarify the definition of public authority in the Act. The Bill gives effect to that recommendation.

The JCHR raised the possibility of legislation to make it clear that any person or body providing goods,

[Mr. Dismore]

services or facilities to the public pursuant to contract with a public authority is a public authority for the specific purposes of the Act. The purpose of my Bill is to reinstate unambiguously the wide and functional interpretation of public authority that was understood by Parliament and Government alike to be the meaning of section 6 when the Act was passed. The intention behind my Bill is to ensure that human rights protections will apply comprehensively, directly and consistently to all those who receive public services from private providers, including the most vulnerable members of our society, such as the elderly in care homes, as I have mentioned.

The Government say that they are consulting on this issue, but I hope that any consultation will be on the format and text of legislation only, as the JCHR has recommended. The Minister may say that she wants to wait until the Law Lords deliver their forthcoming judgments in the Johnson case—which, of course, is in only five days' time.

I understand that the Attorney-General has concerns about my Bill's wording, but if given a Second Reading, it will provide a swift way of dealing with this problem, in the event that the Government's intervention with the Law Lords is not successful—a question to which we will know the answer very soon, one way or the other. If the Law Lords do not resolve the issue with clarity, we can put right the wording in Committee and take account of a short period of consultation. There will be ample time to do that, to have a Committee stage and to bring the Bill back to the House in October.

Time is of the essence for people in care homes and other facilities who ought to benefit from the full protection of the Human Rights Act, but who are currently denied it. I urge the House to support the Bill for these reasons. I urge my hon. and learned Friend not to talk it out, but to remember what her own position was on this vital issue when she was a member of the JCHR. I hope that she still stands by that position, and that she will therefore allow the Bill to proceed.

2.6 pm

Mr. Simon Burns (West Chelmsford) (Con): May I say, Mr. Deputy Speaker, what a surprising pleasure it is for me, after two years of Trappist vows of silence preventing me from speaking at the Dispatch Box, to be doing so this afternoon? It is a particular pleasure because I was for a time the Minister with responsibility for care for the elderly, and for four and a half years in opposition I was, until two years ago, the shadow Minister with such responsibility. Therefore, this is an area in which I have some interest—not from a lawyer's point of view but from that of the clients and users, particularly those in care homes.

This debate is very timely because it is of course world elder abuse awareness day. It comes a day after the publication of a report by King's College London and the National Centre for Social Research, funded by Comic Relief and the Department of Health, that highlights that more than 700,000 elderly people are abused in their own homes or in privately run nursing homes. The issue of care for the elderly in society is one of increasing importance, and this Bill has the potential to address a serious associated issue. As many Members have said over the years—that makes the point no less important—it is crucial that those who are more often than not the most frail members of our society have the proper protections and the dignity and quality of life that they deserve. We, as a civilised society, have a duty to ensure that they are protected and are given that quality of life.

Currently, the Human Rights Act 1998 covers only public authorities and those performing public functions. The Bill, as I understand it, seeks to clarify the meaning of "public authority" as defined in section 6 of the Act. The Bill aims to insert a clause which would ensure that

"a function of a public nature includes a function performed pursuant to a contract or other arrangement with a public authority which is under a duty to perform that function."

In plain man's language, that means that the Act would then cover state-funded but privately run care homes, as well as state-funded, state-run ones. It would not impact on privately funded homes.

My party supports in principle giving the Bill a Second Reading. We support the principle that services provided on behalf of local authorities by the private sector, using taxpayers' money, should face the same level of scrutiny as any public provider would. In addition, we welcome the report, published in March, by the Joint Committee on Human Rights entitled "The meaning of Public Authority under the Human Rights Act", which provided many of the key recommendations in support of this Bill. However, there are a number of issues that we would like to discuss in Committee, should the Bill proceed, and which I will touch on shortly.

Section 6(3)(b) of the Human Rights Act states that a "public authority" includes

"(a) a court or tribunal, and

(b) any person certain of whose functions are functions of a public nature".

Section 6 makes it unlawful for a public authority to act in a way that is

"incompatible with a Convention right."

It does not provide a list of public authorities to which the Act is applicable, but it has been argued that, because privately run care homes are subcontracted to provide local authority services, they should be included in the definition. On introducing the Bill for its First Reading, the hon. Member for Hendon (Mr. Dismore) argued that the amendment to section 6 would not widen the definition of what constitutes a public authority, but rather

"be exactly on 'all fours' with what the then Lord Chancellor told Parliament was intended"—[*Official Report*, 9 January 2007; Vol. 455, c. 152.]

when the Human Rights Bill was introduced in 1998.

This Bill does not seek to identify individual types of categories of public authority in line with the recommendations of the Joint Committee on Human Rights. The hon. Gentleman perhaps made a valid point when he said that the current situation has led to private care home residents being "second-class citizens" in certain circumstances given that they have

to rely on interpreting a contract between a local authority and a care home manager to try to enforce their human rights.

There are many strong arguments in support of the Bill. A key issue is that of care home closures, which the hon. Gentleman briefly mentioned. Under regulation 40 of the Care Home Regulations 2001, state run and privately run care homes have to give reasonable notice of their intention to close, although no specific time period is mentioned and reasonable notice can mean different things to different people in different circumstances.

The Bill would ensure that in future private care homes would not be able to close without ensuring continuation of care for their residents. That would be an important safeguard, welcomed by the Conservatives and, I trust, by other parties as well. It would also be welcomed by many charities, such as Age Concern, which has repeatedly expressed its dismay that private care homes can evict residents with no notice and can decide to close as a business without taking into consideration the needs of the residents for whom that institution is their home. All too often, that gets blurred in the debate, but care homes are the homes of those individuals who are resident there. We cannot and must not forget that.

High-profile court cases have highlighted the need for the situation to be clarified. The 2002 case of R. (others) *v.* the Leonard Cheshire Foundation—commonly known as the Leonard Cheshire case—made the news when the judge, and latterly the Court of Appeal, ruled that the foundation could not be deemed to be a public authority within the meaning of section 6 of the Human Rights Act and that it therefore had the right to cease operations, meaning that residents had to be relocated in community-based units. A subsequent and very similar case of the Crown (on the application of Johnson and others, *v.* the London borough of Havering came to the same conclusion. However, the Court of Appeal expressed disquiet with the view that a privately run care home was not subject to the Human Rights Act and that the issue of care home closure was having to be decided on a case-by-case basis. That would suggest that there is a clear argument that the situation needs the clarification that the Bill would enable.

However, should the Bill proceed further, some issues will need to be given more consideration than today will allow. It is understandable that independent care home providers are concerned by the Bill's implications. The English Community Care Association outlined many of its concerns about the proposal when it submitted evidence to the Joint Committee while it was forming its report, which was published in March. Some of the concerns included the widespread lack of understanding about the Human Rights Act itself and that an extension of it would not give residents and their families any more confidence in the care system. In addition, concerns have been raised by care providers, as well as others such as the Lord Chancellor, that the Bill could drive private providers out of the market. No detailed analysis has been conducted. That will need to be undertaken if the Bill is to progress further, as will a full regulatory impact assessment.

All Members rightly believe that more must be done to provide support, protection and rights to those living in care homes or being provided with care, because they are reliant on us for those protections. However, we must not take a broad-brush approach and tar everyone. The vast majority of those who provide care for our elderly citizens—our parents or siblings, perhaps—are genuine and concerned people who give the best care they can by providing the finest quality of life and environment for the people who have made their care homes their homes.

Mr. Greg Knight: I am grateful to my hon. Friend for making those comments and putting them on the record, because I would hate the report of this debate to give the impression that all privately owned care homes treat their residents unfairly. Is it not the case that privately run care homes are subject to the same inspection regime as those in the public sector?

Mr. Burns: My right hon. Friend is right. Private care homes are treated in exactly the same way as local authority homes. Ironically, the inspection regime was always applicable to private homes, but until recently, under legislation introduced in the past eight years, it was not applicable in the same way to local authority run homes. There is now fairness in that respect.

My right hon. Friend is right to remind the House that we must not take discussions of proposed legislation such as this Bill as an opportunity to attack private care homes. I know from personal experience as both a Minister and a shadow Minister that the majority of care homes in our country do a fantastic job in providing care and a genuine home environment for some of the most frail and vulnerable members of society. Among those who work in them—as among those who work in all other such walks of life—there is always a small minority that brings shame on the services they provide, but all too often the attention is focused on them and the fantastic work of good care home owners and their staff is forgotten.

The issue of abuse in care homes needs to be addressed, as was highlighted by yesterday's significant report, but that must not be used as a stick to beat this dedicated group of people who provide much genuine care for our elderly population. We must be careful not to overestimate the potential impact of the Bill, given that private and state-run care homes have an identical level of inspection through the Commission for Social Care Inspection. We must not vilify private care home providers, the vast majority of whom provide excellent and considered care for their residents.

I broadly welcome the Bill, although some aspects of it will need to be carefully examined in Committee.

2.19 pm

The Parliamentary Under-Secretary of State for Justice (Vera Baird): I welcome the contribution by the hon. Member for West Chelmsford (Mr. Burns), who has a good deal of experience to contribute to the debate. I also congratulate my hon. Friend the Member for Hendon (Mr. Dismore) not only on bringing in the Bill, but on his rigorous and resolute work on human rights generally through his role as Chair of the Joint Committee on Human Rights.

One of the Government's first acts when they came into office was to introduce the Human Rights Bill,

[Vera Baird]

and since the Act came into force in 2000 people in the UK have been able to enforce their rights and claim their remedies in British courts in front of British judges, which has greatly reduced the need to go to Strasbourg. Alleged breaches of rights can be tested more quickly and more easily, and there has also been a significant impact on policy development.

The Bill highlights an important issue that has arisen as a result of the courts' narrow interpretation of part of the Human Rights Act 1998. During the passage of the Human Rights Bill, the Government intended that public functions in section 6 should be interpreted widely, to give effective protection to individuals whose rights had been breached. Organisations that are not covered by section 6 are not obliged to act compatibly with the convention rights.

The then Home Secretary, my right hon. Friend the Member for Blackburn (Mr. Straw), made it clear that the definition of "public authority" had to take

"account of the fact that, over the past 20 years, an increasingly large number of private bodies such as companies or charities have come to exercise public functions that were previously exercised by public authorities."—[*Official Report*, 16 February 1998; Vol. 306, c. 773.]

However, as a consequence principally of the Leonard Cheshire case to which both the previous speakers have alluded, things have not worked out in that way at all.

As a result of that case law, private companies that deliver the functions of a public authority under contract are not always obliged to respect the convention rights. This particularly includes situations in which private care providers act on behalf of local authorities. It has been made clear that care standards apply to private and public bodies, and that public authorities are under an obligation under the Human Rights Act—as they are undoubtedly public bodies—to take appropriate steps to ensure that those in care are safe. However, following the Leonard Cheshire case, those who are resident in private care homes provided on behalf of a local authority only have remedies against the local authority and not against the care home directly.

The Government believe that the approach taken to section 6 by the courts in this case has been too narrow, and we are committed to seeking clarification of the meaning of "public authority". If what we hope happens in the House of Lords on Wednesday does not happen, we shall have to tackle the issue in another way. It is our intention to fill this gap. We have followed the advice of the predecessor Committee to the Joint Committee on Human Rights, on which I was serving when it produced a report in 2003—largely instigated by me—on this gap. It was our conclusion—and it was good advice, although I would say that, I suppose—that we should pursue this issue through litigation. That seems to have been the right way forward.

All we can do is try to intervene in a good case when a good case comes up. We cannot invent a good case, and we cannot make an academic application to the UK courts to ask the court to determine academically what is a public authority and what is not. As cases of this kind do not come up every day, we have had to wait for one. We have now intervened, although not very successfully the first time round. We are also working our way through the precedent system, which means that we have to get to a court above the one that has found the opposite way in the Leonard Cheshire case. This strategy may well have been effective, in that, on Wednesday, we shall have a judgment one way or another on the meaning of "public authority". It follows from what I have already said that we hope that that judgment will reinstate the essentially functional definition of a public authority, which the then Home Secretary set out and Lord Chancellor set out in the House of Lords. I have already quoted the Home Secretary on the matter.

It is clear even from our brief debate today that this is not a straightforward issue. We need to ensure that we get the right result. We do not think we should hurry the process with a one-line, one-clause Bill. I do not think that I am submitting my hon. Friend the Member for Hendon to criticism that he would not accept when I say that even he would agree that the Bill is not perfectly drafted.

We would not be happy to continue with a one-clause Bill, trying to amend it on the hoof, when the House of Lords judgment will be given next Wednesday. I say that for the following reasons. The Human Rights Act is a hugely important piece of legislation and it is clear, not least from the contribution of the hon. Member for West Chelmsford, that the rights of many vulnerable people hang on getting a correct definition. That the issue is not simple is made evident by the various interpretations in the courts. Best of all would be that the House of Lords overturns Leonard Cheshire, but if it does not we shall have to take a further element into account: whatever statutory provision is drafted it will again be interpreted by the courts, and if they are bent on a narrowing of the definition we shall have to draft any legislative intervention accordingly. It will be incumbent on us to take note of the strands of reasoning that their lordships put together in coming to their conclusion, either way, so that we follow their thinking and ensure that we drive forward a definition of "public authority" to ensure that the vulnerable people to whom Members have alluded have the care that everybody wants for them.

David Howarth (Cambridge) (LD): I still do not understand why the Minister cannot allow the Bill a Second Reading so that all those issues can be considered in Committee, on Report and in the other place. Allowing the Bill to go ahead will give it a flying start.

Vera Baird: The timetable is unrealistic. If the judgment next week goes the way that we want, we shall consider it and ascertain whether it fills the gap as completely as we want. If not, we shall consider where we go from there. If the case goes against the thrust of our intervention, we want to look at the reasoning behind the failure to follow our intervention and, after consultation, we shall draft a document that helps to frame the right legislation.

I shall exemplify the problems and complexities. In the more recent inquiry into the issue carried out by the Human Rights Committee, Age Concern mooted that one way forward would be to amend the Care Standards Act 2000 to deem care providers to be

performing a public function, whether or not they are private. The Committee itself thought that piece-by-piece change would lead to inconsistency in the application of the Human Rights Act across the board.

Liberty advocated changing the Police and Justice Act 2006 in the interim before the courts could reach a better interpretation. The Committee considered whether to specify in each piece of legislation that public authorities were deemed to be those who undertook delegated or contracted-out functions of various kinds as specified in each measure—a complex way of trying to meet through schedules to Acts every mischief that has occurred in every aspect of services where the fact that the private sector was not a public authority caused difficulty.

So many potential solutions to the problem from so many sources, added to a body of judicial opinion that has yet to emerge, cannot be tacked on to a one-clause Bill and sent to Committee. We are committed to taking action this year and I hope that my hon. Friend the Member for Hendon will take comfort from the fact that we will work hard to ensure that the necessary consultation is undertaken with appropriate dispatch. The Government are well aware that vulnerable people who need the protections of the Human Rights Act are not receiving them. We hope that their lordships agree and follow—

It being half-past Two o'clock, the debate stood adjourned.

Debate to be resumed on Friday 29 June.

Remaining Private Members' Bills

LAND USE (GARDENS PROTECTION ETC) BILL

Order read for resuming adjourned debate on Second Reading [2 February].

Hon. Members: Object.

To be read a Second time on Friday 19 October.

PROVISION OF PALLIATIVE CARE BILL

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 19 October.

RETAIL PACKAGING RECYCLING BILL

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 29 June.

DISABLED PERSONS (INDEPENDENT LIVING) BILL *[LORDS]*

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 19 October.

MEMBERS OF PARLIAMENT (EMPLOYMENT DISQUALIFICATION) BILL

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 19 October.

FREEDOM OF INFORMATION (AMENDMENT) (NO. 2) BILL

Order for Second Reading read.

Hon. Members: Object.

To be read a Second time on Friday 29 June.

Local Trading

Motion made, and Question proposed, That this House do now adjourn.—*[Tony Cunningham.]*

2.32 pm

Mr. Charles Walker (Broxbourne) (Con): Thank you, Mr. Deputy Speaker, for calling me to speak in this debate. By happy coincidence, it follows the debate on the Sustainable Communities Bill. Mr. Speaker's hand certainly moves in a mysterious way when it comes to the ballot.

I shall start with items under the heading "Boring But Important" to set the tone for the debate. UK retail sales average about £246 billion a year, which is more than the combined economies of Switzerland and Ireland; it is therefore a considerable sum of money. Just as important, the UK retail sector employs more than 10 per cent. of the working population, or some 3.1 million people, and half of the UK's approximately 280,000 retailers are managed by sole traders—men and women who add to the wealth of this country.

Like most people in the Chamber, I believe that our high streets should be at the heart of our community and a focus of civic pride. They are not just a place to shop and to spend money, but a place to socialise and to spend time with our friends and family—and, I dare say, with our Member of Parliament. Vibrant high streets support vibrant local services. If we have popular high streets, we will have good bus links, schools and sub-post offices, and we will arrest the spiral of decline that we often see in high streets where local services leave to be replaced by charity shops—albeit that they do a good job—and takeaways.

There are obvious environmental advantages to having vibrant local shops and communities. Perhaps the most important advantage is that people do not have to travel miles in their car to go shopping. Local shops are an environmentally sound thing to have. I have nothing against out-of-town shopping centres, but I believe that local shopping centres also have a great deal to offer. At a time when we are worried about carbon emissions and our carbon footprint, that point should be taken into consideration in legislation and strategies.

I believe that a good high street contains a rich and diverse range of retail offerings including specialist shops, cafés and restaurants. We should try to have unique retail experiences. I hazard a guess that the people of Broxbourne do not want the same retail experiences as the people of Bath and of Burnley, and I am sure that the same is true in the other direction. We must try to guard against our high streets being dominated by national chains and takeaways. That does not encourage a café society or attract people to the town centre to spend quality time with their families and friends.

One of the key things that can be done to make a good high street is to improve ease of access, which is something on which supermarkets and out-of-town retailers have an advantage over retailers on the high street. Most supermarkets in my constituency have vast car parks that allow people to park almost at the front door. However, in too many of our town centres, motorists are prosecuted and persecuted. Yellow lines, double yellow lines, red lines and double red lines have a negative impact on footfall and restrict people's ability to use their town centres.

I shall cite two vibrant town centres, although neither is in my constituency: Marlborough in Wiltshire, and Hungerford, which I believe is in Berkshire. Cars can be parked right down the spine of those centres, so people can park in the town centre before using the shops. Both those towns have diverse retail offerings. Although pedestrianisation is popular at the moment, it can create a barrier to people's use of town centres and local shops. Hoddesdon, which is a town in my constituency, allows parking around the town centre, but that does not seem to attract people to it. Its town centre, which is fully pedestrianised, can lack a sense of vibrancy and buzz and feel like a slightly desolate place. I know that policy planning guidance note 6 is not part of the Minister's remit, but let me express the hope that that planning tool can be used for positive change in our towns. It is too often seen as a tool for controlling development, rather than a force for change.

The need to support local traders and to shop locally will be met if we make our high streets more accessible and welcoming to shoppers. However, I do not want this speech to become an attack on supermarkets. Tesco's headquarters is in Cheshunt in my constituency, and the company employs many hundreds, if not thousands, of my constituents. Like most of my constituents, my wife and I use our local Tesco. We spend a large part of our weekly budget there, and my constituents and I compete over carrots, cakes and bread. In many communities, especially in the north, supermarkets that go into town centres become a powerful factor to encourage regeneration. If footfall in a town centre is increased because people go to a large supermarket, many surrounding retailers will benefit, although that is not always the case.

It is just possible that when it comes to supermarkets, some places have too much of a good thing. The Harvester pub was recently sold off in Cuffley, which is a village in my constituency. Tesco believes that that will be an attractive site on which to put one of its Tesco Express stores. Residents and existing store owners in Cuffley are a little nervous about the arrival of that store, especially, they argue, because there are already 10 Tesco stores in a 5-mile radius of the village. The figures that those people have produced, which I have no reason to dispute, suggest that in the EN postcode in which Cuffley is located, Tesco accounts for 50 per cent. of all grocery sales.

When I meet local shopkeepers in my constituency and residents of Cuffley, they urge me to press for local planning law to take their concerns into account. As things stand, if the application to site a store at the former Harvester pub meets planning law requirements, there is nothing that the local council, Welwyn Hatfield borough council, can do to refuse it. I found it heartening to sit through the debate on the Sustainable Communities Bill because the Bill will allow the views of local residents to be taken into account when planning decisions are made.

I said that I did not want to dwell on the issue of supermarkets, but I hope that the Minister will indulge me for a minute. A matter of particular concern is bookshops, especially independent bookshops. I am sure that the Minister does not have time to read

London Lite, a free paper that is handed out on the tubes and trains, but in yesterday's paper it was suggested that there will be a price war for Harry Potter books and that people will be able to buy them for between £8.87 and £8.99 from many of the larger supermarkets. That is exactly £9 below the recommended retail price. I am particularly concerned that small local bookshops cannot access the book at anything near that price.

What happens is that small local bookshops survive off the back of, say, four blockbusters a year. That, in a sense, subsidises the specialist books that they stock. When supermarkets access books at a price that is completely beyond the reach of small book retailers, it puts the small retailers at a significant competitive disadvantage. That may push, and has pushed, many into liquidation. I hope that the Minister will take that concern on board when considering competition issues.

Although I am a great fan of independent shops and retailers, I recognise that they have no automatic right to exist. Supermarkets undoubtedly make life difficult for independents, but that is no excuse for just shutting up shop. Independent retailers need to go head-to-head with supermarkets in different ways. They need to offer their customers a quality shopping experience. They need to have committed and trained staff on hand to ensure that people who use local shops come back to them. One great advantage that local retailers have over supermarkets is that they have customer interaction—the Americans call it "face time." Good local shops do not need loyalty cards or store cards to tell them what their customers are doing and to have a relationship with them, because they meet their customers daily. As a former marketeer, I am not convinced that small retailers are making enough of that contact to defend their position within communities.

Small retailers need to diversify their offerings. I spoke a moment ago about some of the problems faced by independent book retailers. An excellent shop in Hoddesdon called books@hoddesdon has branched out. Every month it invites an author to visit, and such visitors have included Jeremy Paxman, who came a few months ago, and Alan Titchmarsh. The shop rents out the civic hall and sells tickets—sometimes thousands of them—to people who want to meet and listen to the authors. Of course, the authors are delighted to turn up because they sell thousands of signed copies of their books.

In many communities, there are good local butchers. They always struggle to compete against the supermarkets, but although I have lived in my constituency for two and a half years, I cannot ever recall receiving a card or a letter from a local butcher saying, "We're in the area and we have fantastic meats. Give us a call or come down and try some of our meat. Alternatively we will come and deliver it to you—yes, at a premium price, but it is of a quality that demands a premium price."

A number of small pharmacists who are struggling to compete against supermarkets are examining ways of upgrading their offering. Some now have secure prescription delivery services. A number of them are building secure websites that allow people to order prescriptions remotely. Those are ways in which small retailers can secure their position in their communities, but I accept that even very good shops will occasionally fail. That is a great sadness, but it is the nature of the free market.

We as consumers must take personal responsibility for defending and supporting our local shops. Ultimately, it is we who decide their success or failure. We often hear about rural communities losing their shops because the people buying up second homes are addicted to supermarkets. However, those are the people who whinge the loudest when the local shops close down. If they used the local shops—if they developed the discipline to use the local shops—the very things that make village life so attractive would remain in those villages.

I, as a middle or perhaps even higher income earner, belong to one of the groups that get most agitated when things change. I am a reactionary, always manning the barricades against change. But because I am a higher income earner, I have higher rates of discretionary spend. If I want to defend my local shops in Cuffley if Tesco Express comes there, it is incumbent on me and Mrs. Walker to make sure that we set aside part of our family budget each week to spend in local shops. Signing petitions and manning the barricades is all very well, but too often people think that if they do that, they have done their bit. They have not. It is a long process. If we want to maintain vibrant high streets and vibrant local community shops everybody—Charles Walker and Mrs. Walker and all our neighbours—must get out there and spend some of their money in local shops with the people whom they claim to love and respect so much.

2.47 pm

The Minister for Science and Innovation (Malcolm Wicks): I thank the hon. Member for Broxbourne (Mr. Walker) for introducing this important debate in an informative, authoritative and lively manner, the basic message being that his family does not just talk the talk, but walks the walk when it comes to local traders. We had noticed, as he said, that his constituency contains the headquarters of Tesco. I was wondering beforehand, although he has given us great insight into his shopping experiences, how he makes that difficult, brave but bold judgment—the tea from Tesco, the extra virgin oil from the local shop, and the books, whatever their price, from the local book trader. I found that entertaining.

Any suggestion that I do not use *London Lite* is inaccurate—I do, although I find that the London *Standard* soaks up the vinegar more efficiently.

The Government recognise the importance of small and independent shops to the community and the sense of place that they create. All of us are trying to get the balance right between the need for vibrant town and village centres, and the popularity of the large supermarkets. Local stores are essential to sustainable communities. We are aware of the concerns about the future of the independent retailer, and there has been a great deal of publicity about the dominance of large retailers, such as Tesco and Sainsbury's, and their relationship with their suppliers.

Let me assure the hon. Gentleman that the Government are committed to promoting the vitality and viability of town and village centres, and we will be

[Malcolm Wicks]

sticking to our town-centre-first policy, while providing choice, competition and innovation. In doing so, however, we must not polarise the debate—the hon. Gentleman has been at pains to say the same thing—along the lines "big brands and supermarkets are bad" and "independent and small retailers are good". Local areas can exploit links between brand retail and small independents, creating win-win outcomes for areas that are currently poorly served in terms of choice and affordability of shopping.

Government policy for town centres seeks to support an efficient, competitive and innovative trading sector, which will enhance consumer choice and meet the needs of the entire community, not least those communities where there are many people who are among the elderly.

Following the publication of Kate Barker's review of land use planning and the planning White Paper, there has been a lot of publicity and concern about whether the needs test for new retail development is moving us away from the town-centre-first policy. That is not the case. I repeat that we remain absolutely committed to promoting viable town centres. The planning system has a real role in supporting thriving high streets, where small shops can succeed and provide real choice for consumers. Independent retailers add greatly to the character and vibrancy of our high streets, as the hon. Gentleman has forcefully pointed out.

We must ensure that we continue to have tough tests for new development that help us to protect and enhance our town and city centres as the bustling hearts of every community. We will require better assessment of how new developments will affect town centres, including the impact on high streets and local shops. We want to work with the industry and stakeholders to develop the best and most robust methodology for assessing the impact of new development proposals on our town centres. The Department for Communities and Local Government will consult on proposals over the summer.

Clearly though, local authorities will need to take account of regeneration, economic growth, employment and social inclusion when preparing their plans and determining applications. Those factors can be given significant weight in deciding whether to give planning permission for development. We will also need to consider how the planning system can best address competition and consumer choice issues.

Of course, the planning system is only one part of the story in encouraging local regeneration. Local traders can use innovative ways to increase their trade and catalyse local renaissance. I sympathise with the hon. Gentleman's argument that it is puzzling that local retailers do not do more to publicise the importance of their shops. Budgens is a symbol group of shops, where the shops themselves are independently owned. Budgens proprietors actively encourage the shop owners to innovate in their use of space and product lines and in the services that they offer to customers in order to safeguard or expand their share of the local market.

Retail innovation is also being looked at more generally through the Government's retail innovation group and its sub-groups, on which small retailers are represented. Through the group, innovation and technology is being explored as a way of harnessing improved productivity in the sector. Work includes gathering and disseminating case studies on how retailers have used innovation to trade advantage.

We have also introduced measures to benefit local shops through a new stronger code of practice making leasing shops and offices more user-friendly for small businesses. The new code will mean that small businesses get a step-by-step occupier's guide to contract negotiations, which will help tenants to avoid the pitfalls of bad contracts.

The Government's local enterprise growth initiative benefits local traders, too. It assists enterprise growth and improved business support, particularly in deprived areas and communities. As part of this, it can support activity to boost the viability and impact of small independent retailers. For example, in County Durham specialist retail advice is being provided to help local traders around a street market to build their businesses. Local authorities too have measures that they can use to encourage local shops. For instance, the business improvement districts initiative provides a mechanism for local authorities and local businesses to engage in additional services or projects to improve their town centres, all of which will benefit local traders.

Of course, many local traders are, almost by definition, small businesses, which are a vital element of the economy. Indeed, productivity growth in small and medium-sized retail businesses has outstripped that in large businesses. Moreover, small retailers with 10 to 49 employees have had such high levels of productivity growth that their gross value added per worker is now 14 per cent. higher than that of large retail businesses. I must admit that I was surprised when I read that figure, and I was rather encouraged by it, as the hon. Gentleman will be. Because of their importance to the economy, the Government have undertaken a range of initiatives to encourage the development and growth of small businesses, and small retailers can benefit from all those initiatives.

Let me say something about regulation. The Government are placing importance on creating the right environment for small businesses. Better regulation is key. While I recognise that regulation continues to be a topic of real interest amongst the SME community—rightly so—we should not lose sight of our success in this area. I am pleased to say that the proportion of SMEs citing regulation as the main barrier to success has fallen from 21 per cent. in 2002 to 14 per cent. in 2005, but we need to work harder on that agenda. Despite that excellent achievement, we remain committed to further reform to minimise regulatory burdens.

The Government are committed to "think small first" in developing new policies for business, and we have a clear plan to drive this programme forward. For example, we have made it clear that better regulation is an absolute priority. We have been the first Government to measure and quantify the administrative burden of regulation on business. We have published the results and committed to seek a 25 per cent. reduction by 2010. No other Government have done that. We have also ensured that there are just two annual commencement dates for new legislation to make it easier for businesses

to keep track of incoming regulation. We are working closely with the Better Regulation Executive on the simplification agenda. With the introduction of the local better regulation offices, and through our work on the retail enforcement pilot, we are working to reduce the burden of inspection and compliance on small retailers.

Our achievements in strengthening SMEs and entrepreneurial activity are not just down to the regulatory environment: promotion of entrepreneurship is also critical. I will cite just a few examples of what the Government are doing. Driven forward by the Small Business Service, the improvements in the delivery of services under the Business Link brand continue to bear fruit following the transition from national to regional management. Our ongoing work to simplify the range of publicly funded business support schemes from 3,000—I must admit that that is a great deal—to 100 is making them easier to access, reducing confusion for business customers, making them more efficient to administer, thereby saving taxpayers' money, and ensuring that they have a measurable impact on business and on the economy.

In welcoming the hon. Gentleman's debate, let me say that through the measures that I have outlined, and others that I do not have time to discuss, we are promoting enterprise and creating an environment where small businesses, including the local traders whom he emphasised, can flourish. A thriving small business community, be it in retail or other sectors, provides the means to shift people and activity quickly into our economy. It is also the way to promote the smaller-scale sustainable communities in our town centres and village centres that the hon. Gentleman and all of us in the House wish to promote.

Question put and agreed to.

Adjourned accordingly at two minutes to Three o'clock.

House of Commons

Monday 18 June 2007

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

DEFENCE

The Secretary of State was asked—

Health Support

1. **Harry Cohen** (Leyton and Wanstead) (Lab): What assessment he has made of the adequacy of the support his Department provides for those diagnosed with adverse health conditions as a consequence of military service. [142909]

The Parliamentary Under-Secretary of State for Defence (Derek Twigg): With your permission, Mr. Speaker, I would like to make a short statement before answering the question. I am sure that the whole House will join me in sending sincere condolences to the family and friends of Lance Corporal James Cartwright, who was killed in Basra, Iraq, on Saturday.

The Ministry of Defence provides a high level of support for serving personnel diagnosed with adverse health conditions, however they arise. That can range from life-saving surgery in our field hospitals, or UK NHS hospitals, to rehabilitation at the world-class defence medical rehabilitation centre, or our regional rehabilitation units, and comprehensive in-patient and community-based treatment for those whose mental health has been affected. For those who have left the forces, health care is provided primarily by the NHS. We work closely with the relevant authorities to enable a seamless transfer for those who are medically discharged from the services.

Harry Cohen: I add my condolences to those connected with Lance Corporal Cartwright.

The Ministry of Defence is generally quite good at providing medical services for serving soldiers—once the helicopter arrives—but the service is inadequate for the ex-military, especially those with post-traumatic disorders. The fact that hundreds are likely to contract those disorders after coming back from Iraq and Afghanistan has been described as a ticking time-bomb. This is not about NHS or private treatment. However, surely dedicated specialist help needs to be easily accessible to the ex-military with post-traumatic stress disorders? Will the Minister take responsibility for setting that up?

Derek Twigg: The NHS has always had responsibility for the treatment of veterans. We have worked closely with Combat Stress, which provides a good service and support. We have funded it to the tune of about £2.9 million and will significantly increase its funding this year. I announced last Monday the extension of the medical assessment programme, through which former service personnel who served from 1982 onwards, which includes those involved in the Falklands campaign, will be able to go to St. Thomas' hospital for a medical assessment that will be carried out by Dr. Ian Palmer, an expert in military psychiatry. I believe that that has been widely welcomed as a positive step forward. We are working with Combat Stress and the health service to determine how we can develop pilot schemes that will enable the NHS to draw on expertise and help as it treats former personnel who might have developed a mental illness as a result of their time in the services.

Mr. Michael Jack (Fylde) (Con): I recently had the pleasure of welcoming home 2nd Battalion the Rifles after their distinguished tour of duty in Basra. Its members' concerns were selflessly for their colleagues and comrades who had been injured in service. They asked me to ask the Secretary of State to undertake work to ensure that when such people return to the United Kingdom, their recovery takes place in "observably military circumstances"—a true military facility. Will the Minister consider that, especially in the context of Birmingham?

Derek Twigg: I am quite convinced that our armed forces personnel who have been injured and wounded in Afghanistan and Iraq are getting world-class treatment and care at Selly Oak. That is provided by our military medical personnel, who include 26 nurses—the number will rise to 39 in the summer—welfare support and liaison officers, and military clinicians. However, the fantastic NHS clinicians and nurses also do an absolutely wonderful job of supporting and working with our injured personnel. We are just about to finish work on a partition to bring about a greater military ethos in the ward. Our personnel are getting world-class treatment, although we can always learn from events and any complaints will be investigated. The chiefs of staff are considering whether to move to a new military ward as part of the new hospital building.

Mr. Brian Jenkins (Tamworth) (Lab): My hon. Friend referred to the "seamless transfer" to the NHS. Will he give the House a guarantee that all patients' medical records will be available? Surely the MOD has a responsibility to ensure that any injuries collected in service are seen to before the person goes back to a normal state of living. Will he guarantee that the duty of care will be maintained until that point?

Derek Twigg: My hon. Friend makes an important point. It is important that there be a seamless transfer from military medical support and treatment to the NHS, so we are working closely with our NHS colleagues to ensure that that happens. Additionally, we are looking at how we can make further improvements by examining whether there are gaps or improvements that can be addressed by the MOD, the NHS and the service charities that work with injured personnel and

those who leave the forces owing to a medical condition. I guarantee my hon. Friend that I will continue to press for further improvements to ensure that our military personnel get the best possible treatment and care.

Robert Key (Salisbury) (Con): Will the Minister review the way in which the mental health charity Combat Stress is financed? He is right to say that it has a wonderful record, but the charity can receive money from the Ministry of Defence only for those who are in receipt of a war pension, and many servicemen and women do not show symptoms of stress until up to 14 years after they have been discharged from the services. The problem is therefore going to grow, and a brilliantly cost-effective way of dealing with it would be through that well established charity, which he visited in December and I visited with the Defence Committee last Thursday.

Derek Twigg: As the hon. Gentleman says, the charity Combat Stress does excellent work and I thoroughly enjoyed my visit to see exactly what it does. As I said, we fund the charity to the tune of £2.9 million and we are going to give it a significant increase in funding. Perhaps I did not make this clear in my previous answer, but we are considering setting up pilot schemes around the country to enable the NHS, Combat Stress and the MOD to see how we can improve the support for former service personnel who suffer mental illness as a result of their service, and part of that work will cover commissioning. That has been welcomed by Combat Stress, but there is more work to be done. I hope that we will be able to make an announcement on those pilot schemes in the not-too-distant future.

Jane Kennedy (Liverpool, Wavertree) (Lab): Will my hon. Friend say a little more about the support available to those who serve in the Territorial Army? I recently met a young man who is soon to go to Afghanistan for a year. My hon. Friend will have seen the criticism of the support on their return for those who serve in the Territorial Army. Will he reassure me that he is looking as closely at the support available to our territorial soldiers as he is at the support available to regular servicemen and women?

Derek Twigg: I thank my right hon. Friend for that question. A study by King's college London showed that there were more reservists than regulars suffering from mental health problems. Although the difference was not significant, it was large enough for us to examine the issue to see what more we could do. Often, such people do not go back as formed units or to friends back at a barracks or base; they go back to communities around the country.

Last year, we announced the reservist mental health assessment scheme, which we run from Chilwell in Nottingham, where reservists who served from 2003 can go for a full mental health medical assessment and for treatment, if that is needed. Of course, we will work closely with their GPs and any other commissioners. I believe that that has been a successful step forward, but we always keep open our options to do more.

Richard Younger-Ross (Teignbridge) (LD): The Minister may be aware that the funding of a number of the mental health trusts across the country is threadbare. When someone is transferred from military care to NHS care, we must ensure that funding is available within the area where that person wishes to reside. Will the Minister discuss the matter with the Secretary of State for Health to ensure that funding is provided for those mental health trusts?

Derek Twigg: The hon. Gentleman makes an important point. My hon. Friend the Member for Tamworth (Mr. Jenkins) made a similar point about transfer and the importance of making sure that there are links between the military medical services and the NHS. Of course we speak to our colleagues at the Department for Health—for example, my right hon. Friends the Secretaries of State for Health and for Defence had a meeting a few months ago to discuss how to continue to co-ordinate and improve medical support for armed forces or ex-armed forces personnel. The pilot schemes I mentioned earlier are important in providing the NHS with expert help to determine the best way to care for and treat those who have developed a mental health condition as a result of their time in the armed forces.

Mr. Mark Harper (Forest of Dean) (Con): First, I associate the Conservative party with the condolences in relation to those who have lost their lives on operations overseas or here at home.

I apologise for the absence of my hon. Friend the Member for Woodspring (Dr. Fox), who is returning with the Minister of State, Ministry of Defence, the right hon. Member for East Kilbride, Strathaven and Lesmahagow (Mr. Ingram), from the Falklands, where he attended the commemorative services. I also apologise on behalf of my hon. Friend the Member for Aldershot (Mr. Howarth), who is also on a defence visit.

With your indulgence, Mr. Speaker, may I also say "well done" to the Government for the events they staged to commemorate the Falklands conflict? They were a fitting tribute to those who fell retaking the islands.

The Under-Secretary mentioned the medical assessment programme, which the Ministry of Defence described in a press release last week as being "vastly expanded". In that area of policy, it is important that service personnel are able to have confidence in what the Ministry says. Describing a programme as "vastly expanded" when the increase in the number of medical personnel consists of one doctor being transferred from working part time to working full time is an example of the Government being guilty of spin. Does the Under-Secretary think that such an increase in the number of personnel really is a vast expansion of that service?

Derek Twigg: First of all, may I thank the hon. Gentleman for his kind comments about the Falklands commemorations, and the Opposition parties for their support in developing the commemorative event? I believe that I am right in saying that the veterans thought that it was a great event that did them justice, and that they thought that it was in the right tone, so I thank the hon. Gentleman for what he says.

Dr. Ian Palmer is a widely respected consultant psychiatrist who has vast experience and has served in the armed forces. Of course, he has much experience

from the military medical point of view. We are increasing his hours from one day a week to five days a week. That is a significant increase in the resources that we are making available, and we will make further resources available if that is needed. I might just make the point that in the end we did not have to use all the resources that we provided for the reservist mental health scheme. As I am sure the hon. Gentleman will accept, we are not sure about the numbers of people who will use the service. The key thing is to get it off the ground, and to ensure that our veterans know that it is available and that they can use it to get their mental health assessment and medical assessment. That service was not there before, and it is a major step forward.

Naval Base Review

2. **Linda Gilroy** (Plymouth, Sutton) (Lab/Co-op): When he expects to conclude the naval base review. [142910]

The Secretary of State for Defence (Des Browne): That complex review is progressing well, but further work is required before final conclusions can be reached. It is important that the naval base review is allowed to run its course and that all relevant issues are considered, so that the right decision can be made.

Linda Gilroy: I thank my right hon. Friend for that reply. He will be aware of the concern in Plymouth that BAE Systems is exerting undue pressure on the Ministry of Defence to ensure its preferred outcome to the naval base review as part of its negotiations on the future carrier. Does he agree that that is totally inappropriate, and that it would not be in the interests of the MOD to distort the cost base and the outcome of the naval base review, which should be the subject of separate analysis?

Des Browne: In almost every area for which I have responsibility, rumours abound—but they seldom turn out to be true, although sometimes there is a degree of accuracy to them. On the rumour that my hon. Friend mentions, I have no knowledge of any such pressure being imposed by BAE Systems, but I would just say that the basing of the future carrier is of course a consideration in the naval base review, as are the facilities at Devonport, which cannot be replicated elsewhere. She is shortly to meet my right hon. Friend the Minister of State, Ministry of Defence, and I am sure that she will then have the opportunity to make the case for Plymouth and Devonport, as she has already done eloquently.

Mr. James Arbuthnot (North-East Hampshire) (Con): In considering the future of the Portsmouth naval base, does the Secretary of State agree that, among the issues to be considered, two are important? One is the viability of the future joint venture between VT and BAE Systems. Another is the difficulty of persuading naval personnel to move away from the home of the Royal Navy, as their spouses may well be deeply ensconced in their own careers in the Portsmouth area.

Des Browne: The right hon. Gentleman makes two good points in support of Portsmouth that will be need to be taken into account in the naval base review, but as far as Devonport and Faslane are concerned, their strong historical naval links and the fact that families have spouses or partners employed in the naval bases there are serious considerations, too. Of course the joint venture is a consideration in the naval base review, as is Babcock's intended purchase of DML.

Alison Seabeck (Plymouth, Devonport) (Lab): May I add my voice to the concerns raised by my hon. Friend the Member for Plymouth, Sutton (Linda Gilroy), and emphasise just how crucial the future of the naval base is for the wider south-west, not just Plymouth? Cornwall is an objective 1 area, Plymouth has some of the most deprived wards in the country, and Bristol is about to lose some air base defence jobs and skills. Will my right hon. Friend, along with colleagues from other Departments, consider fully the wider socio-economic impact, given the peripherality of the south-west compared with the overheated south-east?

Des Browne: I assure my hon. Friend that we are fully engaged with a number of stakeholders, including other Government Departments and regional development agencies, in jointly working up the cost implications of different naval base review options. Indeed, my right hon. Friend the Minister for the Armed Forces recently met ministerial colleagues from other Departments to discuss that very issue.

Willie Rennie (Dunfermline and West Fife) (LD): There have been numerous reports in recent weeks about a possible collaboration with the French on the construction of two new aircraft carriers, including one today that suggested that Rosyth could either lose out or even be the base for those new carriers. Would the Secretary of State care to comment on the collaboration with the French, whether any conclusions have been reached, how UK dockyards would be affected, and whether Rosyth would benefit from being the base for the aircraft carriers?

Des Browne: We need to be careful lest we increase the proliferation of rumours, but I accept that every rumour detrimental to my job is an opportunity for a Back Bencher. All I can say to the hon. Gentleman is that our co-operation on the carriers with the French is very productive, as they have made a significant contribution. We continue to work with them. The new President and Government who have been elected still support the venture, and I look forward to continued co-operation. As for conclusions, the hon. Gentleman will just have to wait with everyone else for the outcome.

Peter Viggers (Gosport) (Con): May I support the important point made by my right hon. Friend the Member for North-East Hampshire (Mr. Arbuthnot), as well as the powerful financial and industrial arguments in favour of Portsmouth remaining the main base? Does the Secretary of State agree that there are very important points, too, relating to the retention of senior staff—men and women who are usually family people—who, for years, have made their home in south Hampshire, where the training and basing of ships is focused? Does he accept that that is important to the retention of Portsmouth?

Des Browne: I am very conscious of that, and I assure everyone in the House that those parts of the country with strong links to the Royal Navy will have those links taken into account in our considerations. It is too early to say, because I have not yet received any recommendations about one naval base or the other, but the hon. Gentleman and his constituents can be reassured that everything that is relevant to the eventual difficult decisions that have to be made has been taken into account.

Sir Patrick Cormack (South Staffordshire) (Con): If we are to keep faith with those who laid down their lives in the south Atlantic 25 years ago, is it not essential that the review produce a Royal Navy that can undertake any task crucial to the national interest?

Des Browne: I think that the answer is yes.

Dr. Julian Lewis (New Forest, East) (Con): Is not the real reason why the naval base review has been undertaken at all the fact that the Government have slashed the size of the surface fleet, and the admirals fear that if they do not reduce their base capacity, another six frigates and destroyers will go, on top of the 10 already lost? Does the Secretary of State at least accept that over the very long term, the sort of threats that we face may change and any reduction in naval base capacity should be reversible, whereas the closure of either Portsmouth or Devonport would be irreversible? Is not the answer flexibility, rather than closure?

Des Browne: Like the previous Government, who reduced the size of the Royal Navy significantly because of the review that they undertook, the Government have made sure that the Navy's capabilities reflect our assessment of the threats that we face and those that we are likely face, as well as the comprehensive review that took place at the beginning of our term of office. I am satisfied that we have a Navy that is fit for the strategic circumstances in which we live. The Navy is doing more across the world than it ever did before, and as we will no doubt hear in response to questions if we come to them during this Question Time, it can look forward to being equipped over the next 10 or 20 years with the best modern ships that the world has seen.

Iraq

3. **Mr. Adam Holloway** (Gravesham) (Con): What recent assessment he has made of the effect of new counter-insurgency measures in Iraq. [142911]

The Secretary of State for Defence (Des Browne): Last Monday I visited Iraq and discussed the coalition's counter-insurgency operations with General Petraeus and others. The military part of the counter-insurgency strategy has a number of strands, including targeted operations and restriction of freedom of movement. The political and economic regeneration efforts are key components, and it is the Iraqi Government who must deliver for the people. If they do not, the insurgents will seek to fill the gap. When I met the Iraqi Prime Minister and the presidency council with the Chancellor, we pressed this point.

Mr. Holloway: A couple of weeks ago the Defence Committee was in Washington and there was considerable interest in what the Prime Minister-elect might do about Iraq. What discussions has the Secretary of State had with the Prime Minister-elect about the future of British troops there?

Des Browne: I have discussions with a number of people about the future of the British troops in Iraq, but the hon. Gentleman can be reassured that the Chancellor of the Exchequer, who is, as we know, shortly to be Prime Minister, supports entirely the strategy in which we are engaged with our allies in Iraq, and supports the process of transition of the Iraqi Government and Iraqi forces to providing security. That is exactly the message that my right hon. Friend gave the Iraqi Government, and which I gave to those whom I met when I was in Washington recently myself. I am sure that that is the message that the hon. Gentleman was able to give his interlocutors when he was in Washington.

Andrew Mackinlay (Thurrock) (Lab): Has the counter-insurgency programme revealed more about the origins of small arms used against coalition forces, ordnance used against them, and explosives used against both coalition forces and the people of Iraq, and whether those bear the fingerprints of Iran or have emanated from Iran? Can my right hon. Friend update the House about what his Ministry knows about the routes from Iran of the weapons being used against us and the people of Iraq?

Des Browne: My hon. Friend is aware that there is evidence to suggest that armaments and, in particular, improvised explosive devices—roadside bombs, for want of another way of describing them—are being deployed against our troops in southern Iraq, and that they have their provenance in Iran. That is why we have UK forces deployed along the border in Maysan and why we continue to train and mentor the Iraqi Department of Border Enforcement, which has ultimate responsibility for border issues. It is also one of the reasons why the coalition and the Iraqi security forces conduct boarding operations in Iraqi territorial waters and the northern Gulf.

Mr. Richard Benyon (Newbury) (Con): Whatever the effects of new counter-insurgency measures in Iraq, does the Secretary of State agree that our forces are suffering high numbers of casualties in southern Iraq? The battalion referred to by my right hon. Friend the Member for Fylde (Mr. Jack), the 2nd Battalion the Rifles, recently returned having suffered 50 wounded, as well as the three killed. The 4th Battalion the Rifles in its first 48 hours suffered 15 casualties, plus one killed. Does the Secretary of State agree that the number of wounded from Iraq is becoming one of the best-kept secrets in this country? If the public were made aware of the numbers, they might be able to give more support to our returning soldiers and understand the problems that they are going through.

Des Browne: There is nothing secret at all about the number of wounded in Iraq. Indeed, the figures are on the MOD's website. Since I have become the Secretary of State, we have been updating that information

fortnightly to ensure that it is current, because there were complaints when we were updating it monthly that it was being held back for too long. We are able to update it fortnightly, so there is no question of the information being kept secret. From my point of view as Secretary of State, I agree with the hon. Gentleman. Just as yesterday and over the past week the knowledge of the sacrifice that our services made in relation to the Falklands was part of the country's appreciation of their contribution, the people of this country should know exactly the sacrifices that our young men and women are making for our freedoms when they are in Iraq and Afghanistan. I am very conscious of the level of casualties and our need to do everything we can to reduce that casualty rate to a minimum. I am pleased to say that through our counter-insurgency strategy we have seen some progress in that regard, in relation to how we deal with indirect fire in southern Iraq.

Mr. Paul Keetch (Hereford) (LD): To return to the Iranian influence mentioned by the hon. Member for Thurrock (Andrew Mackinlay), I am sure that the Secretary of State would like to welcome the talks between the United States and Iran on the general security situation in Iraq. However, given that, as he says, it is British forces in southern Iraq who are facing the insurgency, as are British forces on the border with Iran, what involvement did the UK have in those discussions? Was a British general present at that meeting between the United States and Iran, and if not, why not? As our armed forces are involved, surely we should be part of those discussions.

Des Browne: The reason why there was no British general present at the meeting between the US ambassador to Iraq and the Iranian ambassador to Iraq is that no military people were present at that meeting at all. It was a meeting between the ambassadors of those respective countries. We should of course welcome that development in terms of the engagement between these two countries, which have not had such a level of engagement for some decades. The hon. Gentleman and all Members of the House can rest assured that we take every opportunity that we can to impress on the Iranians the need for them to counter the flow of weaponry, support and training that we believe is coming into southern Iraq and other parts of Iraq. It is not in the interests of Iran, which will continue to have close relations with Iraq in the future, to destabilise that part of Iraq. We make that very clear to them and take every opportunity we can to do so.

Mr. David Drew (Stroud) (Lab/Co-op): Will my right hon. Friend accept that the only way to bear down on this is through direct talks with the Iranians, and indeed the Syrians, to make it clear that if they are in any way supporting the insurrectionists' activities in Iraq, we will take a dim—or even stronger—view of that? I wonder what attempts he is making to talk to the Iranians and the Syrians.

Des Browne: I cannot make it any clearer to my hon. Friend or to anyone else that we take every opportunity we can to get that message across to the Iranian Government. In our view, the most effective interlocutors and the best carriers of the message are those who represent Governments in the region, particularly the Iraqi Government. On a recent trip to the Gulf states, I made it perfectly clear to those who regularly engage with the Iranian Government that they should give that Government the clear message that they are potentially destabilising southern Iraq and that, in the long term, they are undermining their own interests by their behaviour—not to mention the view that we take of their supported attacks by proxies on our own soldiers.

Mr. Mark Harper (Forest of Dean) (Con): One other aspect of this issue is that if the counter-insurgency operations are successful in southern Iraq and in Baghdad, particularly those supported by Iran, there is a risk that Iranian-supported insurgents may simply move their operations and start to operate against our forces and NATO forces in Afghanistan. What assessment has the Defence Secretary made of that risk?

Des Browne: There is already emerging evidence that weaponry which has its provenance in Iran is crossing the border into Afghanistan, as I have said from the Dispatch Box before. We are taking steps to try to stop that traffic and to get the message back directly—on this occasion, directly by conversations between, among others, our respective ambassadors in Afghanistan, in order to get the message across to the Iranians. I think that the House knows that Iraq is already meddling in a detrimental way in the affairs of a significant number of countries in the region—[Hon. Members: "Iran!"] Sorry; Iran is already meddling in a detrimental way in the affairs of a number of countries in the region, and in my view, to repeat what I have said previously, it presents a strategic threat to the security of the region.

Afghanistan

4. **Ms Dari Taylor** (Stockton, South) (Lab): What progress is being made in reconstruction work in Helmand province. [142912]

The Secretary of State for Defence (Des Browne): The Helmand provincial reconstruction team has implemented more than 120 projects to provide tangible benefits to local Afghans. Examples include the building or refurbishing of 12 schools, improvements and repairs to roads and three bridges, six projects improving local health care facilities, and five projects improving the rivers and irrigation canals that enable local farmers to earn a living. We have also constructed a bus station near a major market, which is one of two that have been upgraded with UK funding.

Ms Taylor: I remind my right hon. Friend of the statement by UNICEF:

> "When one woman is abused, exploited or denied, all of humanity is debased."

I remind the House that the Taliban have banned education for all women, and tyrannised them and their families lest they attempt to enter the process. What is being done to change that?

Des Browne: Among the better indicators of success in Afghanistan, where there are still significant challenges, is the fact that about 6 million children are

now in school, 37 per cent. of whom are girls. The Taliban did not educate girls at all. It seems to me that that is exactly what we are doing to address the issue.

Mr. Mark Lancaster (North-East Milton Keynes) (Con): It is unrealistic to expect my Royal Engineers colleagues to deliver reconstruction and development in Helmand. The very best that they can do is deliver stability. When does the Secretary of State expect sufficient stability to be provided to enable non-governmental organisations to return in numbers to the province?

Des Browne: I know that the hon. Gentleman has significant knowledge of what is happening in Afghanistan and, in particular, in Helmand province. He will know that there are NGOs operating there, but not in the numbers that we should hope and expect. In my view, the most important development would be getting the United Nations Assistance Mission in Afghanistan to open an office in Helmand province. If the United Nations were present that would indicate to NGOs across the world that Helmand province was a place where they could do their business. When I was at the United Nations recently in New York, I spoke about this with the Secretary-General and, indeed, with the person responsible for the security of its people, and I hope that we shall soon be able to make some progress in that regard.

Paul Flynn (Newport, West) (Lab): We are now almost half way through the Helmand mission, which was presented as one of reconstruction. The hope was expressed that not a shot would be fired, but 500,000 rounds have been discharged, and we have lost 54 of our courageous soldiers there. It is clear that without the co-operation of the NGOs, who will not operate there because it is too dangerous, very little construction can continue. Is it not time to re-examine the purpose of the Helmand mission so that we can concentrate on attainable objectives that will reduce the number of casualties among civilian Afghans and British soldiers?

Des Browne: The loss of any life is a tragedy and British forces take exceptional care to avoid such incidents as generate civilian casualties. I discussed this recently with my NATO colleagues and raised it with the UN Secretary-General. All agree that avoiding civilian casualties is a matter of the highest priority. This week, of course, showed that the Taliban had no such concerns when they exploded a bomb in the centre of Kabul. That is part of the problem. I know precisely what my hon. Friend is asking me to do, but if he wants me to posture our troops in such a way in Helmand that we hand over the province to people capable of that level of atrocity and brutality, I am not prepared to do so.

Sir Peter Tapsell (Louth and Horncastle) (Con): The Secretary of State recently said—and not before time—that greater emphasis should be laid on winning hearts and minds in Afghanistan. Why, then, was I told in a written answer of 15 March that only one British Army officer serving in Helmand province has passed the speaking exam in Pashto? Has the Secretary of State been told that in the first three Anglo-Afghan wars, if British officers serving there were to qualify for promotion, they had to be able to speak the local language, although to no avail?

Des Browne: It seems to me that the hon. Gentleman was given that answer on 15 March because it was the right answer to the question that he asked. I accept that there is a challenge for us in the UK to have more native speakers engaged in that area. I would point out to the hon. Gentleman that in my own experience of visiting that area on a number of occasions since I took on my present responsibilities—as with almost all the other parts of the world I visit—a lot more people speak English now than did in those days.

Rosie Cooper (West Lancashire) (Lab): Will the Secretary of State tell us what steps are being taken to reduce the dependence of the rural economy on the opium trade?

Des Browne: Counter-narcotics is, of course, a significant challenge. Although progress has been made in some parts of Afghanistan where security has been improved to a particular level, the production of opium has increased in other parts, including the province of Helmand where we have responsibility. The answer is to develop infrastructure and, in particular, alternative livelihoods for peasant farmers so that we can encourage them to move away from growing poppy, which they are often pressurised into doing by insurgents—and, increasingly, by the Taliban themselves. We are constantly working to improve governance across Helmand province and the south of Afghanistan and to improve the opportunities for local people to generate their livelihoods in an alternative manner.

Iraq

5. **Norman Baker** (Lewes) (LD): What equipment and training were provided to British troops involved in the invasion of Iraq in terms of protection against the possible use of weapons of mass destruction. [142913]

The Secretary of State for Defence (Des Browne): Troops preparing for combat operations in Iraq were trained before deployment in operating and surviving in a chemical, biological, radiological or nuclear environment, and undertook further training in theatre. Armed forces personnel involved at the start of combat operations in Iraq were provided with individual nuclear, biological and chemical clothing and detection equipment.

Norman Baker: I am grateful for that answer. It is absolutely right for our troops to be given the best possible protection against any threat that they might face, but as the Secretary of State knows, there are no weapons of mass destruction in Iraq. Indeed, the defence and intelligence services appeared to know that when Ministers were telling us that there were plenty of them. On what date was it therefore decided that those precautions and that equipment could be safely withdrawn from our troops?

Des Browne: No such decision has been made. I do not know whether the hon. Gentleman is aware that insurgents in Iraq are deploying chlorine bombs, which fit into the category of chemical attacks, so we need to keep our guard up against that sort of development. Over and above that, of course, we have occasionally

encountered stocks, albeit pre-1991 stocks, of Saddam Hussein's weapons. They also pose a continuing danger if we come across them, so we have taken no decision such as the hon. Gentleman mentions.

David Taylor (North-West Leicestershire) (Lab/Co-op): Theatre-specific tactical awareness training sessions were supposed to be mandatory for forces imminently to be deployed in Iraq, but over the four years of this conflict, there have been exemptions. Will the Secretary of State tell us what those exemptions were and whether the decisions about them were taken at command level or ministerial level?

Des Browne: I am afraid that I shall have to write to my hon. Friend about that. I cannot deal with such specificity of questioning in terms of the brief in front of me, but I shall get back to him and ensure that the whole House is made aware of the answer.

Afghanistan

6. **Malcolm Bruce** (Gordon) (LD): What recent assessment he has made of the security situation in Afghanistan. [142914]

The Secretary of State for Defence (Des Browne): The security situation in Afghanistan remains stable, if fragile in places. UK forces, as part of the wider ISAF—international security assistance force—mission, are engaged in operations to extend the authority of the Government of Afghanistan across Helmand province and southern Afghanistan.

Malcolm Bruce: Notwithstanding the Secretary of State's previous answers, and given the escalation of fighting in Helmand province, the casualties among our forces and last week's report by the Red Cross, indicating that more and more civilians were being displaced from their homes and becoming casualties, too, will the right hon. Gentleman tell the House what steps he is taking, first, to strengthen support for our troops and, secondly, to ensure that our allies give much greater support to the activities required in the region? What measures can he ensure are taken to win the hearts and minds of people so that they believe that reconstruction and development will happen rather than escalating war?

Des Browne: The right hon. Gentleman should know that as a result of the series of announcements I made about our force levels in Afghanistan, numbers have gone up to slightly less than 7,000 and will increase to 7,700 by the summer. That force, which is based around the Helmand taskforce, equipped with attack and support helicopters, armour and artillery and endorsed by the Chiefs of Staff, is my response to the challenge we face. I am pleased to say that although NATO has not yet been able to meet the force requirement of the commander, there have been improvements in the number of troops deployed in our support in the south and across Afghanistan by several of our allies.

On hearts and minds, the most important part of the challenge is to ensure that the writ of the Government of Afghanistan runs across the province of Helmand, which it did not before we arrived. It now does so in a large part of the province, particularly the area around Lashkar Gar where we are able to do a significant amount of work, enabling Governor Wafa to communicate to his people the message that the Afghan Government of President Karzai want to give them about the support we are providing for their future.

Mr. Crispin Blunt (Reigate) (Con): Against what criteria should we measure success in the security situation in Afghanistan, and over what period of time?

Des Browne: In my view, we should measure our success by continuing to make progress. We have made significant progress since last year when we faced a difficult challenge in the response from the Taliban as we deployed in Afghanistan. Those who look carefully at such issues and take into account the degree of propaganda generated by the Taliban will know that the Taliban have not met their propaganda about a spring offensive this year. We have had a much better year in terms of our ability to extend security across the province. There are still significant challenges, but we are making progress.

The hon. Gentleman asked about time. It would be speculative for me to set a date, but I have constantly said that we shall have to be with the Afghan Government and the people of Afghanistan for a significant time to enable them to come out of decades of violence during which 2 million of them lost their lives seeking the freedom they currently enjoy.

Dr. Julian Lewis (New Forest, East) (Con): Members on both sides of the House will have been alarmed at reports that shortages of helicopters in Afghanistan have been responsible for delays in removing the wounded to hospital and that increased numbers of road journeys have to be undertaken because of insufficient transport helicopters, thus making troops more vulnerable to roadside bombs. How are the Government delivering on their pledge that our troops in Afghanistan will have enough attack and transport helicopters for the purposes for which they are needed?

Des Browne: In answer to the first part of the hon. Gentleman's question, the surgeon general, who has responsibility for the area, made it clear that he believes we provide a service that is second to none in Afghanistan for those wounded in action. There is no evidence to suggest that anybody has lost their life, or has not been properly treated, because of a lack of helicopter support. Indeed, given the distances involved in Afghanistan, we now deploy consultant-led teams on helicopters to ensure that people have appropriate support when the helicopter reaches them.

I have announced an increase in the number of helicopters in Afghanistan and increased the number of helicopter hours, and am satisfied that I have met the demands for helicopters made by the chain of command. More widely, of course, we have taken decisions to invest £230 million in 14 more helicopters so that they can be available for deployment if necessary.

Dr. Lewis: Some people might think that if someone is trapped and wounded in a minefield for six hours, the helicopter that comes should at least have a winch on it, but let us move to the question of winning hearts and minds.

Is it not the case that one way of not winning hearts and minds is to be obsessed, as our American allies sadly are, with the eradication of the poppy crop, even though a huge proportion of Afghanistan's citizens are still dependent on it? What opportunities have our service chiefs had to take up directly with the American strategists their concerns that pursuing a policy of poppy eradication is counter-productive and works against the principles of counter-insurgency, which must be to divide the insurgents from as much of the population as is humanly possible?

Des Browne: I shall deal with the eradication of poppies in a moment, but I do not want it to be thought that I accept the hon. Gentleman's gloss on what was already a gloss on a very difficult incident in which, sadly, one of our troops lost his life and others were seriously injured. I do not recognise the hon. Gentleman's description of that incident. It is much more complicated, and it does not serve either those who fly helicopters to support those on the ground or those who were undertaking that dangerous mission on the ground for it to be used in the way in which the hon. Gentleman used it. In due course, there will be a full inquiry into the incident, and I ask him and other hon. Members to wait for the outcome of that inquiry rather than speculating for the purposes of making political points.

Eradication plays a part in any proper counter-narcotics strategy—the hon. Gentleman knows my view—if it is appropriate in certain circumstances. One of the most important of those circumstances is when peasant farmers have an alternative livelihood at their disposal so that we do not condemn them to a level of poverty that will inevitably mean they will engage in violence.

The hon. Gentleman should rest assured that as our senior military are integrated positively into the command of the international security assistance force in Afghanistan, they have their say and are heard in all conversations on all aspects of Afghanistan. Indeed, the Government constantly discuss such issues. He will have noticed, of course, that, on eradication, at the end of the day President Karzai's decision in relation to Helmand province last year was consistent with the military's view about where and when it should be conducted.

Future Strategic Tanker Aircraft

7. **Mr. Peter Bone** (Wellingborough) (Con): When he expects the contract for the future strategic tanker aircraft to be signed. [142915]

The Secretary of State for Defence (Des Browne): As my right hon. Friend the Minister for the Armed Forces announced on 6 June 2007, we have decided to proceed with a private finance initiative deal with AirTanker Limited to meet the future strategic tanker aircraft requirement. We aim to finalise the financial and contractual arrangements as soon as possible.

Mr. Bone: The VC10 aircraft that are going to be replaced were purchased second hand in the 1980s. No other airline or air force flies them. They need urgent repair, and one RAF source said that they are held together with rubber bands and sticky tape. Is that not another example of the Government doing too little, too late for the brave men and women of our armed forces?

Des Browne: The FSTA was designed to enter service in such a way that it meets the out-of-service dates for both the VC10 and the TriStar fleets. They are inextricably linked, and always have been. The calendar age of an aircraft is not an indicator of its operational utility or its remaining service life. Indeed, I am sure that the hon. Gentleman flies on aircraft that are of a considerable age in the fleets of many air carriers around the world.

Social Housing

8. **Mr. Simon Burns** (West Chelmsford) (Con): If he will take steps to improve the opportunities for retiring service personnel to access secure social housing. [142916]

The Parliamentary Under-Secretary of State for Defence (Derek Twigg): Officials at the Ministry of Defence and the Department for Communities and Local Government continue to work together to ensure that servicemen and women are fairly treated in terms of access to social housing, and we hope to make an announcement about that in due course.

Mr. Burns: I am grateful to the Minister for that answer. A constituent of mine, however, who had served his country in Afghanistan, was uncertain of being able to get social housing when he left the Royal Marines, and for a time was warned that he might have to take his family into a hostel. Does the Minister agree that that is unacceptable? Will he consider reviewing the tri-service regulations, so as to recognise the debt of honour that society owes to members of our armed forces, and to give them priority access to social housing to avoid such problems?

Derek Twigg: The hon. Gentleman raises an important point. We are hoping to make an announcement in due course about that issue, which he mentions in a local connection. A joint housing advice office helps service personnel and their families, and there are various projects around the country that work with ex-service personnel, including Compass in London, the Single Persons Accommodation Centre for the Ex-Services in Catterick, and Galleries in North Yorkshire. Help with housing is part of the leaving package for service personnel, and the key worker scheme is also available. I urge Members of Parliament to help by contacting their local authorities to see what priority they give to service personnel.

Siobhain McDonagh (Mitcham and Morden) (Lab): Will my hon. Friend inform the House what assistance is given to service personnel, and retired service personnel, to purchase their own homes?

Derek Twigg: One of the announcements made last year was on the key worker scheme in London and the south-east, which is an important step forward for service personnel. My right hon. Friend the Secretary of State and I have committed ourselves to considering what more can be done to help service personnel

to buy, or buy equity in, a home. The strategic remuneration review is also considering how armed forces personnel can get into the housing market.

Mike Penning (Hemel Hempstead) (Con): One excellent organisation that helps our servicemen when they leave the armed forces is the Royal British Legion. Sadly, it does not get information from Her Majesty's armed forces when servicemen leave. Is there any way to increase communication with the Royal British Legion so that it knows when servicemen are leaving, as it did when I left, and can help them with benefits and housing when they arrive?

Derek Twigg: We are working with five key charities to provide information about service leavers, and we want to do more. Recently, a welfare conference, which involved all the service charities, the single services, the Ministry of Defence and others, considered how best to fill the gaps for service leavers. Our resettlement package is widely renowned for its excellence and provides a significant amount of advice. I assure the hon. Gentleman that we work closely with service charities, and are considering what more we can do to improve the help and support that he rightly highlights.

Mr. Jim Devine (Livingston) (Lab): We should not provide only social housing to our ex-service personnel. Veterans day is next week, and on Sunday I shall hand out 70 badges to armed forces veterans who served as recently as 1984. One of those veterans flew 32 bombing missions to Germany, and ended up as Field Marshall Montgomery's driver. I am sure that my hon. Friend will want to pay tribute to those veterans. Can he tell us how many badges have been handed out by his Department, and what it is doing to publicise that wonderful initiative?

Derek Twigg: I pay tribute to my hon. Friend's constituents, to the particular constituent he mentions, who is clearly a remarkable man, and to veterans as a whole, who are remarkable people who contribute greatly to society and their communities. Veterans day is therefore important, as it recognises their contribution. We have now handed out more than 400,000 veterans badges, and we expect 500,000 to have been presented by late autumn—

Mr. Speaker: Order.

Nick Harvey (North Devon) (LD): I welcome the engagement of Defence Ministers with Housing Ministers to address the issues. Will the Minister stress to Housing Ministers the need to look at some of the anomalies in legislation, in particular the Housing Act 1996, whereby an armed forces family with children who are happily settled in a school and a spouse who is working in the community are not deemed to have a local connection simply because they were posted there? Local authorities cannot even begin to plan to provide accommodation for armed forces families while they are still in accommodation, and they could spend anything up to a couple of years in temporary accommodation. I am sure that the Minister will agree that that is not the best start for our armed servicemen when they begin their civilian life.

Derek Twigg: We have been talking to colleagues in the DCLG about that very issue of the local connection. I assure the hon. Gentleman that when we are in a position to do so, we will make an announcement.

Mr. David Hamilton (Midlothian) (Lab): When I left school, we either went into the collieries, the textile industry or the Army. Surely the least that we can expect for our armed forces when they come back is a housing policy in every county, as there is in Midlothian, which gives them priority. It is accepted in the community, and it always has been, that they get priority.

Derek Twigg: My hon. Friend makes a powerful and important point. As I said, we are looking at the local connection. Members of Parliament can do a good job on behalf of the armed forces by checking whether local authorities give priority and help to ex-service personnel and their families.

Gaza Strip

3.31 pm

Sir Gerald Kaufman (Manchester, Gorton) (Lab) *(Urgent Question)*: To ask the Secretary of State for Foreign and Commonwealth Affairs if she will make a statement on the policy of Her Majesty's Government towards the situation in the Gaza strip.

The Minister for the Middle East (Dr. Kim Howells): We are deeply concerned about the recent violence and the humanitarian situation in the Gaza strip. The violence we have seen has been completely unacceptable, with summary executions, attacks against hospitals and the cruel treatment of captives. Once again, extremists carrying guns have prevented progress, against the wishes of the majority, who seek a peaceful two-state solution.

Our immediate concern is the humanitarian situation in Gaza. We fully support the statement of the Quartet and efforts to meet the humanitarian needs of the Palestinians. In that regard, we welcome Israel's decision to facilitate humanitarian access and ensure the provision of basic services. We continue to call on all parties to respect the human rights of those in Gaza and ensure the safety and security of international workers.

It is also important, however, that extremists are not allowed to derail the political process. The international community is united in its desire to continue moving the peace process forward. The Foreign Secretary spoke to President Abbas on 14 June, as well as US Secretary Rice and the Egyptian, Omani and Qatari Foreign Ministers. The Foreign Secretary is discussing the situation with her European counterparts at the General Affairs and External Relations Council in Luxembourg today, where they will also discuss the situation with the Israeli Foreign Minister, Tzipi Livni. Prime Minister Olmert is currently in Washington and we look forward to discussions at the UN Security Council on Wednesday.

We welcome the Arab League's engagement at its meeting on Friday. The Arab world has a key role to play in supporting President Abbas's efforts to restore order to the occupied Palestinian territories. We also welcome Egypt and Saudi Arabia's efforts to promote dialogue.

The emergency Government, who were sworn in on 17 June, have our full support. We will continue to work with all those, including President Abbas, who are dedicated to achieving a peaceful resolution to the conflict. The emergency Prime Minister, Salam Fayyad, has said that his priorities are restoring security and improving the economic and humanitarian situation, and we share those goals.

I would like to reiterate the Government's commitment to finding a solution that will result in a comprehensive and lasting peace, with two states, Palestine and Israel, living side by side in peace and security.

Our thoughts remain with Alan Johnston. We continue to call for his immediate release and welcome the efforts being taken towards that goal.

Sir Gerald Kaufman: The refusal of the United States and Israeli Administrations to do a deal with the Fatah Palestinian Government led to the election of a Hamas Government. The refusal to have dealings with a legitimately elected Hamas Government—with all the repression and suffering in the Gaza strip and the Palestinian territories—led to the Hamas militant takeover in the Gaza strip, and the situation is so fragmented that even Hamas cannot secure the release of Alan Johnston. Will our Government, with their unique credentials for the road map, make it absolutely clear that the only way in which to achieve a settlement is to follow the wise words of the great Israeli Foreign Minister, Abba Eban, "You only make peace by talking to your enemies"?

Dr. Howells: I agree that there must be proper debate, but debate is sometimes extremely difficult for a nation when it involves a party that wants that nation's eradication, which is precisely what Hamas has declared.

I have heard some very glib statements about the necessity to engage with a Government who have been democratically elected. Similar statements were made in the 1930s about the Nazi Government in Germany, and I think we must take those prior examples into account. We cannot assume that because we engage with a party, it will behave like a democratic party elsewhere and there will be civilised aims at the end of it. If that party wants to see the eradication of Israel, how can we discuss and debate with it meaningfully?

I agree with the former Foreign Secretary, my right hon. Friend the Member for Blackburn (Mr. Straw): until we see some sign that Hamas is moving towards a two-state dialogue, I do not see how we can hold meaningful discussions with its members.

Mr. Keith Simpson (Mid-Norfolk) (Con): Following five days of fighting between Fatah and the Hamas factions, by Thursday last week Hamas militia had seized control of the Gaza strip. That appears to have come as a surprise to the American and Israeli Governments, and to our own Government. Can the Minister explain why he thinks the seizure of power came about so quickly?

We welcome the Quartet's prompt action in convening an urgent meeting on Saturday and giving its support to President Abbas, and that of the United States and the European Union in lifting the boycott on the Palestinian Authority and resuming the transfer of aid. However, it is clear that those are only the preliminary steps.

Given that before the latest violence 87 per cent. of the population of Gaza were living below the poverty line, what action do the Government believe can be taken to prevent the development of a humanitarian catastrophe in Gaza? How quickly will the EU and others be able to convey maximum aid and assistance to the new Palestinian Cabinet to stave off the risk of a breakdown in law and order on the west bank? The EU high representative said this morning that most of the EU funding would go to the west bank, but that some would go to Gaza. What form will the assistance to Gaza take, and is the Minister confident that we can prevent it from ending up in the pockets of Hamas?

What steps are being taken to prevent the violence from spreading to the west bank? Will the Minister assure us that there will be no weakening of our

position on Hamas, and that it must meet the Quartet's conditions? Has there been any indication that it will do so?

What assessment has the Minister made of any involvement on the part of Iran, which has openly supported Hamas? Does he believe that it will increase its involvement in Gaza and, if so, what is likely to be the reaction of our Government, EU Governments and the United States?

Dr. Howells: I think that this happened as quickly as it did because Hamas committed nothing less than a coup d'état. Those generally happen quickly, and this one was brutal. The sight on our television screens of people being summarily executed—being thrown from windows and buildings—merely reinforces the reports that we have heard. They point to a coup d'etat. It probably was planned, and some judge that Gaza is now an Islamic statelet that will be used as a safe zone from which to launch attacks elsewhere, if and when Hamas decides to do so. The situation is dangerous.

The hon. Gentleman is right to ask about the humanitarian situation in Gaza, because it is serious. The international community is looking into ways of ensuring that the money that was available under the temporary international mechanism gets into Gaza, but does not fall into the hands of Hamas. We are discussing with UNRWA—the United Nations Relief and Works Agency for Palestine Refugees in the Near East—and all others involved how best to secure the welfare of the 1.5 million people who live in Gaza, most of whom had nothing to do with this coup d'etat, which was performed by a political party that has its own agenda.

The hon. Gentleman asks whether there would be any backing away from our demands that Hamas stand by the three principles. No, there will be no backing away: we will demand that it stand by the three principles as the basis for future negotiations.

The hon. Gentleman asks about Iran. We are very worried about Iran. We see a strategy to fund Hezbollah in Lebanon, which also is in a fragile state. We also see the hand of Iran and Syria in Gaza. I have heard talk of civil wars in both those countries being a pincer movement in Tehran's wider strategy. I hope that that is untrue, but we must take it seriously.

Mike Gapes (Ilford, South) (Lab/Co-op): Three months ago, and after considerable effort, the Saudi Government managed to negotiate the national unity Government. Clearly, recent events tear that up. What can Saudi Arabia, Egypt and the other "Arab Quartet" nations, and other neighbouring countries, do to return to a position in which the Palestinians are united in one entity that, we hope, can then become a Palestinian state alongside Israel?

Dr. Howells: It is certainly important that the Arab League continues its work and that the Saudi and Egyptian authorities continue at every opportunity to try to influence events, and to influence reconciliation and discussion. They could have much more influence than us in this area. Therefore, I agree with my hon. Friend. The Egyptians, in particular, must be very worried about having a branch of the Muslim Brotherhood in control right on their border.

Mr. Michael Moore (Berwickshire, Roxburgh and Selkirk) (LD): We all despair about the events in Gaza last week, which are merely the latest terrible twist in a depressing downward spiral in the occupied territories. We must be clear that the power struggle between Fatah and Hamas has been the cause of the bloodletting, but does the Minister accept that the desperate economic situation in the occupied territories, exacerbated by Israeli, American and European sanctions against the Palestinian Authority, is another of the root causes? Given that the formation of the national unity Government has resulted in little international return for Hamas or Fatah, does the Minister accept that the international community will have to find ways of ending the economic and political marginalisation of the political wing of Hamas if we are not simply to double the number of Palestinian problems and solve none?

Dr. Howells: The European Union, the United Kingdom and the international community have given more money to the Palestinian people over the past 12 months than ever before. That is important. We would like the customs revenues that the Israelis have collected to be disbursed to the Palestinian President Abbas so that they can be used to reconstruct its sadly depleted economy. I also hope that the Israelis can take the opportunity to remove some of the roadblocks at checkpoints, which are doing such terrible damage to the Palestinian economy. If, however, the hon. Gentleman is asking me to blame the west, Israel and everyone else for a Hamas coup d'etat, I am sorry, but I cannot do it.

Mr. Moore *indicated dissent.*

Dr. Howells: I am very glad to see that the hon. Gentleman is not saying that; I have heard people say it, and some of them have done so from the Liberal Democrat Benches. I hope he will accept that we have very much in mind the humanitarian plight of the people not just in Gaza but in the west bank, and that concrete steps can be taken to alleviate that and to begin to break the ice in the negotiations between Israel and Mr. Abbas's Government.

Mrs. Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Is my hon. Friend aware of the attacks on Christians in Gaza, including the looting of the Rosary Sisters' school and the Latin church? Does he believe that that is an indication of the non-negotiable ideology of hate that is Hamas?

Dr. Howells: My hon. Friend reminds us that situations such as this are not just a factional fight between two political parties; there is damaging and immense fallout throughout Palestinian society. We need to remind ourselves that people of all religions have lived alongside each other for a very long time. We see intolerance among those in Hamas, and I will not speak of them as though they were some genuine reflection of the spirit of the Palestinian people; they are a nasty bunch of sectarians and religious bigots who are taking the Palestinian people backwards, not forwards. I hope that they will bear it in mind that the world is watching them, and that the way in which they treat Christians in Gaza is a very important factor.

Mr. Tobias Ellwood (Bournemouth, East) (Con): One person has been caught up in this problem in Gaza for three months now: the British BBC correspondent, Alan Johnston. In the light of changing events such as Hamas having taken over Gaza, will the Minister bring the House up to date on what efforts are being made to return Alan Johnston to the UK?

Dr. Howells: The hon. Gentleman is quite right to raise the issue of Alan Johnston. We have been trying hard to ensure that he is returned safely; indeed, we have been working with the Palestinian authorities and anyone else who will work with us to try to ensure his safe return. A disturbing report is just in regarding the Dagmoush clan, which these days calls itself something else. The Army of Islam is, I think, the latest term it is using, but basically it is guns for hire—thugs who have a nice sideline in kidnapping. According to the report, Hamas has given the Dagmoush clan an ultimatum to release Alan Johnston by the end of the day, or Hamas will use force to ensure his release. Hamas has stated that it will not allow the kidnap to drag on any further. This situation has to be handled with great delicacy. Hamas knows very well that delicate negotiations have been going on, and we hope that it is not using this as a publicity stunt to try to win favour with some elements in the west.

Richard Burden (Birmingham, Northfield) (Lab): I agree with my hon. Friend that there was no justification for last week's events in Gaza. He says that he has seen no evidence of any change in Hamas's direction of travel, but has he seen the 10-point proposal from the national unity Government, including Hamas, that was published only two weeks ago, for a long-term ceasefire with Israel; and, if so, what is his response to it? He says that he wants the boycott to be lifted, and that it must be accompanied by an easing of checkpoints, and so on. I agree, but what will we do in practical terms at this week's EU summit to say to Israel that those elements are essential prerequisites to a lasting peace? Moreover, is there a role for saying to Israel that if it wishes to have trade preferences for its products, it is about time it started allowing Palestinians to trade out of their own territory, and that there could be consequences for the EU-Israel association agreement in that regard?

Dr. Howells: My hon. Friend has tremendous knowledge of the area, and he makes a fair point. We have to make Israel understand that it has to do what it can to relieve the humanitarian crisis on the west bank and in Gaza and that it needs to lift the blockades where it feels able to do so, because they are having a dreadful effect. I do not want to discuss boycotts or trade preferences at the moment, because we should be discussing the immediate crisis and how we can try to alleviate it.

My hon. Friend mentions the national unity Government's 10-point proposal. On many other occasions, not just in the middle east, I have seen that when such coalitions—fronts that have gathered together to try to make progress towards peace—find that they have to stick by proposals and do things that they find unpalatable, such as negotiating with the historic enemy, they start to come apart, unless they are very strong. Perhaps Hamas no longer wanted to be associated with those 10 points. Perhaps it felt that its credibility on the mythical Arab street was now under threat and it mounted the coup d'etat to show that it was different from Fatah and that its heart was not in the rapprochement with Israel. I cannot give my hon. Friend a reason why Hamas decided to rat on those principles and start killing people in Gaza and taking military control. He will have to find that out from Hamas: he certainly will not find it out from me, because I do not know the answer.

Angus Robertson (Moray) (SNP): In common with others, the Scottish National party and Plaid Cymru completely condemn the unacceptable violence in the Gaza strip and on the west bank. I am gravely concerned by the message that the Minister just read out about Hamas bringing in a deadline for the release of Alan Johnston. Wednesday will the 100th day of his captivity and everybody would welcome his release, but given the violence of the past few days I have little faith that Hamas's involvement is anything more than a media gimmick. I am very concerned about whether Mr. Johnston will be released unharmed. Will the Minister assure the House that behind the scenes everything is being done to ensure that he will be released unharmed as soon as possible?

Dr. Howells: Yes, I can certainly give the hon. Gentleman that assurance. We have tried every single avenue that we know of and worked ceaselessly to help all the authorities to secure Alan's release.

Tom Levitt (High Peak) (Lab): I am sure that many hon. Members on both sides of the House would agree that the rise of Hamas in recent years has been a consequence of the situation in the middle east rather than the cause of it. One of the things that has made the tension and stresses in the occupied Palestinian territories worse over the past couple of years has been the Israeli decision to withhold customs and tax revenues. That money must be released, for reasons of natural justice and because it is urgently needed, although there might be no mechanism for getting it to where it can do most good. Most of the people in most need of the money are in the Gaza strip, so will my hon. Friend put more pressure on the Israelis to release the money and do everything he can to ensure that it gets where it is most needed?

Dr. Howells: My hon. Friend will know that $100 million has already been earmarked for release to President Abbas's authority. I agree with my hon. Friend, and, indeed, we have long called for the money to be released. I am sure, however, that he will understand the concern about releasing it to Hamas, when it behaves as it does. There is great reticence to give it to an organisation that might find some way to pass it to suicide bombers or rocketeers, who then try to kill Israelis and their enemies in the Palestinian population.

Sir Malcolm Rifkind (Kensington and Chelsea) (Con): Has not Hamas shown its true colours by turning with such violence on its fellow Palestinians? Does not that vindicate the refusal of the international community to treat with it? I strongly agree with the Minister of State's calling on Israel not only to release

funds due to the Palestinian Government, but to make some important move on easing the roadblocks. It is very damaging that Palestinians cannot move around the west bank. Does the Minister agree that it would be particularly symbolic and important if Mahmoud Abbas could show that the freedom of ordinary Palestinians is being increased in the west bank, just as a Hamas Administration are likely to be reducing personal freedoms in Gaza?

Dr. Howells: The right hon. and learned Gentleman is absolutely correct. Now is the moment for Israel to do those things and the time that President Abbas needs maximum support. Now is also the time for the men and women of the west bank to see that he can bring them real benefits, which is why Israel must step in to help immediately.

Jeremy Corbyn (Islington, North) (Lab): Does not the Minister recognise that some of the antecedence of last week's tragedy in Gaza has its ancestry in the west's refusal to provide sufficient funds directly to the Palestinian Authority, thus creating huge unemployment, poverty and misery? Does he also recognise that the independent former Information Minister, Mustafa Barghouti, has refused to serve in President Abbas's new Government because he wants a democratic mandate of all Palestinians? Will the Minister thus encourage President Abbas to set in motion a process whereby Palestinian opinion can be genuinely reflected so that any Government who emerge have the support of the majority of Palestinian people?

Dr. Howells: My hon. Friend makes a fair point. There will have to be democratic elections at some stage, but I cannot imagine their taking place at the moment because as an observer, like him, of the television screen and reports from Gaza, it is hard for me to see how 1.5 million people in Gaza could vote in the present circumstances. I am sure that those kinds of discussions are taking place in Palestinian communities.

I certainly do not accept my hon. Friend's premise that a coup d'etat by Hamas ultimately has its genesis in our actions, or those of the Quartet, the EU or anyone else. This terrible inter-factional fighting among Palestinians is a result of Hamas's decision to mount a coup d'etat.

Mr. Robert Walter (North Dorset) (Con): As has been said, the election of the Hamas Government was a result of the failure of the international community, especially Israel, to support the previous Fatah Government. Somewhat late in the day, the international community is rallying around the emergency Fatah Government, but support is needed. Will the Minister tell us specifically how much practical support the United Kingdom is prepared to give at this time of crisis to the emergency Government who have been established in Ramallah? A figure in round millions will do.

Dr. Howells: More than $600 million has been earmarked as support for the Palestinian people. Over the past 12 months or so, the United Kingdom will have given the best part of £70 million, which is a large sum. The hon. Gentleman says that there was a lack of support, but I doubt that very much. The Palestinian people have received huge support from not just this country, but most other countries that I know of. The dispute has been at the heart of many conflicts elsewhere. It is the one dispute that people quote at me wherever I go in the world. The world understands the centrality of solving the problem. There has not been a lack of support—certainly not financial support. The Administrations, whether they were formed by Fatah or anyone else, have been notorious for corruption. They have been inefficient and money has been filched away to bank accounts where it should never have gone. The Palestinian people have been ill served by their leaders in the past. One hopes that the crisis will focus everyone's minds—especially, and most importantly, those of the Palestinian leaders led by President Abbas—on the fact that there must be transparency, openness and honesty and that the huge sums must be used properly for the betterment of the Palestinian people.

Jane Kennedy (Liverpool, Wavertree) (Lab): In such circumstances, is not blaming Israel a little like saying that a victim of domestic violence brought it on herself? Given the connections between Iran and Hamas, is it not about time that the international community used the legal powers available to it to indict the President of Iran on charges of incitement to genocide?

Dr. Howells: My right hon. Friend probably knows more about international law than I do, but I am not sure that we can do that—*[Interruption.]* She nods her head and says it can be done. I very much hope that Tehran realises that making the situation in Palestine and Lebanon boil is no way to bring peace to Iran's own borders. This is a very tough neighbourhood as it is, without Iran causing such trouble. I am sure that there are elements inside Iran who understand that very well and who want to see peace in the middle east. They have to make themselves heard now, because Iran is a much more powerful player in the area than most European countries are. The Iranians have to play a genuine role—not one where they stand up and extol the virtues of peace, co-operation and harmony at the same time as they pass funds to Hezbollah, Hamas and other organisations so that they might kill and destroy any chance of peace.

Mr. James Clappison (Hertsmere) (Con): Is it not high time that the international community recognised the course of conduct on which Iran has embarked, which the right hon. Member for Liverpool, Wavertree (Jane Kennedy) has just described, and united to send a strong message to Iran about the unacceptability of that conduct, bearing it in mind that, thus far, peaceful and diplomatic engagement with Iran on this and other issues has brought meagre results? Now is the time for a strong message to Iran.

Dr. Howells: Yes, I think it is time for a very strong message to Iran. I hope that Wednesday's session of the Security Council, when it debates the middle east peace process, will bring some clarity and transparency about where the blame lies for the financing of these terrible events in the middle east and elsewhere. We could be talking about many other places where we know

[Dr. Howells]

Iranian money plays a part in causing disruption and mayhem. That cannot be good for the future of the region or for the future of the world.

Helen Goodman (Bishop Auckland) (Lab): I am sure that my hon. Friend the Minister agrees that there will never be peace in that part of the world unless the underlying justice issues are dealt with. Will he say what the Government have done in the past few days to raise with Israel the problems of illegal settlements and the wall?

Dr. Howells: My hon. Friend is right. The illegal settlements and the path of the wall are causing great concern and hardship for people in the occupied territories. We have told Israel many times that, if it wants peace and neighbours that it can live with, it must sort out those injustices. The path of the barrier is still a matter on which Israel could act very easily. Many of the settlements are tiny, comprising fanatics who are armed to the teeth; they could be withdrawn to the west of the barrier. I am sure that such action would contribute significantly to easing the great concern and sense of injustice that Palestinians feel.

Malcolm Bruce (Gordon) (LD): Obviously, there can be no justification for what Hamas has done in Gaza and how it has done it; nor does it further the Palestinian cause. However, the Minister will be aware that, in January, the Select Committee on International Development published a report on development in the occupied territories that showed that extreme poverty was getting worse. More importantly, we pointed out that the isolation of the Palestinian Authority and Hamas would lead to closer links with Iran, about which he now complains. Does he accept that it will not be possible to exclude Hamas from any part of any negotiation on the future of the Palestinian territories? If there is any sort of election in future, how will the Government deal with the situation if Hamas is elected? Why did the Government not respond to the Government of national unity, which was set up precisely to provide a means of contact with the Palestinian Authority without direct dealing with Hamas?

Mr. Speaker: Order. We are back to the old habit of asking three or four supplementaries. There should be only one supplementary question.

Dr. Howells: I shall answer the first one, Mr. Speaker.

The right hon. Member for Gordon (Malcolm Bruce) is right: he accurately observes the link between poverty and lack of development on the one hand and Islamic extremism on the other. The corruption and the lack of will to invest in a viable economy on the part of previous Administrations in the occupied territories has come home to roost in a big way. As I have said a number of times from this Dispatch Box today, if the Israelis really want a neighbour with a viable economy, they have to start lifting the roadblocks that are such a hindrance to trade within the Palestinian territories.

Barbara Keeley (Worsley) (Lab): To return to establishing the authority and independence of President Abbas's new Government, the independent Prime Minister in the west bank and the independence of the Cabinet are in a difficult and possibly dangerous position. Will the Minister tell us what more, if anything, can be done by the UK or the international community to bolster and help establish the authority of that new independent force? Perhaps that could be done through more aid, as aid already seems to have bolstered it.

Dr. Howells: The international community's expressions of support for President Abbas and his new Government have been great. The Hamas coup d'état has come as a shock to everyone, and they want to be sure that Hamas does not have the opportunity to try to repeat its military action in the west bank. I very much hope that everybody understands the need to get behind the Palestinian Authority and ensure that the new Government have the wherewithal to start giving people in the west bank some hope of a decent and viable future.

Mr. Quentin Davies (Grantham and Stamford) (Con): This whole incident of the past week has been one more disaster for the long-suffering Palestinian people. I hope that, at least in the west bank, they can now enjoy some amelioration in their position. Will the Minister find a way of getting two messages through to the Hamas regime in Gaza? One is that there is no substitute for accepting the Quartet's three conditions, because that essentially amounts to accepting reality. The second is that we simply cannot accept a situation in which it goes on spending enormous sums of money on arms while expecting the whole international community to provide its people with food and medical and other essential services.

Dr. Howells: Those are two very blunt messages, but I think that they are pertinent ones, and there will be no backing off on the Quartet's three principles by this Government. All too often, the huge amounts of aid money going into such areas somehow end up in the arms bazaar, and we have to make that point clear, too.

Mr. Lee Scott (Ilford, North) (Con): Does the Minister agree that although we hope and pray for the release of Alan Johnston, we do not forget that it is coming up to the anniversary of Corporal Shalit's being taken hostage? We do not forget other hostages who have been taken by Hezbollah, and we call for the release of all of them. Hamas should take note if it does not want everyone to believe what it has now made clear—namely that it is, and always has been, a terrorist organisation, not a political party.

Dr. Howells: Yes, I agree. We should not forget that many of the present and most immediate problems go back to the crisis that was caused by the kidnapping that the hon. Gentleman mentioned, and the kidnapping of two soldiers on the Lebanese border.

Bob Spink (Castle Point) (Con): What further action can the British Government take to encourage the United States, first, openly to fund the President and

the Palestinians, and secondly to put pressure on Israel to release tax moneys and tackle the roadblock situation? Those are prerequisites to peace.

Dr. Howells: The United States is already the biggest funder of aid to the Palestinians. Perhaps it is not quite as big a funder as the combined EU, but it almost certainly provides the most aid of any individual state. Just a few nights ago, my right hon. Friend the Foreign Secretary spoke to Secretary Rice and urged her to accept that the United States must now get behind President Abbas unequivocally and give him the support that he requires. I am confident that that has been taken very seriously, and it will be interesting to hear what the United States says during the Security Council debate on Wednesday.

Alistair Burt (North-East Bedfordshire) (Con): Although the one glimmer of light in this dreadful situation is the opportunity to create a new relationship between the Palestinian Authority, Israel and the Quartet countries, the Minister is surely right to warn Fatah against a repetition of the corruption that did it so much damage in Gaza in the past. Will he take the chance, too, to warn it against other activities such as the ill-judged adventure just 10 days ago by its military wing, which sought to seize another Israeli soldier in Gaza, this time by using the mechanism of a vehicle that had been decorated with TV insignia—an action condemned by the Palestinian journalists union? Will he tell Fatah that it is time for those adventures to come to an unequivocal end?

Dr. Howells: Yes. The hon. Gentleman makes a very important point. Now is the moment not only for the international community to come in behind President Abbas but for President Abbas to start making strong, serious and sometimes difficult decisions. That means that he must get hold of those factions within Fatah and ensure that they are not allowed to act in that renegade way, which risks, once again, escalating an already difficult situation.

Mr. Crispin Blunt (Reigate) (Con): How can the Minister reconcile his statement that the events of last week came as a shock to everyone with the statement by the United Nations representative Jan Egeland that the events of last week were both predicted and predictable?

Dr. Howells: I heard that statement, but I think that Jan Egeland talked very generally. The coup d'état, as I have called it, took everyone by surprise in its totality. Hamas has seized power, it has murdered its opponents in the most brutal fashion, and it has celebrated being entirely in control of Gaza. That is a traitorous act to the cause of the Palestinian people, and it will not benefit the notion of a viable Palestinian state. With hindsight, we can all say, "Yes, there were signs that it might happen, and there were elements and developments pointed in that direction." However, I doubt if anyone—and the hon. Gentleman knows a great deal about the area and takes enormous interest in it—really believed that there was going to be a coup d'état that was as total in its effect as the one that we have seen in the past few days.

Points of Order

4.12 pm

Ms Sally Keeble (Northampton, North) (Lab): On a point of order, Mr. Speaker. I am grateful for the opportunity to raise the issue that, on 6 June in the House, I asked my right hon. Friend the Leader of the House whether we could have a ministerial statement if the Government changed the rules for restraining young people in secure training centres. He was very helpful but, last week, the Government introduced a statutory instrument that proposed wide-ranging changes without making a statement. Is it sensible, Mr. Speaker, or in order for the Ministry of Justice to make wide-ranging proposals that affect many individuals on the rules for restraining young people in secure training centres without making a statement when one was clearly requested in the House?

The Deputy Leader of the House of Commons (Paddy Tipping): Further to that point of order, Mr. Speaker. You will recall that my right hon. Friend the Leader of the House gave an undertaking that he would raise the matter with colleagues in the Ministry of Justice. He, in fact, did so, and he is concerned about the situation described by my hon. Friend the Member for Northampton, North (Ms Keeble). He intends to pursue the matter further with colleagues in the Ministry of Justice.

Mr. Speaker: I am glad that the Leader of the House will pursue the matter on behalf of the hon. Member for Northampton, North (Ms Keeble). Ministers should be aware that Back Benchers have constituencies to look after, and raise serious matters on the Floor of the House as part of the democratic system. Ministers should take due heed of requests from hon. Members, and I certainly hope that a statement is made, at least belatedly, that will assist the hon. Lady. Ministers should take on board the fact that it is not good practice to leave hon. Members in a situation in which they do not receive statements from Ministers. After all, they have big Departments and plenty of people around them who can assist them in making statements in the House.

ROYAL ASSENT

Mr. Speaker: I have to notify the House, in accordance with the Royal Assent Act 1967, that the Queen has signified her Royal Assent to the following Acts:

International Tribunals (Sierra Leone) Act 2007

Digital Switchover (Disclosure of Information) Act 2007

Mental Health Bill [*Lords*] (Programme) (No. 2)

4.14 pm

The Minister of State, Department of Health (Ms Rosie Winterton): I beg to move,

That the Order of 16th April 2007 (Mental Health Bill [*Lords*] (Programme)) be varied as follows

That the Order of 16th April 2007 (Mental Health Bill [*Lords*] (Programme)) be varied as follows

1. Paragraphs 4 and 5 of the Order shall be omitted.

2. Proceedings on consideration and Third Reading shall be concluded in two days.

3. Proceedings on consideration shall be taken on each of those days as shown in the following Table and in the order so shown.

4. Each part of the proceedings shall (so far as not previously concluded) be brought to a conclusion at the time specified in relation to it in the second column of the Table.

First day

Proceedings	*Time for conclusion of proceedings*
New Clauses and amendments relating to advocacy and to other safeguards for patients; new Clauses, new Schedules and amendments relating to victims' rights and to patients involved in criminal proceedings.	Two hours after the commencement of proceedings on the Motion for this Order.
New Clauses and amendments relating to children (other than those relating to supervised community treatment); amendments relating to professional roles.	Three and a half hours after the commencement of proceedings on the Motion for this Order.
New Clauses and amendments relating to supervised community treatment; amendments relating to Part 2 (other than those relating to advocacy).	10.00 p.m.

Second day

Proceedings	*Time for conclusion of proceedings*
Amendments relating to Clause 7.	One hour after the commencement of proceedings on the Bill.
New Clauses and amendments relating to impaired decision-making.	Two and a half hours after the commencement of proceedings on the Bill.
Amendments relating to Clause 3; new Clauses and amendments relating to places of safety; remaining proceedings on consideration.	9.00 p.m.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at 10.00 p.m. on the second day.

4.15 pm

Tim Loughton (East Worthing and Shoreham) (Con): I do not propose to press the programme motion to a Division because the Government have

given two full days on Report, which is exceedingly helpful. There are many new amendments, and many new subjects are being raised so, rather than detain the House on a programme motion, I suggest that we begin the debate and allow hon. Members the chance of discussing these important matters.

Question put and agreed to.

Orders of the Day

Mental Health Bill [*Lords*]

[1ST ALLOTTED DAY]

As amended in the Public Bill Committee, considered.

New Clause 3

INDEPENDENT MENTAL HEALTH ADVOCATES

'(1) Part 10 of the 1983 Act (miscellaneous and supplementary) is amended as follows.

(2) Before section 131 insert—

"130A Independent mental health advocates

(1) The appropriate national authority shall make such arrangements as it considers reasonable to enable persons ("independent mental health advocates") to be available to help qualifying patients.

(2) The appropriate national authority may by regulations make provision as to the appointment of persons as independent mental health advocates.

(3) The regulations may, in particular, provide—

(a) that a person may act as an independent mental health advocate only in such circumstances, or only subject to such conditions, as may be specified in the regulations;

(b) for the appointment of a person as an independent mental health advocate to be subject to approval in accordance with the regulations.

(4) In making arrangements under this section, the appropriate national authority shall have regard to the principle that any help available to a patient under the arrangements should, so far as practicable, be provided by a person who is independent of any person who is professionally concerned with the patient's medical treatment.

(5) For the purposes of subsection (4) above, a person is not to be regarded as professionally concerned with a patient's medical treatment merely because he is representing him in accordance with arrangements—

(a) under section 35 of the Mental Capacity Act 2005; or

(b) of a description specified in regulations under this section.

(6) Arrangements under this section may include provision for payments to be made to, or in relation to, persons carrying out functions in accordance with the arrangements.

(7) Regulations under this section—

(a) may make different provision for different cases;

(b) may make provision which applies subject to specified exceptions;

(c) may include transitional, consequential, incidental or supplemental provision.

130B Arrangements under section 130A

(1) The help available to a qualifying patient under arrangements under section 130A above shall include help in obtaining information about and understanding—

(a) the provisions of this Act by virtue of which he is a qualifying patient;

(b) any conditions or restrictions to which he is subject by virtue of this Act;

(c) what (if any) medical treatment is given to him or is proposed or discussed in his case;

(d) why it is given, proposed or discussed;

(e) the authority under which it is, or would be, given; and

(f) the requirements of this Act which apply, or would apply, in connection with the giving of the treatment to him.

(2) The help available under the arrangements to a qualifying patient shall also include—

(a) help in obtaining information about and understanding any rights which may be exercised under this Act by or in relation to him; and

(b) help (by way of representation or otherwise) in exercising those rights.

(3) For the purpose of providing help to a patient in accordance with the arrangements, an independent mental health advocate may—

(a) visit and interview the patient in private;

(b) visit and interview any person who is professionally concerned with his medical treatment;

(c) require the production of and inspect any records relating to his detention or treatment in any hospital or registered establishment or to any after-care services provided for him under section 117 above;

(d) require the production of and inspect any records of, or held by, a local social services authority which relate to him.

(4) But an independent mental health advocate is not entitled to the production of, or to inspect, records in reliance on subsection (3)(c) or (d) above unless—

(a) in a case where the patient has capacity or is competent to consent, he does consent; or

(b) in any other case, the production or inspection would not conflict with a decision made by a donee or deputy or the Court of Protection and the person holding the records, having regard to such matters as may be prescribed in regulations under section 130A above, considers that—

(i) the records may be relevant to the help to be provided by the advocate; and

(ii) the production or inspection is appropriate.

(5) For the purpose of providing help to a patient in accordance with the arrangements, an independent mental health advocate shall comply with any reasonable request made to him by any of the following for him to visit and interview the patient—

(a) the person (if any) appearing to the advocate to be the patient's nearest relative;

(b) the responsible clinician for the purposes of this Act;

(c) an approved mental health professional.

(6) But nothing in this Act prevents the patient from declining to be provided with help under the arrangements.

(7) In subsection (4) above—

(a) the reference to a patient who has capacity is to be read in accordance with the Mental Capacity Act 2005;

(b) the reference to a donee is to a donee of a lasting power of attorney (within the meaning of section 9 of that Act) created by the patient, where the donee is acting within the scope of his authority and in accordance with that Act;

(c) the reference to a deputy is to a deputy appointed for the patient by the Court of Protection under section 16 of that Act, where the deputy is acting within the scope of his authority and in accordance with that Act.

130C Section 130A: supplemental

(1) This section applies for the purposes of section 130A above.

(2) A patient is a qualifying patient if he is—

(a) liable to be detained under this Act (otherwise than by virtue of section 4 or 5(2) or (4) above or section 135 or 136 below);

(b) subject to guardianship under this Act; or

(c) a community patient.

(3) A patient is also a qualifying patient if—

(a) not being a qualifying patient falling within subsection (2) above, he discusses with a registered medical practitioner or approved clinician the possibility of being given a form of treatment to which section 57 above applies; or

(b) not having attained the age of 18 years and not being a qualifying patient falling within subsection (2) above, he discusses with a registered medical practitioner or approved clinician the possibility of being given a form of treatment to which section 58A above applies.

(4) Where a patient who is a qualifying patient falling within subsection (3) above is informed that the treatment concerned is proposed in his case, he remains a qualifying patient falling within that subsection until—

(a) the proposal is withdrawn; or

(b) the treatment is completed or discontinued.

(5) References to the appropriate national authority are—

(a) in relation to a qualifying patient in England, to the Secretary of State;

(b) in relation to a qualifying patient in Wales, to the Welsh Ministers.

(6) For the purposes of subsection (5) above—

(a) a qualifying patient falling within subsection (2)(a) above is to be regarded as being in the territory in which the hospital or registered establishment in which he is liable to be detained is situated;

(b) a qualifying patient falling within subsection (2)(b) above is to be regarded as being in the territory in which the area of the responsible local social services authority within the meaning of section 34(3) above is situated;

(c) a qualifying patient falling within subsection (2)(c) above is to be regarded as being in the territory in which the responsible hospital is situated;

(d) a qualifying patient falling within subsection (3) above is to be regarded as being in the territory determined in accordance with arrangements made for the purposes of this paragraph, and published, by the Secretary of State and the Welsh Ministers.

130D Duty to give information about independent mental health advocates

(1) The responsible person in relation to a qualifying patient (within the meaning given by section 130C above) shall take such steps as are practicable to ensure that the patient understands—

(a) that help is available to him from an independent mental health advocate; and

(b) how he can obtain that help.

(2) In subsection (1) above, "the responsible person" means—

(a) in relation to a qualifying patient falling within section 130C(2)(a) above (other than one also falling within paragraph (b) below), the managers of the hospital or registered establishment in which he is liable to be detained;

(b) in relation to a qualifying patient falling within section 130C(2)(a) above and conditionally discharged by virtue of section 42(2), 73 or 74 above, the responsible clinician;

(c) in relation to a qualifying patient falling within section 130C(2)(b) above, the responsible local social services authority within the meaning of section 34(3) above;

(d) in relation to a qualifying patient falling within section 30C(2)(c) above, the managers of the responsible hospital;

(e) in relation to a qualifying patient falling within section 130C(3) above, the registered medical practitioner or approved clinician with whom the patient first discusses the possibility of being given the treatment concerned.

(3) The steps to be taken under subsection (1) above shall be taken—

(a) where the responsible person falls within subsection (2)(a) above, as soon as practicable after the patient becomes liable to be detained;

(b) where the responsible person falls within subsection (2)(b) above, as soon as practicable after the conditional discharge;

(c) where the responsible person falls within subsection (2)(c) above, as soon as practicable after the patient becomes subject to guardianship;

(d) where the responsible person falls within subsection (2)(d) above, as soon as practicable after the patient becomes a community patient;

(e) where the responsible person falls within subsection (2)(e) above, while the discussion with the patient is taking place or as soon as practicable thereafter.

(4) The steps to be taken under subsection (1) above shall include giving the requisite information both orally and in writing.

(5) The responsible person in relation to a qualifying patient falling within section 130C(2) above (other than a patient liable to be detained by virtue of Part 3 of this Act) shall, except where the patient otherwise requests, take such steps as are practicable to furnish the person (if any) appearing to the responsible person to be the patient's nearest relative with a copy of any information given to the patient in writing under subsection (1) above.

(6) The steps to be taken under subsection (5) above shall be taken when the information concerned is given to the patient or within a reasonable time thereafter."

(3) In section 134 (patients' correspondence), in subsection (3A), for paragraph (b) substitute—

"(b) "independent advocacy services" means services provided under—

(i) arrangements under section 130A above;

(ii) arrangements under section 248 of the National Health Service Act 2006 or section 187 of the National Health Service (Wales) Act 2006; or

(iii) arrangements of a description prescribed as mentioned in paragraph (a) above."'.—*[Ms Winterton.]*

Brought up, and read the First time.

4.15 pm

Ms Winterton: I beg to move, That the clause be read a Second time.

Mr. Speaker: With this it will be convenient to discuss the following:

Amendment (a) to the proposed new clause, after paragraph (1), insert—

'(1A) The appropriate national authority must ensure that help under arrangements made under subsection (1) is available to a qualifying patient from the point at which he undergoes any assessment for the purposes of this Act.'.

Amendment (b) to the proposed new clause, in new section 130C(3)(b), at end insert

', or is admitted to, or remains in, a hospital, or registered establishment in pursuance of such arrangements as are mentioned in section 131(1).'.

Amendment (c) to the proposed new clause, after new section 130C(3)(b), insert—

'(3A) A patient is also a qualifying patient if he is about to undergo, or has undergone, any assessment for the purposes of this Act.'.

Government new clause 5—*Independent mental capacity advocacy service: exceptions.*

New clause 15—*Treatment requiring consent (period of time since administration of treatment)*

'(1) Section 58 of the 1983 Act is amended as follows.

(2) In subsection (1)(b) leave out "three months" and insert "two months".'.

New clause 17—*Nomination of carer as nearest relative*

'(1) The 1983 Act is amended as follows.

(2) After section 26(4) insert—

"(4A) Where a person has made an advance nomination with regard to the choice of a relative or other person to be his nearest relative, his nearest relative shall, subject to the power of the court under section 29 to appoint an acting nearest relative, be determined by giving preference to that choice.

(4B) "Advance nomination" means a nomination made by a person ("P"), after he has reached 18 and when he has capacity to do so and in contemplation that he shall become subject to any act or decision exercisable under the provisions of this Act that his choice of nearest relative shall take precedence over the provisions of subsection (3).

(4C) For the purposes of subsection (4B) P's nomination must be his carer as defined by section 1(1)(a) of the Carer's and Disabled Children Act 2000.

(4D) For the purposes of section (4B) nomination cannot be made or withdrawn if P is subject to an order under this Act.

(4E) An advance nomination is not valid if P—

(a) has withdrawn the decision at a time when he had capacity to do so, or

(b) has done anything else clearly inconsistent with the advance nomination remaining his fixed decision.

(4F) An advance nomination is valid only if

(a) it is in writing,

(b) it is signed by P or by another person in P's presence and by P's direction,

(c) the signature is made or acknowledged by P in the presence of a witness, and

(d) the witness signs it, or acknowledges his signature, in P's presence.

(4G) The court may make a declaration as to whether an advance nomination—

(a) exists; and

(b) is valid."'.

Amendment No. 104, in clause 23, page 15, line 27, leave out 'or'.

Amendment No. 105, in page 15, line 29, at end insert—

'because his appointment poses a risk to the health or well-being of the patient; or

(f) that in the reasonable opinion of the patient the person is not appropriate.'.

Government amendments Nos. 51 to 58, 60 to 66 and 68

Ms Winterton: It is a pleasure to report back from the Committee after our extensive debates. It is particularly pleasurable to start with this group of amendments, as the amendments that we have tabled on advocacy are in response not only to what was said in the other place and in the detailed discussions that we had in Committee, but to the many representations that we received from organisations that have an interest in people with mental health problems having access to advocacy.

Government new clause 3 and Government amendment No. 66 provide for advocates to be available to patients detained in hospital for assessment or treatment, to community patients and to patients subject to guardianship. In the other place and in

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Committee, the issue was raised of specialist advocacy for black and minority ethnic patients, child patients and patients with learning disabilities. My hon. Friend the Member for Hackney, South and Shoreditch (Meg Hillier) spoke in Committee of the great benefit of specialist advocacy for patients for whom English is not their first language. The need for specialist advocacy is the reason that we have included a regulation-making power that will allow us to make different provisions for cases when it comes to the training requirements for advocates.

As was pointed out in Committee, patients must know that they have a right to advocacy. We have provided for them to be told orally and in writing. In addition—I know this will interest the hon. Member for Tiverton and Honiton (Angela Browning)—Government amendments Nos. 52 and 61 amend the Mental Capacity Act 2005 and give the person deprived of liberty or their representative the statutory right of access to an independent mental capacity advocate to explain to them the authorisation for the deprivation of liberty and to provide support with a review or with an application to the Court of Protection. Again, these Government amendments, which reflect representations made to us, also ensure that both the person and their representative are told about the IMCA service.

Mr. David Kidney (Stafford) (Lab): My right hon. Friend mentions the existence of independent mental capacity advocates under the 2005 Act; now we are to have independent mental health advocates. Can she assure the House that they will effectively be the same bodies of advocates, with common training and arrangements?

Ms Winterton: My hon. Friend is right to raise that important issue. We believe that there is scope for advocates, if they wish, to receive training in both areas. Naturally, some people will perhaps wish to specialise. He is probably aware that the pilot training for IMCAs is already under way, but there would not necessarily be any problem with people being able to specialise in both areas.

Mr. Edward Garnier (Harborough) (Con): I apologise for coming late to the subject. I was not a member of the Public Bill Committee, so this matter may have been discussed already, but will the advocates be funded from the Minister's budget or from the Ministry of Justice's budget, or will they be paid for by the people for whom they will provide representation? It seems a little unclear.

Ms Winterton: I can assure the hon. and learned Gentleman that they certainly will not be paid for merely by the people who need to use them. They will be paid for by the supervisory body—whether that is the local authority or health authority will depend on the IMCAs and, in a sense, those for whom they are to be used. In the case of mental health advocates and mental capacity advocates, individuals will not be expected to pay for them.

Mrs. Madeleine Moon (Bridgend) (Lab): I have today received an e-mail from Mental Health Matters, a charity in Bridgend that provides a community advocacy service. One of the things that it welcomed was this provision and this change on the part of the Government. In particular, it has written to say that it is an important change, which it welcomes, but that it is having difficulty in getting the local trust and the local authority to fund its community advocacy service. Does my right hon. Friend agree that it is important that the voluntary sector is approached in providing such services, as it gives confidence to many users of mental health services that advocacy is independent and works in their best interests?

Ms Winterton: My hon. Friend is right. During debates on the Mental Capacity Bill, we were able to give assurances that we saw an important role for the voluntary sector in such instances because that sector often has such expertise. One thing that we hoped would flow from our taking statutory powers in this sense would be the ability to ensure that a number of voluntary organisations would have access to some of those streams of funding, particularly because such organisations are often seen as independent and as having quite a lot of expertise already. There is no point in reinventing the wheel in some of these cases, but we need to ensure that the organisations have proper training. That is why, through some of the IMCA pilot sites, we have been ensuring that that takes place.

Angela Browning (Tiverton and Honiton) (Con): Will there be a statutory right for the patient to see the independent advocate in private?

Ms Winterton: We would like to ensure that the advocacy services are delivered in the most appropriate way. If there is a need for privacy to form a part of the service, that would be expected to be the case. I take on board what the hon. Lady says. However, we would have to be careful not to give the impression that every interview had to be held in private in case that was not appropriate for an individual, for example if it caused them distress. It is right to say that we should think about ensuring that privacy is provided wherever possible. Perhaps we could take the subject away and consider it in respect of such issues as the code of practice in both instances, as well as the importance of training in that area.

Meg Hillier (Hackney, South and Shoreditch) (Lab/Co-op): It seems to me implicit in new clause 3 that an advocate should be able to speak with the patient, and should perhaps therefore be able to speak another language. Will my right hon. Friend explain her views on bilingual advocacy? It is not the same as having advocates with translations. I appreciate that it would be difficult to make an open-ended commitment to ensuring provision in every language spoken by people in my constituency, but for an advocate truly to understand the case—and this is stressed by Derman, a Turkish and Kurdish advocacy service in my constituency—they need to understand the cultural implications of someone's background.

Ms Winterton: That is exactly why, as I have said, we have included in the power relating to regulations the

ability to consider the issue of specialist advocacy; that will cover exactly those points.

Hywel Williams (Caernarfon) (PC): Further to what the Minister has said, would advocates in Wales be treated as working for a public body, as defined by the Welsh Language Act 1993?

Ms Winterton: That is something that the hon. Gentleman will need to take up with the National Assembly for Wales. Obviously, some of those matters will be devolved. The Bill enables powers to be taken, but some of the implementation, particularly with regard to specialist advocacy, may well be covered by the Assembly.

Section 40 of the Mental Capacity Act 2005 provides that an IMCA is not required to be appointed in certain specified situations. Government new clause 5 and Government amendments Nos. 62 to 64 and 68 would limit the exceptions under section 40. Where someone has been appointed for matters related to property and affairs, the appointment will no longer preclude an IMCA from being instructed for health and social care matters.

I want now to turn to the amendments tabled by the hon. Member for Romsey (Sandra Gidley), which would make changes to the Government new clause requiring advocates to be made available to patients who had not yet been detained for the purposes of assessment or treatment, and for child in-patients who were not subject to detention. I completely understand her concerns, but we need to target resources at the most vulnerable. We do not agree that it is necessarily either appropriate or workable to provide advocates to people who have not yet become subject to an application for detention, or who are not being treated under the Mental Health Act 1983, except in the specific and limited circumstances that we have set out. We must prioritise, and we believe that we have identified the priority group.

There are also links between some of the nearest relative provisions and our intentions in introducing advocacy; I know that my hon. Friend the Member for Birmingham, Selly Oak (Lynne Jones) sees the nearest relative as being, in a way, the patient's representative. The aim of new clause 17 and amendments Nos. 104 and 105, tabled by my hon. Friend, is to provide patients with the opportunity to have their carer appointed as their nearest relative, and to extend the grounds on which they can apply to displace a nearest relative.

That is an issue about which there were lengthy debates in the other place, particularly about whether a patient should be able to choose their nearest relative. Those debates continued in Committee. I considered the matter extremely carefully, because I can understand the intuitive sense that it is the right approach.

Having looked at it, however, I came to believe that it would be inappropriate to make the kind of changes that my hon. Friend the Member for Birmingham, Selly Oak is suggesting—so that someone could choose a nearest relative in the same way as they would choose a direct representative or a next of a kin. We need to start from the position that the nearest relative has very particular powers under the Bill, some of which are quite specific, in respect of preventing detention and applying for discharge.

4.30 pm

In some of the earlier discussions on this Bill, and on previous Bills, we talked about nominated representatives, but carers groups expressed concerns particularly about the displacement of a nearest relative, which could have an effect on carers that many of us know all too well. When a person becomes extremely ill and feels that the nearest relative has the power to block detention or to discharge, it becomes too easy for that person to think that that is precisely what they should be doing. That can put many people in a difficult position. We need to realise that this is a sensitive issue.

Chris Bryant (Rhondda) (Lab): I hope that the Minister realises that the issue is also very sensitive in the other direction. Many "revolving-door" patients of mental health institutions—that is not a very nice term, but it is one that we grew used to in Committee—sometimes feel that they want to change their nearest relative without having to go to the court and give lengthy and complex arguments why they should be able to do so. I hope that the Minister understands that, too.

Ms Winterton: Of course I understand that, and I know that my hon. Friend is concerned about this particular issue. As I said, I examined it very closely and asked my officials to see whether there was a way of trying to accommodate that development. Let me set out some of the reasons why we decided that there was a real difficulty with such a provision.

If we allowed an automatic right to appoint the nearest relative in advance, to comply with the European convention on human rights it would be necessary to set up a system by which nominations could be ratified by an independent process with a suitable mechanism for appealing decisions. There is no existing body that could do that; we would have to set up a new body, whereas at the moment we take such issues to the county courts. We would still need a process by which to make that happen. For example, we would need to be able to allow a nearest relative who was being displaced to appeal if they felt that it was the wrong approach.

I understand the argument that it would be possible for someone to nominate a person in advance when they were not subject to the legislation—that is, when they were not in a detained situation—in anticipation of being detained, but for ECHR compliance it would be difficult to have one system for people who were not detained and a completely different system, under which people had no access to that right, when they were being detained. Restricting the provisions to carers alone would also have particular problems.

Amendment No. 105 would add another ground on which applications could be made to displace the nearest relative—

"that in the reasonable opinion of the patient the person is not appropriate",

and would also amend ground (e) in clause 23(5). I understand the concerns expressed about the Bill's new

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ground of being "not suitable". For the first time, patients can apply on those grounds and say that they believe that their current nearest relative is not suitable. Concerns have been expressed about whether the provision would cover situations where patients have no real relationship with their nearest relative. Although it is important that the courts look at each case on its merits, we intend the idea of unsuitability to cover situations where there is no effective relationship between the patient and their nearest relative, or where the relationship has broken down irretrievably.

Given the other changes that we are making, we believe that our proposals cover some of the problems highlighted by my hon. Friend the Member for Birmingham, Selly Oak in amendments Nos. 104 and 105. We shall continue to hold consultations about the code of practice and I am happy to include my hon. Friend in them, as I know she is particularly concerned.

Angela Browning: Will the right hon. Lady give way?

Ms Winterton: I will in a second.

The changes we are making to the Bill give patients a new right to apply to the court for displacement. They will then be free to nominate anyone they want as their replacement nearest relative. As long as the court finds that person suitable and they are willing to act, they will be appointed. As well as that new right, we have provided that the involvement of carers and others with the patient must be addressed as part of the fundamental principles. That meets the fear that people might be excluded. Based on the principles, the code will make it absolutely clear that the nearest relative is not meant to replace the patient's next of kin, so their appointment does not prevent other people nominated by the patient from being contacted or appropriately involved in decisions about care and treatment.

The Mental Health Act 1983 provides that hospital managers have a duty to advise patients of their rights, including providing all patients with information about how to apply to the county court. I think that my hon. Friend the Member for Birmingham, Selly Oak, and some members of the Committee, were concerned that people would have to go through a cumbersome process, so we shall ensure that patients are advised of their rights and training is given to ensure that those who inform and advise patients understand the new rights properly. In our meetings with the new mental health coalition, concerns were raised about the provisions, so we have looked at matters closely and considered production of a user-friendly guide to applying to the county court.

New clause 15 relates to the three-month rule under section 58 of the Mental Health Act 1983, and would reduce to two months the period after which the section applies. The section requires that if a patient refuses consent, or cannot give consent, a SOAD—second opinion appointed doctor—should certify that the treatment is appropriate and should be given. My noble friend Lord Hunt said in the other place, and I reiterated in Committee, that we continue to believe that the three-month period remains appropriate. The 1983 Act contains a power, in section 58(2), to reduce the period by order, so we can already go forward on that basis. However, we feel it would be more appropriate to do so after consultation, so that we can proceed based on evidence, and at a manageable and sustainable pace. At this stage, we do not think it right to change that existing power without undertaking proper consultation and without ensuring that we can deliver on it.

Tim Loughton (East Worthing and Shoreham) (Con): To pre-empt the new clause that I shall propose in a minute, may I ask the Minister: has not the power to vary the term been in the Act since 1983? The Government said that they would look at it, but nothing has been done for 24 years. Why is the Minister so convinced that the three-month term remains appropriate? She has not made the case.

Ms Winterton: There is no evidence to support the proposition that the period is too long. Of course, I am aware of comments made by the Mental Health Act Commission and the Joint Committee on Human Rights, but those opinions do not constitute evidence that three months is not the most appropriate period for the SOAD to assess a patient's medication for the first time and, with the approved clinician in charge of treatment, to identify whether changes should be made to the ongoing treatment plan. As I said in Committee, the High Court has recently refused leave for a judicial review of the compatibility of the three-month period with the European convention on human rights, so it is not outside the ECHR. We do not believe that there is evidence for changing the period, and that is why we do not accept the need to do so.

Most of all, the power exists already, and we would use it only after proper consultation with clinicians and others to decide whether it was an appropriate time to use it. Otherwise, it could become a completely unmanageable and unsustainable change.

Tim Loughton Will the Minister give way?

Ms Winterton: I will give way to the hon. Gentleman, but I am sure that we will hear his arguments in full before too long.

Tim Loughton: Absolutely, and I shall try to make them brief.

If the Minister is to be consistent, why was it appropriate in the 2004 draft Bill to set up the tribunal system, which has now been dropped, which would have reviewed the case after not three months or two months, but 28 days?

Ms Winterton: As the hon. Gentleman knows, a number of changes were suggested in the draft Bill, but it was rather heavily criticised by the pre-legislative scrutiny Committee, of which he was a member, for being lengthy and complex, and for making many commitments that would involve financial considerations that could not necessarily have been delivered. We responded to many of the Committee's points by introducing a short amending Bill to amend the 1983 Act.

If the hon. Gentleman is happy to enter such a commitment, involving a number of changes and commitments, both managerial and financial, I am sure that his Front Bench will be behind him. However, I

urge him, when talking to his shadow Chancellor and the rest of the gang, to make it clear what such a commitment would mean. I also urge him to ensure that he is absolutely convinced that the right evidence exists to make such a commitment. We do not believe that it does.

John Bercow (Buckingham) (Con): I apologise to the right hon. Lady that I was not here for the start of her remarks. I have no wish to be curmudgeonly or uncharitable, but I am conscious that new clause 3(2) and (7) refer to the order-making power and the different regulations that will flow from that. Can the right hon. Lady assure me that we will have sight of at least a draft of the intended regulations before the ultimate passage of the Bill? Otherwise, with the best will in the world, we are being asked to opt for, and to be content with, a pig in a poke. We need to see the detail before we vote for the legislation.

Ms Winterton: I am astonished that the hon. Gentleman refers to our Bill, which has been through such distinguished discussions, as a pig in a poke. I am sure that his Front Bench will have something stern to say about that. I hope that I can reassure him that we will continue to consult fully on the Bill, particularly on some of the regulation-making powers, not only through the procedures of the House but with clinicians and others who have shown an interest. We are anxious that the implementation be effective, so we will continue to discuss that.

4.45 pm

I stress that the advocacy amendments were tabled by the Government very much in response to points made in the other place, in Committee and by a number of organisations about this important issue. I am glad that we have been able to debate those as part of the first group of amendments, and I urge the House to support them.

I ask the hon. Member for Romsey not to press her amendments, because it is important that we consider where our resources are best used, and her proposals would not be practical. My hon. Friend the Member for Birmingham, Selly Oak is right to raise the issues that she does, as they are important, but to try to make some of the changes proposed would involve real problems. I undertake, however, to consider some of the issues in relation to the code of practice, and I hope to address the concerns raised. I urge the hon. Member for East Worthing and Shoreham (Tim Loughton) to withdraw his new clause, for the reasons that I have outlined.

Tim Loughton: I want to comment on two aspects of this group. First, I want to pose some questions to the Minister about advocacy. Clearly, that part of the Bill is completely new. It is a welcome new addition, but it is a reappearance, because advocacy services were promised by the Government in the 2004 draft. That was very much welcomed by the pre-legislative scrutiny Committee, which raised practical questions with the Minister about it. She has now included the provision, but it could have been included in the first place, which would have enabled the Committee to consider the finer print, and saved us further debate here.

Advocacy is essential in three main areas: to ensure a statutory right to an independent mental health advocate for all patients subject to compulsory powers; to make patients aware of that right, which the Minister has touched on; and to ensure, as my hon. Friend the Member for Tiverton and Honiton (Angela Browning) pointed out, that patients have a right to meet their advocate in private. Those are fundamental human rights that should be made available as part of the service.

The advocates will be essential, providing support to vulnerable people in exercising their rights to appeal against decisions made for their treatment or confinement: for example, as a way of communicating their interests when they may lack capacity to do so for themselves. That service should be provided, particularly for the most vulnerable patients, and prioritised at the point of crisis. The issue of the availability of culturally competent advocacy has also been raised. In particular, the black and minority ethnic mental health communities have pointed to the importance of suitable advocacy for their members.

The pre-legislative scrutiny Committee questioned the Minister's estimated costings. The regulatory impact assessment estimated the whole-time equivalent of 140 advocates at a cost of approximately £5 million. We seriously questioned whether the Minister had made a very conservative and inadequate estimate. We need to be convinced that the service will be workable, viable and sustainable, not just a token effort to make available a few—but not nearly enough—advocates. Has the Minister reviewed the costings?

Mr. Kidney: I raised the issue of common advocacy standards, training and arrangements with independent mental capacity advocates because I hoped that that would enable us to ensure that the costs were proportionate and affordable.

Tim Loughton: The hon. Gentleman has raised that issue before, and has been a big advocate of advocates for some time. The point he makes is right. It also touches on how the advocates should be overseen and quality-controlled. Again, the pre-legislative scrutiny Committee suggested that the Mental Health Act Commission should be engaged to set the standard for the advocates. If we are to have advocates, we need to ensure that they know what they are doing, and are of a sufficient standard to do what can be a technical job dealing with technical parts of the law, as all of us who have been involved with the Bill for some years, and on the Committee for the past few weeks, know.

What has been learned from the Mental Capacity Act 2005 about the use of advocates? I know, from when the Minister and I discussed a statutory instrument to extend the pilot for advocates provided under that Act, that they have gone down well. At that time I raised the great inconsistency: if they worked well for people covered by that Act, why on earth were we not having them in this legislation—as we now are? I should like to hear some comments on that. We support what the Government are introducing, and merely question whether the measure is sufficiently resourced and structured for it to be as successful as we all want it to be. However, I certainly commend the Government for introducing it.

[Tim Loughton]

The Minister pre-empted some of my comments on new clause 15, although she did not answer my questions about it, which I fear was also the case when we raised the subject in Committee. This is important because it is all about respecting the wishes of vulnerable patients and considering the effect of treatment on them, giving them an opportunity to engage in their treatment, and ensuring that there are thorough checks and balances so that people with serious medical conditions get the right medical treatment. Given the serious effects of medication and the possibility of patients being given too high a dose without their consent, even despite their active opposition to medication, we must ensure that we get it right.

As the Minister said, the new clause would amend section 58 of the Mental Health Act 1983 by reducing from three months to two the time before a second medical opinion is required for medication. The Joint Committee on Human Rights—its Chairman is not in the Chamber, but I am sure that he will be joining our deliberations because he has tabled later amendments—proposed that the time should be reduced from three months to one. We are proposing a compromise, as we did in Committee, to reduce it from three months to two months in stages. The Joint Committee had serious concerns, which again the Minister has not allayed.

The second opinion appointed doctor will assess types of medication, the doses of medication and the combination of different medications. We are talking about powerful chemical cocktails. They have the capacity to bring about serious side effects, such as obesity, diabetes, impotence and movement disorders. It is essential that we take the patient's feelings into account and ensure that we have good practice.

We also made the case in Committee that patients in that condition should be subject to more regular physical health checks for their own benefit, simply because of the physical effects that many of the powerful drugs have on them. We are joined in that request by the Mental Health Act Commission, which has raised on several occasions, and in at least two of its reports, its concerns about how the period of three months works in practice. In its last biennial report, for 2003-05, it said:

"Too many patients feel that they are excluded from decision making and the exercise of choice in their hospital treatment and unable to discuss their subjective experiences of therapeutic effect or adverse side-effects. This is likely to exacerbate the likelihood of non-compliance after discharge and may contribute to the problems of revolving-door readmissions".

It is not good for patients' therapy or recovery to feel excluded in that way.

The MHAC says that when visiting hospitals it has found that medical treatment is a key issue for patients, and it often receives complaints about it. In its most recent report it listed complaints about, for instance,

"No record of discussion with patient regarding proposed treatment...No record of assessment of patient's capacity to consent to treatment... Patients telling visiting Commissioners that they are not happy taking their medication".

As the Minister knows, a patient's diagnosis is not straightforward and may change several times over a period of detention. We think that three months of being treated without consent, or with a lack of capacity to consent to treatments that may be causing harm, is simply too long. In 2004-05, 18 per cent. of patients' plans were changed as a result of SOAD intervention, but as the MHAC reported, that is not an accurate indicator of the importance of the role.

There is an extra incentive for doctors to get it right. As the MHAC says,

"the SOAD provides a check on the RMO's practice"

—"RMO" stands for "registered medical officer—

"and by the very nature of the oversight provided by the Second Opinion ensures that RMOs give careful thought to their decisions. We believe that if this provision had not been available – there would have been no check on the appropriateness of treatment, and many more treatment plans could have been the subject of formal complaint."

The Minister has already taken up my point that the 1983 Act provides a power, under order, to vary the time. We have had 24 years in which to do that, but it has not been done. The MHAC says

"We believe that the current Act provides insufficient protection to patients in the first three months of their treatment under detention, when they may be forcibly given medication in doses or combinations that are outside of product guidelines and recommendations without the oversight of a Second Opinion Appointed Doctor. Some RMOs appear to share our unease: we receive...occasional requests for statutory Second Opinions in relation to such patients".

The Minister addressed that point a moment ago without answering it, or at least, she answered it completely the wrong way. She said that the Government agreed with those concerns, and that that was why tribunals that they had intended to establish under the draft Mental Health Bill of 2004 would have had power to step in after 28 days. This is nothing to do with cost-effectiveness, or with our practical complaints that people were not available to man the tribunals. The principle was that the conditions should be examined after 28 days. Our complaint was that the mechanics would not be practicable. If the principle was right then, why are the Government reverting to a three-month period? That is the question that the Minister has not answered.

In Committee, the Minister said that the system would be too bureaucratic and might involve up to 8,000 more SOAD hours. There would be a big cost and resource implication. Mat Kinton is undertaking further research for the MHAC, which is not yet finished but is soon to be published. We have been given permission to quote from it. Mr. Kinton conducted a survey of the 14,574 patients detained at 31 March 2006, just over a year ago. He was able to examine just over 81 per cent. of them in detail. Working on the Government's figures, he established that if the three-month rule had been a two-month rule, 3,598 patients, or 30.5 per cent. of the total number admitted to hospital under Mental Health Act powers, could have received a second opinion. That is an additional 337 opinions and an increase in second-opinion activity of slightly over 10 per cent., which amounts to nothing like 8,000 additional SOAD hours.

I believe that the Government's estimates are woefully wrong. I am surprised that the Minister has not been contacted the MHAC, given the serious

concerns that it has raised on a number of occasions. The Minister's figures are wrong; but, more importantly, the principle that someone should not be forced to wait for three months on medication that may not be appropriate—regardless of the physical, let alone the mental effect—is fundamentally wrong.

Our suggestion is not radical; it is a compromise solution—to reduce the period from three months to two months. Many people think that the period should be shorter than that. It is a practical suggestion and, more importantly, it addresses the principle of respecting the wishes of people with mental illness. It makes sure that they are engaged properly in their treatment, rather than potentially cut adrift from having any say in it for three months until a SOAD is appointed. On that basis, I am minded to press our new clause to a Division at the appropriate time, rather than to withdraw it as the Minister requested.

5pm

Mr. Kidney: In speaking on advocacy, I should declare an interest. I am honorary president of the Advocacy Services in Staffordshire, or ASIST.

I warmly congratulate the Minister on the work she has done on advocacy between the Committee and Report stages. She gave an assurance in Committee that she would bring this matter back to the House and she has done so; that is welcome. I said in Committee that it was untenable for us not to have a system of advocacy for mental health patients when we have now accepted advocacy for mental capacity cases. The wording of the new clause closely follows the wording on advocates in the Mental Capacity Act 2005, which shows that synergy. My earlier intervention on the Minister was intended to be helpful. I said that there might be common standards, training and systems of maintaining advocates in order to keep the costs of both systems at a reasonable level.

Advocacy is to be welcomed because patients can find it disempowering enough to have to face the panoply of the mental health system when in need of help, but when faced with professionals such as a consultant psychiatrist or a range of people with other mental health expertise—perhaps social workers, too—it can also seem that the balance of power is wrong. The beauty of the advocacy system is that it enables someone to stand shoulder to shoulder with the patient in putting their case. It can enable the patients themselves to say exactly what they want, and if they are unable to do so it enables the advocate to speak up on their behalf and to make sure that their voice is heard in deliberations and planning.

Dr. Ian Gibson (Norwich, North) (Lab): Does my hon. Friend agree that advocacy is not just about helping the patient from a health point of view, but that there might also be legal implications which it is important that somebody present addresses in order to prevent the patient from ending up unprotected in a court situation?

Mr. Kidney: I agree, but as we found in debating and amending Acts such as the original 1983 Act, legal issues can be difficult and complex. The advocates we are talking about are citizens' advocates rather than lawyers, who are advocates who understand the law. Sometimes, an important part of an advocate's role is to make sure that the legal interests of a patient are presented and studied by an independent lawyer.

I especially welcome the Minister saying that when the advocacy system is in place there will be full information for patients about the availability of the scheme, and full training on advocacy for staff in mental institutions and in the community who provide mental health services so that they can make sure that people receive their entitlements and rights.

This is such an important change from the Bill in its original form that I hope that it will also help us to overcome some of the objections raised in the other place about other parts of the Bill. When we are sure that patients are as protected as possible by a system of advocacy, some of the objections debated in the other place can fall away.

My right hon. Friend the Minister said that she was not minded to agree to amendments to new clause 3 to do with children and advocacy. That is disappointing, and I hope that the Minister will say that she will at least keep the door open for that to happen later.

On another area of law, I chair the all-party group on looked-after children and care leavers, and I know just how vital it is for those vulnerable children to have access to advocacy. They do not yet have universal access—access is provided only in certain specified circumstances—and I want to argue for their having it. Similarly, children who are patients in the mental health system are particularly vulnerable, and I hope that they, too, can have universal access to advocacy.

Dr. Gibson: Does my hon. Friend agree that many of the people who suffer from anorexia and bulimia are often quite young and need support, which has not been forthcoming? We should therefore consider them just as seriously, because this is a somewhat new area of endeavour.

Mr. Kidney: Indeed, and as I explained on Second Reading, a hospital in my constituency specialises in eating disorder cases, and some of the children who attend it are extremely young. In Committee, we debated age-appropriate facilities for children, and learned of a child as young as 10 who was in very inappropriate accommodation when receiving in-patient hospital treatment. So yes, those children can be very young and very vulnerable.

I want to say a little about nearest relatives and carers. Between consideration in Committee and today, my right hon. Friend the Minister and I corresponded on this subject, and I am disappointed at not having made any progress. There is one issue that I would like to bring to the head of my wish list: I want the Minister at least to look again at the definition of a carer. At the moment, we are reliant on the 1983 Act, which says that a carer is somebody who has been caring for five years, which then gets them on to the nearest relative list. If they are living with the patient at the time that such services are required, they can go to the top of that list. However, the position of carers has moved on a long way since 1983. Since then, there has been a Labour Government—since 1997—and we have the country's first ever national strategy for carers and the first dedicated funding for carers, rather than for the people whom they care for. We have also

[Mr. Kidney]

established for the first time an entitlement for a carer to have an assessment of their needs, rather than of the person whom they care for.

So the definition of a carer today is very different from simply being someone who has lived with a person for five years. Of course, many carers do not live with the person whom they care for, even though they are their full-time carer, so I would argue that we still need to look at the definition of carer. I understand why my right hon. Friend the Minister is not attracted to new clause 17, but it does at least bring up to date the definition of a carer, in line with the legislation introduced in 2000, which is the latest to deal with carers.

I turn to my final point on the ability to nominate someone to be the nearest relative. I have read the correspondence that my right hon. Friend sent to me and I accept all the arguments, but I ask whether there is one last option—one quite similar to that given in a briefing that we received from the Law Society. Here, I should declare another interest as a non-practising solicitor. If the person in question could nominate from a closed list, rather than an open one, would that get round the problems associated with the European convention on human rights that my right hon. Friend mentioned? If the closed list could simply be the nearest relative list with an updated definition of a carer included, could not the person in question—when they are not subject to the powers under the 1983 Act—at least nominate somebody from that list in order to bring them to the top of it, rather than somebody who is completely outside that list? That is my last suggestion for the Minister, and I hope that it is of some help.

Sandra Gidley (Romsey) (LD): It would be churlish of me not to welcome the Government new clauses and amendments. As the Minister suspected, amendments (a) to (c) to new clause 3 are an attempt to see whether she can be pushed just a little further. I take on board the points made about resources. Indeed, a briefing from the NHS Confederation, which most Members present today will have received, raises concerns about the resourcing of this service, and points out that patients have to know about its availability. So I take on board the point that we should see how things progress and then potentially go further.

I shall briefly outline why it was important to table the amendments. I am sure that the Minister is aware that a disproportionate number of black and minority ethnic people are sectioned. It is a particular problem for the Afro-Caribbean community, which experiences more instances of over-medication, misdiagnosis and control and restraint. They are more likely to be detained as long-term patients, which increases the need for access to advocates before sectioning. That is the driver behind amendments (a) and (c).

In Committee, the Minister glossed over my comments about a race equality impact assessment for the Bill. It is not enough to assume that all will be treated equally under the Bill, because that does not happen at the moment and there is nothing in the Bill to suggest that it will change matters. If one section of society has different outcomes, that is a problem that needs to be addressed in some shape or form and the amendments are an attempt to address it.

There has been a history of misunderstanding and discrimination against black and minority ethnic people, resulting in the death of several Afro-Caribbean service users under the care of the mental health system. The most famous case is that of David "Rocky" Bennett, which was the subject of an independent inquiry by Norfolk, Suffolk and Cambridgeshire health authority. The inquiry's report made 22 recommendations. The key underpinning theme of those recommendations was that there should be ministerial acknowledgement of the presence of institutional racism in the mental health services and a commitment to eliminate it. It is never pleasant to have to admit something like that, but the figures speak for themselves.

A study has also found that there are circles of fear that stop black people from engaging with services. They do not access help early because they are concerned about what will happen to them. The study found that Afro-Caribbeans were often not treated with respect and the services were not accessible, welcoming, relevant or well integrated with the community. The way in which Afro-Caribbean people enter mental health services is problematic and influences the nature and outcomes of treatment.

Most importantly, different models of description of mental illness and other people's philosophies or world views are not understood or even acknowledged. That is a double-edged sword, because the flipside is that the concept of culture has been used to attempt to address some of those issues, but it can also divert professionals from looking at the patient as an individual, with their own characteristics, history and needs. Assumptions can be made on the basis of race, and that is wrong.

Those and other findings were supported by the "Inside Outside" report and the "Breaking the Circles of Fear" report. A recent Mental Health Act Commission census also backed them up. The amendments attempt to address some of the problems, because if advocacy is available at the beginning of the process, an appropriate advocate could be found who could ensure fairer treatment.

The Minister was concerned about the overall financial impact of the amendments, but if she is serious about addressing the problems of racism, she could consider a pilot scheme in a relevant area to see whether structured access to advocacy services and greater cultural awareness help to break down some of the barriers and reduce the statistics. I hope that the Minister will look into that—

Dr. Gibson: As the hon. Lady will know, Rocky Bennett was in a certain unit in my constituency. How would advocacy have helped in the situation on that Saturday night?

Sandra Gidley: I do not want to go into individual cases. The example that I cited was not the best example of the effect of a lack of advocacy services at the beginning because there was clearly a mental health problem in that case. I raised that case, however, because of the report that highlighted the problems experienced by many service users. It is fair to say that several Afro-Caribbeans would not be sectioned or subjected to electro-convulsive therapy if there was more understanding of their culture and needs.

5.15 pm

I will not press amendments (a) and (c) to new clause 3 to a Division because of the wider implications, but I hope that the Minister will take on board the nature of the specific problem and bring something forward to move us in a fairer direction in the longer term.

Amendment (b) to Government new clause 3 would do something similar for children by extending the terms of the measure to make mental health advocacy available for all children who are voluntary patients, rather than just children liable to detention, or for whom ECT is being contemplated. I do not buy into the Minister's argument about resources because estimates show that the measure would probably affect only 650 children a year, or one in each constituency. The numbers are not high, yet we should provide an extra safeguard for those children. It must be terrifying for a child to be admitted to an in-patient unit, especially, as is frequently the case, if their relationship with their parents has broken down. An advocate would be someone other than a parent, carer or clinician who could not only communicate with the child, but communicate that child's interests and ensure that there was a right of appeal.

Children can overturn parental responsibility only through a court order, so the system is completely stacked against them. We are talking about only a small number of people, yet they are vulnerable and at a crucial time of their lives, so although the Bill does much to improve conditions for children, I urge the Minister to think again on this matter. Given that I have heard supportive comments from Labour Members, I am minded to press amendment (b) to new clause 3 to a Division.

Lynne Jones (Birmingham, Selly Oak) (Lab): Like everyone who has spoken, I warmly welcome the Government new clauses and amendments and the increased safeguards for vulnerable people that will be introduced through the arrangements for advocacy. The new clause and amendments that I have tabled would improve the arrangements by which the nearest relative could be displaced, if necessary. The Bill contains a measure that allows for that, but it is problematic because it requires a patient to go to court and due to the grounds set out on which a nearest relative may be displaced.

New clause 17 is based on an amendment tabled in Committee by my hon. Friend the Member for Stafford (Mr. Kidney). It would avoid court proceedings by allowing a patient to give an advance directive of the name of the nearest relative. As my right hon. Friend the Minister said, the appointment of the nearest relative is extremely important. However, as my hon. Friend the Member for Stafford pointed out in Committee, there is all too often no nearest relative who is willing to perform that role. If someone suitable is available, it is thus important that it is as easy as possible for a patient to appoint that person as the nearest relative.

My new clause differs somewhat from the original measure tabled by my hon. Friend because I have attempted to address several concerns expressed by the Government. I realise that it would not be appropriate to allow frivolous changes or appointments of the nearest relative, so my amendment would confine the appointment or changed appointment as the nearest relative to the carer. As my hon. Friend the Member for Stafford pointed out, a carer is someone who is not living with the patient, but who has their best interests at heart, spends a great deal of time with them and knows their case, and is someone whom the patient can trust.

At various meetings, we have had put to us examples of people who have no contact whatever with their relatives, but who would find the prospect of a court process to displace them somewhat daunting. I am disappointed that the Government cannot find a way to make provision that enables the nearest relative to be changed without going to court, although I am pleased by the Minister's assurance that she intends to make the system as user friendly as possible. Of course, it is not necessary for the patient to take the action themselves; they can be supported in doing so, or the process can be carried out on their behalf.

Amendments Nos. 104 and 105 are designed to make it possible to seek displacement on broader grounds than the Bill allows. The Joint Committee on Human Rights has criticised the provisions of the Bill and the associated code of practice, saying that they are too narrow to enable the nearest relative to be displaced unless there is some undercurrent of abuse. That important point must be addressed, and I am grateful that the Minister is willing to consider the code of practice and to discuss further whether those concerns can be properly dealt with.

As the relative of someone who has been very ill and undergone the process of sectioning, I am well aware of the concern of nearest relatives that they should not easily be set aside. I know that, at times of crisis, patients can turn against family members—the people who are most concerned about them. I therefore understand the Government's concerns, but I hope that they will do all they can to address the worry that lies behind new clause 17 and amendments Nos. 104 and 105.

Angela Browning: My name does not often appear on amendments alongside that of the Secretary of State for Health, but I am pleased to support new clause 3.

I intervened to ask the Minister of State about advocates having the right to see patients in private. The right hon. Lady suggested that she was not prepared to put that on a statutory basis, but referred yet again to the code of practice.

Mr. Kidney: Will the hon. Lady give way?

Angela Browning: Let me just finish this point.

When the code of practice is drawn up, it is important that the Government identify, not so much the crises, but what I would describe as the pinch points in the process of dealing with someone who is under a section order or who is detained, including those who might be detained in a police cell under a section 136 order, for example. At such points, it is important that they have access to advocacy.

There are times when advocacy is perhaps more relevant than it is at other times. I suggest that

[Angela Browning]

immediately or very close to the point at which a person has been admitted to hospital under a detention order, they should be made aware of their rights to advocacy—subject, of course, to their being aware and well enough to understand that information. Early intervention and notice of advocacy and access to an advocate are extremely important.

Mr. Kidney: Before everybody loses sight of the fact, I point out that proposed new clause 130B(3)(a) in new clause 3 says that the independent mental health advocate may

"visit and interview the patient in private".

Angela Browning: I appreciate that, but I felt that the Minister was praying in aid the code of practice in her response to me, and I just wanted some clarification on that issue. Finally, I want to pick up on a point made by the hon. Member for Birmingham, Selly Oak (Lynne Jones): when we consider the nearest relative and carer, we should remember that they are often one and the same person, and that is quite a difficult situation, not least in the situation that she identified. Sometimes, if the patient lives with their nearest relative, or their nearest relative is also their primary carer, a situation develops in which that relative becomes personally involved in assisting the medical profession to section someone close to them. That can trigger a reaction on the part of the patient. I hope that the Minister will consider those situations and will be flexible enough to identify them on a case-by-case basis.

However, the Minister faces a dilemma, because it is not an easy issue to resolve. In the Bournewood case, the nearest relative of HL—an autistic adult who was detained—did not have day-to-day knowledge of HL's condition. It was actually the paid professional carer who had that knowledge, and it would have been much more helpful if the carer had been involved at a much earlier stage. I appreciate that it is a difficult point for the Minister, but I hope that the system will be robust, yet flexible enough to allow difficult circumstances to be built into the changes that she is introducing.

Meg Hillier *rose—*

Mr. Deputy Speaker (Sir Michael Lord): I call Kitty Ussher. I beg your pardon—I mean Meg Hillier.

Meg Hillier: Thank you, Mr. Deputy Speaker; I am glad to know that it is not just me who makes that kind of slip occasionally. I welcome new clause 3, which is comprehensive and which goes quite a long way towards tackling some of the issues that cause me concern. I look forward to seeing the regulations, and I know that the Hackney organisations with which I am involved will want to contribute to the process, particularly with regard to issues of language and cultural awareness, which were raised by the hon. Member for Romsey (Sandra Gidley). Those are huge issues in a constituency such as mine, where 300 languages are spoken, and where all the inequalities that affect the mental health of people of many different ethnic groups are highlighted to an extreme. I hope that new clause 3 and the regulations will help to pave the way for greater advocacy for people, both pre-detention and post detention. I raised that matter through probing amendments in Committee. The new clause sets out a good way forward for extending rights of advocacy.

I cannot end without touching on the issue of resources, because under the Mental Capacity Act 2005, the whole of Hackney—not just my constituency, but that of my hon. Friend the Member for Hackney, North and Stoke Newington (Ms Abbott), too—received £40,000 for support for those who are unbefriended. I hope that in our debates on that subject we realistically consider the issue of resources. It is worth reminding Members that 12 of the top 20 users of accident and emergency services at my local hospital, Homerton University hospital, were known to mental health trusts; they were the most frequent users of those accident and emergency services, so the advocacy issues are important for a number of reasons. I have highlighted some of the issues that I have already discussed in Committee, so I will not detain the House any further.

Hywel Williams: I, too, welcome the proposals on advocacy, but I am concerned to ensure that advocacy services in Wales are widely available in both Welsh and English. The reason why I intervened on the Minister earlier and asked whether advocates would be assumed to be working for a public authority is that public bodies in Wales are subject to the Welsh Language Act 1993, and must produce language schemes. That might ensure that help was available in Welsh or English, as required. My second point is that if advocates are employed by a public authority, the system should be set up on an entirely bilingual basis. I refer the Minister to the way in which the post of Children's Commissioner for Wales was set up by Peter Clarke. That started out properly on a bilingual footing.

I refer the Minister to the recent speculation in Wales that the new Welsh Assembly Government might seek a legislative competency in mental health. One of the reasons for that would be to ensure that the service was available in Welsh. Commenting on that, the First Minister, Rhodri Morgan, said that although he was sympathetic to the proposal, he was concerned about whether undevolved aspects of legislation could be disentangled. Some subjects are properly the concern of Parliament, but some are properly the concern of the Assembly. That may be resolved by new clause 3(2), which states:

"The appropriate national authority shall make such arrangements as it considers reasonable"

to enable people to act as advocates. Will the Minister confirm that, to her mind, that requires whoever sets up the advocacy system in Wales to ensure that the system is bilingual from the outset?

5.30 pm

Ms Rosie Winterton: I will respond briefly to the points that have been made. First, on the issue raised by the hon. Member for East Worthing and Shoreham (Tim Loughton) and by my hon. Friend the Member for Hackney, South and Shoreditch (Meg Hillier), we

have taken on board the points made during pre-legislative scrutiny about the estimates for advocacy. We are still working on the costings, but when the Bill hopefully completes its passage through the Commons, we will be able to produce an updated regulatory impact assessment before the Lords consider the Commons amendments. I hope that that will improve the position outlined by the hon. Member for East Worthing and Shoreham.

Turning to the point that the hon. Member for Tiverton and Honiton (Angela Browning) made about privacy, proposed new section 130B already includes provisions for an advocate to meet the patient in private, and I assure the hon. Lady that we will expand on that in the code of practice. I thank my hon. Friend the Member for Stafford (Mr. Kidney) for his comments, as I know that he is concerned about the issue, particularly the question of advocacy and the nearest relative. I can assure him that proper information about rights will be made available. We always keep those issues under consideration. As for the position of the nearest relative, anyone living with the patient for five years will be placed on the list, as he knows, and anyone living with, or caring for, a patient will be moved to the top of the list. We have therefore tried to make sure that carers are properly defined and treated in the same way that they are treated under other legislation.

The hon. Member for Romsey (Sandra Gidley) rightly raised the issue of black and minority ethnic patients. As I have set out, we have taken a series of actions under "Delivering race equality in mental health care" but, as I tried to stress at the outset, we are considering specialist advocacy for people from BME communities. I reiterate that it is important to confine advocacy to the groups that have been set out. I very much welcome the comments of my hon. Friend the Member for Birmingham, Selly Oak (Lynne Jones) about the fact that we need to make sure that, when we look at the issue of the nearest relative, we involve the relevant people to ensure that the code of practice is right. I thank her for her understanding of the issues that we have tried to tackle. As I have said, I wanted to see whether there was anything further that we can do, but I am convinced that with the exception of the question of looking at the code of practice and so on—I will keep in touch with her on that—we have found the right way forward. I will write to the hon. Member for Caernarfon (Hywel Williams) about the issue of the Welsh language. As I have said before, essentially, this is a question about devolving the issue to the Welsh Assembly. As he said, it is about the Welsh language, too, but I will make sure that Ministers in Wales are aware of his comments.

Finally, I welcome the support given during the debate to our proposals on advocacy. I regret that I still cannot agree to the new clause tabled by the hon. Member for East Worthing and Shoreham because I do not think it is practical and we already have the power that we need to make the changes. Of course I will look at the evidence from the MHAC, but we would have to be clear that the proposal was properly evidence based. For that reason I ask the House not to support the new clause if the hon. Gentleman decides to press it to a vote later.

Question put and agreed to.

Clause read a Second time, and added to the Bill.

New Clause 5

INDEPENDENT MENTAL CAPACITY ADVOCACY SERVICE: EXCEPTIONS

'For section 40 of the Mental Capacity Act 2005 (c. 9) (independent mental capacity advocacy service: exceptions) substitute—

"40 Exceptions

The duty imposed by section 37(3), 38(3) or (4) or 39(4) or (5) does not apply where there is—

(a) a person nominated by P (in whatever manner) as a person to be consulted on matters to which that duty relates,

(b) a donee of a lasting power of attorney created by P who is authorised to make decisions in relation to those matters, or

(c) a deputy appointed by the court for P with power to make decisions in relation to those matters.".'—*[Ms Winterton.]*

Brought up, read the First and Second time, and added to the Bill.

New Clause 6

WITHDRAWAL OF CONSENT

'(1) Section 60 of the 1983 Act (withdrawal of consent) is amended as follows.

(2) After subsection (1) insert—

"(1A) Subsection (1B) below applies where—

(a) the consent of a patient to any treatment has been given for the purposes of section 57, 58 or 58A above; but

(b) before the completion of the treatment, the patient ceases to be capable of understanding its nature, purpose and likely effects.

(1B) The patient shall, subject to section 62 below, be treated as having withdrawn his consent, and those sections shall then apply as if the remainder of the treatment were a separate form of treatment.

(1C) Subsection (1D) below applies where—

(a) a certificate has been given under section 58 or 58A above that a patient is not capable of understanding the nature, purpose and likely effects of the treatment to which the certificate applies; but

(b) before the completion of the treatment, the patient becomes capable of understanding its nature, purpose and likely effects.

(1D) The certificate shall, subject to section 62 below, cease to apply to the treatment and those sections shall then apply as if the remainder of the treatment were a separate form of treatment."

(3) In subsection (2), for "subsection (1)" substitute "subsections (1) to (1D)".'.—*[Ms Rosie Winterton.]*

Brought up, and read the First time.

Ms Rosie Winterton: I beg to move, That the clause be read a Second time.

Mr. Deputy Speaker: With this it will be convenient to discuss Government amendments Nos. 10 to 12, 14, 16 to 21, 25, 27 to 34, 36, 37, 39, 41 to 43, 45, 46 and 49.

Ms Winterton: I shall be brief, as I fully expect the amendments to be supported in all parts of the House. They deal with safeguards for patients who are to be treated for their mental disorder with electroconvulsive therapy—ECT. The issue was debated at length in the

[Ms Rosie Winterton]

other place and in Committee. ECT is an invasive procedure and some patients are fearful of it. Although it is an established psychiatric treatment, it is a controversial one.

We have already introduced amendments in the other place under which the refusal of a detained patient, with capacity to consent, to consent to ECT should be respected, except in an emergency. Following further debate in which other concerns were raised, the amendments before us provide even stronger safeguards in the very rare circumstances where young persons are treated with ECT. In Committee, my hon. Friend the Member for Norwich, North (Dr. Gibson) was particularly concerned about the provisions for giving ECT in emergencies. I hope he welcomes the changes that we have made.

The amendments also clarify the position for community patients. Government amendment No. 12 ensures that, for patients under 18 who agree to treatment with ECT, a second opinion appointed doctor must first certify that it is appropriate for the ECT to be given. Even where a young patient consents to treatment, we want a second opinion. We have also considered the needs of patients under 18 who are not detained under the legislation or subject to a community treatment order. Government amendments Nos. 16, 21, 25 and 27 require that, where such patients can lawfully be treated with ECT or any other treatment made subject to section 58A, a second opinion appointed doctor must certify that it is appropriate. This is an important new safeguard for voluntary patients under 18.

The Mental Health Act 1983 provides for a limited number of circumstances where the patient can be urgently treated without the need for a statutory second opinion. We have reconsidered those circumstances in the light of requests to do so in the other place and in Committee. As a result, we have concluded that ECT may be given as an urgent treatment in only two circumstances: where it is immediately necessary to save the patient's life, or to prevent a serious deterioration in the patient's condition. Amendment No. 19 achieves that, and we have made similar amendments—amendments Nos. 36, 37, 41 and 42—to the urgent procedures for community patients. Obviously, ECT is rarely administered to patients who are not hospital in-patients. The Bill does not afford community patients the same safeguards, and to rectify that we have tabled amendments Nos. 29 to 34, 39, 43 and 46.

We have tabled other technical amendments. Amendment No. 14 removes the requirement that the second opinion appointed doctor certify that the giving of treatment does not conflict with the court order. Amendment No. 28 makes it clear that the certificates for adult community patients and child community patients apply when a patient is recalled to hospital, or when their community treatment order is revoked. Amendment No. 45 provides that the authority that issues a SOAD certificate under part 4A may require the approved clinician in charge of that treatment to report on it.

As I said, I think that the amendments will be supported by all hon. Members, and I recommend them to the House.

Dr. John Pugh (Southport) (LD): We discovered in Committee that two Committee members had helped to administer this treatment at one place or another. We all understand that ECT is highly invasive, involves sedation, inflicts fits, leads to amnesia and can involve physical restraint, the removal of false teeth and so on. Like acupuncture, it is a treatment that is hard to explain. In a letter, the Minister explained that it is used in a rather strange diversity of cases. For under-18s, it has been used for anorexia, depression, bipolar disease, schizophrenia and obsessive compulsive disorder. It works in some of those cases, albeit temporarily, and although it is addictive its long-term effects do not seem to be conclusively bad. As it is so invasive, it needs to be used with exceptional care. Some consultants will not use it at all, and for others it is a last resort. Its appropriate use therefore needs to be heavily circumscribed for all, not only for under-18s.

The Bill contains definite limitations. For example, the clinician must certify

"in writing that the patient is capable of understanding the nature, purpose and likely effects of the treatment".

I doubt that anyone in the UK truly understands the nature, purpose and full likely effect of the treatment, but none the less that is a useful set of words. The Minister has added further words—no fewer than 17 new clauses—so we cannot complain and we will support the changes.

James Duddridge (Rochford and Southend, East) (Con): The Minister is correct to predict that Members on both sides of the House are likely to support the amendments, although that is no surprise given that the Bill has been 10 years in gestation. Throughout that time concerns about ECT have been raised, not only in pre-legislative scrutiny, but in the other place and in amendments tabled in Committee.

The Minister correctly said that ECT is a controversial and quite invasive procedure. In Committee, I probed her about cases involving those under 18. On 12 June, she kindly wrote to me with a sample of the number of people under 18 who were subject to the procedure during a three-month period in 2002. She said that only four people under 18 had been administered ECT, and that none of those was under 16. Perhaps she could look again at those figures, because I note that the Mental Health Alliance briefing contradicts her letter and says that one individual under 16 was included. I am concerned about those under 18 because in the early adolescent periods the brain develops in ways that we do not understand. We are forcing a treatment that we do not fully understand on the bodies of young, vulnerable individuals at a time when the other major organs of the body are still developing. A number of people die following ECT, and I am concerned about those under 16, whose organs are still developing.

I welcome the amendments, particularly those introducing the requirement for SOADs and extending safeguards to those under 18 who admit themselves voluntarily. I have a question for the Minister about when parents do not agree on what should happen to their child. If they do not feel able to respond by going ahead with ECT, they can go to the High Court; but what happens if the parents are in dispute? Would the case go automatically to the High Court?

I am also a little confused about amendments Nos. 41 and 42. Amendment No. 41 appears to delete a large section of text that is simply put back by amendment No. 42. It might simply be a matter of drafting, and getting the order of provisions right, but I should be grateful if the Minister explained the reasons for deleting one amendment and repeating the same form of words in amendment No. 42.

Finally, given the confusion about the number of people under 18—and particularly those under 16—who have had ECT treatments, would the Minister consider reporting to the House, or making some formal report, on how many people are subject to ECT each year, to monitor whether the number goes up or down, and with a focus on under-16s, as well as those under 18?

Having made those points, I welcome the amendments and congratulate the Minister on tabling them.

5.45 pm

Ms Rosie Winterton: I thank the hon. Member for Southport (Dr. Pugh) for his contribution; as he said, when the matter was debated in Committee the different experiences of some Committee members were recounted, which showed how expert the Committee was. Their knowledge was brought to bear on our deliberations, and it certainly helped to swing the argument in favour of introducing the new safeguards.

I shall have to write to the hon. Member for Rochford and Southend, East (James Duddridge) about the technical point concerning the wording. I believe that the Mental Health Act Commission might be looking at the number of people who receive ECT, but, again, I shall write to the hon. Gentleman to clarify the point. I thank him, and all members of the Committee and other Members of the House, for the warm welcome they gave the amendments.

Question put and agreed to.

Clause read a Second time, and added to the Bill.

New Clause 7

VICTIMS' RIGHTS

'Schedule [*Victims' rights*] (which makes amendments to Chapter 2 of Part 3 of the Domestic Violence, Crime and Victims Act 2004 (c. 28)) has effect.'. *[Ms Rosie Winterton.]*

Brought up, and read the First time.

Ms Rosie Winterton: I beg to move, That the clause be read a Second time.

Mr. Deputy Speaker: With this it will be convenient to discuss the following:

Government new schedule 1—'*Victims' rights.*

Government amendment No. 67

Ms Winterton: The new clause, new schedule and amendment relate to the Domestic Violence, Crime and Victims Act 2004. They extend the rights of victims of mentally disordered offenders to receive information and make representations about a patient's discharge. I pay particular tribute to the work of the Zito Trust and Victims Voice, with whom we had several meetings, who have made strong representations about extending the rights of victims in such tragic circumstances. I also pay tribute to the work of my hon. Friends the Members for Slough (Fiona Mactaggart), who has been very involved in the issue, and for Bridgend (Mrs. Moon), who raised it in Committee. I am glad to say that I think that the provisions will have cross-party support, showing the importance that Parliament attaches to treating victims with respect and dignity. Those issues were debated in Committee and the other place, and we introduced amending provisions in response to those debates.

The amending provisions relate to persons with a mental disorder who have been convicted of a criminal offence of a sexual or violent nature, but who are not made subject to restrictions. Unlike the victims of offenders given restricted orders, these victims are not told when the offender is discharged from detention in hospital. In responding to the pre-legislative scrutiny Committee report on the 2004 draft Bill, we said that we would consider how victims' rights might be extended to cover victims of serious offences where no restrictions had been imposed. The amending provisions also help to deliver that commitment.

The Government believe that the key ways of helping victims of crime are through support services, allowing victims' voices to be heard in court and providing information, which can take several forms. For example, there is information on where to seek help and advice; on the progress of a case from the point of report through to the end of the criminal case; and on when the offender is released. Much of that was included in the code of practice for victims of crime, which set out for the first time the obligations of the criminal justice system towards victims.

It is also important to recognise that we looked into how to extend victims' rights further. We shall table amendments that reflect discussions on the importance of information about what has happened to restricted patients, but we are also extending provisions to include circumstances where patients are not restricted. Many victims' organisations have stressed to us the importance of sharing information between agencies, and we must recognise that.

The draft illustrative code of practice, at chapter 34A, deals with public bodies' sharing of information in order to address risk. It is important to acknowledge that some considerations need to be taken into account where confidentiality is crucial, and patients are entitled to know that their rights will be respected to that extent, but it is also important to recognise that many victims' organisations made it very clear to us that information about risk should be shared between different agencies—even when the information is about someone detained under the Mental Health Act. We will consult further on the draft code of practice and information sharing so that we can consider bolstering our guidance. As I said, patients have a right to confidentiality, but the public have a right to know that systems and services are in place to support people with a mental disorder.

Victims need to know when an offender has been released in order to reassure them about their future safety. The amending provisions are designed to extend to more victims the protections put in place by the

[Ms Rosie Winterton]

Domestic Violence, Crime and Victims Act, which sets out the current rights of victims of mentally disordered offenders.

Under that Act, victims are entitled to receive information where the following apply: first, where a person is convicted of a violent or sexual offence; secondly, when he receives a hospital order or a hospital direction, or is transferred from prison to hospital under a transfer direction; and, thirdly, where he is made subject to special restrictions, respectively a restriction order, a limitation direction or a restriction direction. If those circumstances apply, the victim has the right to elect to receive information about the patient's discharge from hospital; to make representations about whether the patient should be subject to any conditions in the event of his discharge; and to receive information about the discharge and any conditions imposed for the victim's protection.

The amending provisions extend those very important rights to victims of mentally disordered offenders who are convicted of violent or sexual offences, but not made subject to special restrictions. The process will be similar to the current one for offenders who receive restricted hospital orders. The local probation board must take reasonable steps to establish whether a victim wishes to make representations about whether the patient should be subject to any conditions in the event of his discharge from hospital. It must also establish whether the victim wishes to receive information about any conditions to which the patient is subject in the event of his discharge from hospital.

Where the victim so wishes, the probation board must notify the relevant hospital managers of the victim's wish and their name and address, so that they may be contacted. Should the victim wish to rescind their request for information or notify the board of any change in their contact details, the board must notify him of the contact details for the hospital manager. A victim who initially declines to make representations or receive information, but changes their mind, may contact the local probation board.

To facilitate the making of representations, the responsible clinician is required to inform hospital managers whether he is considering discharging a patient, making a community treatment order or varying the conditions of an order. There is a duty to inform hospital managers when any other person is considering discharging the patient under section 23(3), and when an application is made to the mental health review tribunal. On receipt of such information, hospital managers must notify the victim that discharge is being considered, giving the victim the opportunity to make representations if they wish.

Hospital managers must forward representations to those who have the power to consider the patient's discharge from detention, or discharge on a community treatment order. The responsible clinician must inform hospital managers whether a patient is to be discharged or a community treatment order is to be made. If so, managers must be told whether any of the conditions in the order relate to contact with the victim or their family. The clinician must also notify them of whether any conditions relating to the victim or their family are to be altered or added. Finally, he must notify them if a community treatment order is to cease to be in force, and the date on which it is to cease, and if the conditions for a patient's authority for detention are no longer met.

A person who is to discharge a patient under section 23(3) must also inform hospital managers, as must the tribunal if it directs that a patient is to be discharged. When hospital managers receive this information, they must take all reasonable steps to pass it to the victim. They may also provide such other information as they consider appropriate. The same notification requirements will apply when a victim has elected to make representations, or to receive information about a person subject to a hospital order with restrictions, and the restriction order is lifted while the hospital order remains in force. Those rights will also apply to the victims of persons made subject to a hospital and limitation direction where the direction ceases to have effect, and in cases where convicted persons are transferred to hospital under a transfer direction without a restriction direction, or where the restriction direction is removed.

6 pm

As I said, many organisations representing victims, particularly the Zito Trust and Victims' Voice, have campaigned for these provisions for a number of years, so I am glad that we have been able to introduce them in the Bill. It is the right thing to do and I am grateful for the support that I hope will be given from both sides of the House. The amendments are important and will send a real message of our support.

Dr. Gibson: I welcome many of the procedures and accept their necessity, but I want to raise a point made to me by a consultant forensic psychiatrist, on which I would welcome my right hon. Friend's view. His slight criticism was that the language used in presenting the proposals was not helpful, and that the term "public protection" was somewhat severe and negative. He said:

> "The term 'public health' or 'interest' is less emotionally loaded and more technically accurate."

Has that consideration crossed my right hon. Friend's path?

Ms Winterton: The term "public health" might have a different connotation, too, and could be slightly confusing. It is important to recognise that we can talk about public protection in relation to such cases and we should not be embarrassed to do so. Victims, and those who have suffered in some tragic cases, expect us not to be mealy-mouthed, which is why the proposals are important. I value the support I hope they will receive on both sides of the House.

Tim Loughton: I shall speak briefly in support of the new clause, which my hon. Friends and I signed. Although we did not have the opportunity to discuss the proposals in Committee, they are welcome and I wholly concur with the Minister's comments. We should certainly treat with respect and dignity the victims of horrendous and tragic crimes, about some of which we are only too well aware. I pay tribute both to the organisations mentioned by the Minister and to the others that have lobbied long and hard for respect for victims' rights.

We hear much about some of the horrendous cases, but they need to be put into perspective, as I am sure the Minister agrees. We need balance, but we need to make sure that the victims of those crimes are properly respected and that the horrendous blow they have suffered is dealt with as sensitively as possible and the situation is not exacerbated in the future. They have to go on living with the injuries—or, in extreme cases, the fatalities—that may have occurred. We need to think about victims, and the proposals are a good, if belated, way of adding the same safeguards as those in the Domestic Violence, Crime and Victims Act and for other victims of crime.

The biggest tribute we can pay to victims and, we hope, to avoid there being more of them in future, is to make sure we do everything possible to stop perpetrators before they commit such ghastly acts. That is what the Bill and mental health services are all about—making sure that people who are a danger to themselves and others are picked up at an early stage and given the treatment they need and deserve for their medical condition. We need to get that balance right.

Such crimes have an impact on families, too. I have spoken to the victims of patients and of others suffering from mental illness. For innocent families who have had no connection with the mental health services, it can be hard to come to terms with such a most shocking blow. In extreme circumstances, professional staff and others working in mental health services can also be the victims of patients when their condition gets out of control. We need to think about those sets of victims and their families.

As the Minister said, we have a duty to offer victims support services. Some of the organisations in my constituency do an excellent job in that regard and we should give them every support to do more.

Victims need a voice in court. I agree with the Minister: too often, that is an unheard and forgotten part of the equation. Most importantly, victims need information about the progress of the case, and the whereabouts of the perpetrator and their likely release date—in a safe situation, we hope, so that they do not commit other atrocities in the future. Sharing information between agencies is absolutely essential, so I hope that in drawing up powers on victims' rights, the Minister is equally mindful of the structures necessary to implement them. There should be constant monitoring to ensure that information is shared. Victims need to know when offenders are released so that they can take due care for their security and peace of mind if there is an outstanding problem. They have suffered one tragic blow; it would be unreasonable to expect them to suffer a second by not giving them the information that a perpetrator may be at large—albeit, we hope, after appropriate treatment, so that their condition does not recur.

On behalf of the Opposition, I welcome the provisions and I am sure that the Minister will do all she can to ensure that they do not just go into legislation but are realistically put into practice as soon as possible, so that victims have long overdue support.

Mrs. Moon: I want briefly to express my gratitude for the acceptance of the new clause in the revised Bill. I welcome the particular help I received from the Zito Trust and Victims Voice in raising the issues in Committee.

I want to record my contact with the Morgan family in my constituency, who were eager that the victim's voice be heard in the Bill. They talked to me of their ongoing distress about not knowing what had happened to the perpetrator of an incident involving their family. New clause 7 will alleviate their concerns and recognise their desire to have their voices heard and their continuing need for information.

It is easy to forget the victim as we concentrate on supporting the perpetrator, who becomes a patient, and helping them to get well. We need to remember that victims can be left with trauma and distress and that they sometimes have ongoing mental issues that may not warrant hospital admission but are none the less distressing and painful. There may be constant concern that a decision could be made to allow the perpetrator back into the community where there is a chance that the victim might have to meet them again.

I am particularly glad that victims have a choice. Not everyone will want to know what is happening, but the most important thing about the new clause is that it allows the victim the choice to know or not to know, depending on where they are and how they feel at the time.

I am pleased that professionals will have a responsibility to trace the victim and check whether their view has changed. There will not be a once and for all situation: victims will have the possibility of changing their mind about whether to be given information. That is welcome.

We must realise that it is not only people who are strangers to the patient and their families who are at risk, because professionals can be victims, too. That recognition is important and it is provided by the new clause.

Dr. Pugh: I join in the praise for the Zito Trust and all the campaigning organisations that will have helped put this provision into statute. We all feel the plight of those people who have been let down as much by services as by legislation. It is probably worth emphasising that such sad events are no more common now than hitherto, which is surprising in some ways, given the dispersal from the old hospitals, although perhaps we might have expected that with modern medicine they would be lower still.

As I understand it, a victim has rights if they are threatened by a non-mentally ill released prisoner or a mentally ill person convicted of an offence, but not if the mentally ill person is unfit to plead, is not convicted, or is detained and then released. Additional rights are not usually necessary, because the patient may be cured and come out with no intent of doing any malicious act, but occasionally it is a wise precaution to know and to tell, and to allow access to information, especially if the patient's mental disturbance is focused on an individual or a family.

I accept that the matter is complex, but it is well worth the Minister and the Government pursuing the matter in legislation, and we welcome the change.

Question put and agreed to.

Clause read a Second time, and added to the Bill.

New Clause 9

TRANSFER OF PRISONERS TO HOSPITAL

'(1) The 1983 Act is amended as follows.

(2) In section 47 (Removal to hospital of persons serving sentences of imprisonment, etc.) in subsection (1) after "may", insert "within 14 days beginning with the date he received the reports.".'.—*[Dr. Pugh.]*

Brought up, and read the First time.

Dr. Pugh: I beg to move, That the clause be read a Second time.

Mr. Deputy Speaker: With this it will be convenient to discuss Government amendment No. 26

Dr. Pugh: It is estimated that a large number of prisoners have mental illness, which is to be expected because prison is not an enjoyable experience. Some are treatable in prison, but some are beyond its competence to treat them, as would be the case if they had severe physical problems, so transfer may be necessary. That may be problematic because of security problems, the effect on autonomy and rehabilitation, and the prisoner's understanding of his position. However, when the situation is severe, there is no option but to transfer.

The purpose of the new clause is to sharpen that process by giving 14 days for a reaction to the responsible clinician's report. Any delay or trouble indicates an under-provision in NHS secure units, which should be addressed, and a strain on the Prison Service. The new clause would set a sensible service standard. Many cases now wait three months or more, and the waiting is becoming worse. I accept that there are technical problems, but leaving the default situation as it is at the moment means leaving people who are very ill, very dangerous and very disruptive in the prison system.

Mr. Tim Boswell (Daventry) (Con): I shall be brief. I endorse the comments that have been made on this matter. I have three penal establishments all lined up in a row in my constituency. One is a secure training centre, and I recently discussed the matter with the rector there. The staff go to immense trouble to assess young people's mental health on admission, and it is frustrating, if their condition deteriorates and it is necessary to refer them away for treatment, if there is a long, difficult and worrying delay before that can happen.

Ms Rosie Winterton: We cannot accept new clause 9, but I urge the House to accept Government amendment No. 26, which is a technical amendment to correct a small gap in the 1983 Act. The effect of that gap is on offenders given a hospital direction by the court and who are detained in a place of safety. At present, they cannot benefit from the second opinion safeguards in part 4 of the Act against being treated without consent while they are detained in a place of safety. The amendment explicitly—

It being two hours after the commencement of proceedings on the programme motion, MR. DEPUTY SPEAKER, *pursuant to Order [this day], put forthwith the Question already proposed from the Chair.*

Question put and negatived.

MR. DEPUTY SPEAKER *then proceeded to put forthwith the Questions necessary for the disposal of the business to be concluded at that hour.*

New Clause 15

TREATMENT REQUIRING CONSENT (PERIOD OF TIME SINCE ADMINISTRATION OF TREATMENT)

'(1) Section 58 of the 1983 Act is amended as follows.

(2) In subsection (1)(b) leave out "three months" and insert "two months".'.—*[Tim Loughton.]*

Brought up, and read the First time.

Question put, That the clause be read a Second time:—

The House divided: Ayes 206, Noes 270.

Division No. 142] **[6.15 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Barker, Gregory
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Browne, Mr. Jeremy
Browning, Angela
Bruce, rh Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Campbell, rh Sir Menzies
Carswell, Mr. Douglas
Cash, Mr. William
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Conway, Derek
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Foster, Mr. Don
Francois, Mr. Mark
Garnier, Mr. Edward
Gauke, Mr. David
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Gove, Michael
Gray, Mr. James
Grayling, Chris
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horwood, Martin
Howarth, David
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy

Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Johnson, Mr. Boris
Jones, Mr. David
Kawczynski, Daniel
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Key, Robert
Kirkbride, Miss Julie
Kramer, Susan
Laing, Mrs. Eleanor
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
Main, Anne
Malins, Mr. Humfrey
Maples, Mr. John
Mates, rh Mr. Michael
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Murrison, Dr. Andrew
Neill, Robert
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Oaten, Mr. Mark
Öpik, Lembit
Osborne, Mr. George
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Prisk, Mr. Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Russell, Bob
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spicer, Sir Michael
Spink, Bob
Stanley, rh Sir John
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Swire, Mr. Hugo
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Mr. Ian
Taylor, Dr. Richard
Teather, Sarah
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Walter, Mr. Robert
Waterson, Mr. Nigel
Webb, Steve
Widdecombe, rh Miss Ann
Wiggin, Bill
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Angela Watkinson and Michael Fabricant

NOES

Ainger, Nick
Ainsworth, rh Mr. Bob
Allen, Mr. Graham
Armstrong, rh Hilary
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blears, rh Hazel
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Clapham, Mr. Michael
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cooper, Rosie
Cooper, Yvette
Corbyn, Jeremy
Cousins, Jim
Creagh, Mary
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Darling, rh Mr. Alistair
Davies, Mr. Dai
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Efford, Clive
Ellman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Etherington, Bill
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hamilton, Mr. David
Hamilton, Mr. Fabian
Harman, rh Ms Harriet
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hoey, Kate
Hood, Mr. Jim
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Illsley, Mr. Eric
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, Ms Diana R.
Jones, Lynne
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Ann
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McDonagh, Siobhain
McDonnell, John

McFadden, Mr. Pat
McFall, rh John
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh David
Miliband, Edward
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morgan, Julie
Morley, rh Mr. Elliot
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Prentice, Bridget
Prescott, rh Mr. John
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Skinner, Mr. Dennis
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Starkey, Dr. Phyllis
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, rh Mr. Stephen
Tipping, Paddy
Touhig, rh Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, rh Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, rh Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Huw Irranca-Davies and Mr. Frank Roy

Question accordingly negatived.

Clause 27

ELECTRO-CONVULSIVE THERAPY, ETC.

Amendments made: No. 10, page 17, line 23, after '(3)', insert ', (3A)'.

No. 11, page 17, line 24, at end insert—

'( ) he has attained the age of 18 years;'.

No. 12, page 17, line 30, at end insert—

'(3A) A patient falls within this subsection if—

(a) he has not attained the age of 18 years; but

(b) he has consented to the treatment in question; and

(c) a registered medical practitioner appointed as aforesaid (not being the approved clinician in charge of the treatment) has certified in writing—

(i) that the patient is capable of understanding the nature, purpose and likely effects of the treatment and has consented to it; and

(ii) that it is appropriate for the treatment to be given.'.

No. 14, page 17, line 43, leave out sub-paragraph (iii).

No. 16, page 18, line 7, at end insert—

'(5A) This section shall not by itself confer sufficient authority for a patient who falls within section 56(5) above to be given a form of treatment to which this section applies if he is not capable of understanding the nature, purpose and likely effects of the treatment (and cannot therefore consent to it).'.—*[Ms Rosie Winterton.]*

Clause 28

SECTION 27: SUPPLEMENTAL

Amendments made: No. 17, page 18, line 41, leave out '58A(4)' and insert '58A(3A) or (4)'.

No. 18, page 18, line 43, leave out '58A(4)' and insert '58A(3A) or (4)'.

No. 19, page 18, line 45, leave out from 'treatment)' to 'in' in line 2 on page 19 and insert ', after subsection (1) insert—'

"(1A) Section 58A above, in so far as it relates to electro-convulsive therapy by virtue of subsection (1)(a) of that section, shall not apply to any treatment which falls within paragraph (a) or (b) of subsection (1) above.

(1B) Section 58A above, in so far as it relates to a form of treatment specified by virtue of subsection (1)(b) of that section, shall not apply to any treatment which falls within such of paragraphs (a) to (d) of subsection (1) above as may be specified in regulations under that section.

(1C) For the purposes of subsection (1B) above, the regulations—

(a) may make different provision for different cases (and may, in particular, make different provision for different forms of treatment);

(b) may make provision which applies subject to specified exceptions; and

(c) may include transitional, consequential, incidental or supplemental provision."

( ) In that section,'.

No. 20, page 19, line 5, at end insert—

'( ) In section 64 (supplementary provisions), after subsection (1A) (inserted by section 12 of this Act) insert—

"(1B) References in this Part of this Act to the approved clinician in charge of a patient's treatment shall, where the treatment in question is a form of treatment to which section 58A above applies and the patient falls within section 56(5) above, be construed as references to the person in charge of the treatment.

(1C) Regulations made by virtue of section 32(2)(d) above apply for the purposes of this Part as they apply for the purposes of Part 2 of this Act."'.

No. 21, page 19, line 5, at end insert—

'( ) In section 28 of the Mental Capacity Act 2005 (c. 9) (Mental Health Act matters), after subsection (1) insert—

"(1A) Subsection (1) does not apply in relation to any form of treatment to which section 58A of that Act (electro-convulsive therapy, etc.) applies if the patient comes within subsection (5A) of that section (informal patient under 18 who cannot give consent)."'.—*[Ms Rosie Winterton.]*

Clause 31

CONSENT TO TREATMENT

Amendments made: No. 25, page 24, line 37, after 'that', insert 'and to subsection (5) below'.

No. 26, page 25, line 5, leave out 'under section 37(4)' and insert—

'for his detention in a place of safety under section 37(4) or 45A(5)'.

No. 27, page 25, line 11, after 'above.', insert—

'(5) Section 58A and, so far as relevant to that section, sections 59 to 62 below also apply to any patient who—

(a) does not fall within subsection (3) above;

(b) is not a community patient; and

(c) has not attained the age of 18 years.'.

No. 28, page 25, line 31, leave out

'(within the meaning of section 64C below)'

and insert—

'for the purposes of section 64C or 64E below'.

No. 29, page 25, line 35, at end insert—

'( ) Section 58A above does not apply to treatment given to the patient if there is authority to give the treatment, and the certificate requirement is met, for the purposes of section 64C or 64E below.'.

No. 30, page 25, line 47, after '58', insert 'or 58A'.—*[Ms Rosie Winterton.]*

Clause 32

AUTHORITY TO TREAT

Amendments made: No. 31, page 26, line 19, leave out 'or 58A'.

No. 32, page 26, line 28, after 'treatment' insert 'or section 58A type treatment'.

No. 33, page 27, line 12, after second 'treatment' insert 'or section 58A type treatment'.

No. 34, page 27, line 13, leave out 'above' and insert 'or 58A above (respectively)'.

No. 36, page 27, line 24, at beginning insert

'In a case where the treatment is section 58 type treatment,'.

No. 37, page 27, line 33, at end insert—

'(5A) In a case where the treatment is section 58A type treatment by virtue of subsection (1)(a) of that section, treatment is immediately necessary if it falls within paragraph (a) or (b) of subsection (5) above.

(5B) In a case where the treatment is section 58A type treatment by virtue of subsection (1)(b) of that section, treatment is immediately necessary if it falls within such of paragraphs (a) to (d) of subsection (5) above as may be specified in regulations under that section.

(5C) For the purposes of subsection (5B) above, the regulations—

(a) may make different provision for different cases (and may, in particular, make different provision for different forms of treatment);

(b) may make provision which applies subject to specified exceptions; and

(c) may include transitional, consequential, incidental or supplemental provision.'.

No. 39, page 28, line 28, after 'treatment' insert 'or section 58A type treatment'.

No. 41, page 29, line 33, leave out from 'treatment' to end of line 42 and insert 'is immediately necessary'.

No. 42, page 30, line 5, at end insert—

'(4A) Subject to subsections (4B) to (4D) below, treatment is immediately necessary if—

(a) it is immediately necessary to save the patient's life; or

(b) it is immediately necessary to prevent a serious deterioration of the patient's condition and is not irreversible; or

(c) it is immediately necessary to alleviate serious suffering by the patient and is not irreversible or hazardous; or

(d) it is immediately necessary, represents the minimum interference necessary to prevent the patient from behaving violently or being a danger to himself or others and is not irreversible or hazardous.

(4B) Where the treatment is section 58A type treatment by virtue of subsection (1)(a) of that section, treatment is immediately necessary if it falls within paragraph (a) or (b) of subsection (4A) above.

(4C) Where the treatment is section 58A type treatment by virtue of subsection (1)(b) of that section, treatment is immediately necessary if it falls within such of paragraphs (a) to (d) of subsection (4A) above as may be specified in regulations under section 58A above.

(4D) For the purposes of subsection (4C) above, the regulations—

(a) may make different provision for different cases (and may, in particular, make different provision for different forms of treatment);

(b) may make provision which applies subject to specified exceptions; and

(c) may include transitional, consequential, incidental or supplemental provision.'.

No. 43, page 30, line 12, at end insert 'or section 58A type treatment'.

No. 45, page 30, line 21, at end insert—

'(3A) Where a patient is given treatment in accordance with a Part 4A certificate, a report on the treatment and the patient's condition shall be given by the person in charge of the treatment to the appropriate national authority if required by that authority.'.

No. 46, page 30, line 32, leave out from first 'above' to end of line 33 and insert—

'(i) section 58 above, in the case of section 58 type treatment;

(ii) section 58A above, in the case of section 58A type treatment;

(subject to section 62A(2) above).'

No. 49, page 32, line 4, leave out from 'subsection' to 'Section' in line 5 and insert

'(1A) (inserted by section 28 of this Act) insert—

"(1B) '.—*[Ms Rosie Winterton.]*

New Schedule 1

VICTIMS' RIGHTS

Introduction

1 Chapter 2 of Part 3 of the Domestic Violence, Crime and Victims Act 2004 (provision of information to victims of restricted patients under the 1983 Act, etc.) is amended as set out in this Schedule.

Hospital orders (with or without restriction orders)

2 (1) Section 36 (victims' rights: preliminary) is amended as follows.

(2) In subsection (3), for "with a restriction order" substitute ", whether with or without a restriction order,".

(3) In subsection (5)—

(a) in paragraph (a), after "discharge from hospital" insert

"while a restriction order is in force in respect of him", and

(b) after paragraph (b) insert "; and

(c) what conditions he should be subject to in the event of his discharge from hospital under a community treatment order".

3 After section 36 insert—

"36A Supplemental provision for case where no restriction order made

(1) This section applies if, in a case where section 36 applies, the hospital order in respect of the patient was made without a restriction order.

(2) Subsection (3) applies if a person who appears to the local probation board mentioned in section 36(4) to be the victim of the offence or to act for the victim of the offence, when his wishes are ascertained under section 36(4), expresses a wish—

(a) to make representations about a matter specified in section 36(5), or

(b) to receive the information specified in section 36(6).

(3) The local probation board must—

(a) notify the managers of the hospital in which the patient is detained of that person's wish and of that person's name and address, and

(b) notify that person of the name and address of the hospital.

(4) Subsection (5) applies if a person who appears to the local probation board mentioned in section 36(4) to be the victim of the offence or to act for the victim of the offence, subsequently to his wishes being ascertained under section 36(4), expresses a wish to do something specified in subsection (2)(a) or (b).

(5) The local probation board mentioned in section 36(4) must take all reasonable steps—

(a) to ascertain whether the hospital order made in respect of the patient continues in force and whether a community treatment order is in force in respect of him, and

(b) if the board ascertains that the hospital order does continue in force—

(i) to notify the managers of the relevant hospital of that person's wish, and

(ii) to notify that person of the name and address of the hospital.

(6) The relevant hospital is—

(a) the hospital in which the patient is detained, or

(b) if a community treatment order is in force in respect of the patient, the responsible hospital."

4 In section 37 (the title to which becomes "Representations where restriction order made"), in subsection (1), for "if section 36 applies" substitute "if, in a case where section 36 applies, the hospital order in respect of the patient was made with a restriction order".

5 After section 37 insert—

"37A Representations where restriction order not made

(1) This section applies if, in a case where section 36 applies, the hospital order in respect of the patient was made without a restriction order.

(2) Subsection (3) applies if—

(a) a person makes representations about a matter specified in section 36(5) to the managers of the relevant hospital, and

(b) it appears to the managers that the person is the victim of the offence or acts for the victim of the offence.

(3) The managers must forward the representations to the persons responsible for determining the matter.

(4) The responsible clinician must inform the managers of the relevant hospital if he is considering making—

(a) an order for discharge in respect of the patient under section 23(2) of the Mental Health Act 1983,

(b) a community treatment order in respect of the patient, or

(c) an order under section 17B(4) of the Mental Health Act 1983 to vary the conditions specified in a community treatment order in force in respect of the patient.

(5) Any person who has the power to make an order for discharge in respect of the patient under section 23(3) of the Mental Health Act 1983 must inform the managers of the relevant hospital if he is considering making that order.

(6) A Mental Health Review Tribunal must inform the managers of the relevant hospital if—

(a) an application is made to the tribunal under section 66 or 69 of the Mental Health Act 1983, or

(b) the patient's case is referred to the tribunal under section 67 of that Act.

(7) Subsection (8) applies if—

(a) the managers of the relevant hospital receive information under subsection (4), (5) or (6), and

(b) a person who appears to the managers to be the victim of the offence or to act for the victim of the offence—

(i) when his wishes were ascertained under section 36(4), expressed a wish to make representations about a matter specified in section 36(5), or

(ii) has made representations about such a matter to the managers of the hospital in which the patient was, at the time in question, detained.

(8) The managers of the relevant hospital must provide the information to the person.

(9) The relevant hospital has the meaning given in section 36A(6)."

6 In section 38 (the title to which becomes "Information where restriction order made"), in subsection (1) for "if section 36 applies" substitute "if, in a case where section 36 applies, the hospital order in respect of the patient was made with a restriction order".

7 After section 38 insert—

"38A Information where restriction order not made

(1) This section applies if, in a case where section 36 applies, the hospital order in respect of the patient was made without a restriction order.

(2) The responsible clinician must inform the managers of the relevant hospital—

(a) whether he is to make an order for discharge in respect of the patient under section 23(2) of the Mental Health Act 1983;

(b) whether he is to make a community treatment order in respect of the patient;

(c) if a community treatment order is to be made in respect of the patient, what conditions are to be specified in the order;

(d) if a community treatment order is in force in respect of the patient, of any variation to be made under section 17B(4) of the Mental Health Act 1983 of the conditions specified in the order;

(e) if a community treatment order in respect of the patient is to cease to be in force, of the date on which it is to cease to be in force;

(f) if, following the examination of the patient under section 20 of the Mental Health Act 1983, it does not appear to the responsible clinician that the conditions set out in subsection (4) of that section are satisfied, of the date on which the authority for the patient's detention is to expire.

(3) Any person who has the power to make an order for discharge in respect of the patient under section 23(3) of the Mental Health Act 1983 must inform the managers of the relevant hospital if he is to make that order.

(4) Subsection (5) applies if—

(a) an application is made to a Mental Health Review Tribunal under section 66 or 69 of the Mental Health Act 1983,

(b) the patient's case is referred to a Mental Health Review Tribunal under section 67 of that Act, or

(c) the managers of the relevant hospital refer the patient's case to a Mental Health Review Tribunal under section 68 of that Act.

(5) The tribunal must inform the managers of the relevant hospital if it directs that the patient is to be discharged.

(6) Subsection (7) applies if a person who appears to the managers of the relevant hospital to be the victim of the offence or to act for the victim of the offence—

(a) when his wishes were ascertained under section 36(4), expressed a wish to receive the information specified in section 36(6), or

(b) has subsequently informed the managers of the relevant hospital that he wishes to receive that information.

(7) The managers of the relevant hospital order must take all reasonable steps—

(a) to inform that person whether the patient is to be discharged under section 23 or 72 of the Mental Health Act 1983;

(b) to inform that person whether a community treatment order is to be made in respect of the patient;

(c) if a community treatment order is to be made in respect of the patient and is to specify conditions which relate to contact with the victim or his family, to provide that person with details of those conditions;

(d) if a community treatment order is in force in respect of the patient and the conditions specified in the order are to be varied under section 17B(4) of the Mental Health Act 1983, to provide that person with details of any variation which relates to contact with the victim or his family;

(e) if a community treatment order in respect of the patient is to cease to be in force, to inform that person of the date on which it is to cease to be in force;

(f) if, following the examination of the patient under section 20 of the Mental Health Act 1983, the authority for the patient's detention is not to be renewed, to inform that person of the date on which the authority is to expire;

(g) to provide that person with such other information as the managers of the relevant hospital consider appropriate in all the circumstances of the case.

(8) The relevant hospital has the meaning given by section 36A(6).

38B Removal of restriction

(1) This section applies if, in a case where section 36 applies—

(a) the hospital order in respect of the patient was made with a restriction order, and

(b) the restriction order ceases to have effect while the hospital order continues in force.

(2) Subsection (3) applies if a person who appears to the relevant local probation board to be the victim of the offence or to act for the victim of the offence—

(a) when his wishes were ascertained under section 36(4), expressed a wish to make representations about a matter specified in section 36(5) or to receive the information specified in section 36(6), or

(b) has subsequently informed the relevant local probation board that he wishes to make representations about such a matter or to receive that information.

(3) The relevant local probation board must take all reasonable steps—

(a) to notify the managers of the relevant hospital of an address at which that person may be contacted;

(b) to notify that person of the name and address of the hospital.

(4) While the hospital order continues in force, the patient is to be regarded as a patient in respect of whom a hospital order was made without a restriction order; and sections 37A and 38A are to apply in relation to him accordingly.

(5) The relevant hospital has the meaning given in section 36A(6).

(6) The relevant local probation board has the meaning given in section 37(8)."

Hospital directions and limitation directions

8 In section 39 (victims' rights: preliminary), in subsection (3)—

(a) in paragraph (a), after "discharge from hospital" insert "while he is subject to a limitation direction", and

(b) after that paragraph insert—

"(aa) what conditions he should be subject to in the event of his discharge from hospital under a community treatment order;".

9 After section 41 insert—

"41A Removal of restriction

(1) This section applies if, in a case where section 39 applies—

(a) the limitation direction in respect of the offender ceases to be in force, and

(b) he is treated for the purposes of the Mental Health Act 1983 as a patient in respect of whom a hospital order has effect.

(2) Subsection (3) applies if a person who appears to the relevant local probation board to be the victim of the offence or to act for the victim of the offence—

(a) when his wishes were ascertained under section 39(2), expressed a wish to make representations about a matter specified in section 39(3) or to receive the information specified in section 39(4), or

(b) has subsequently informed the relevant local probation board that he wishes to make representations about such a matter or to receive that information.

(3) The relevant local probation board must take all reasonable steps—

(a) to notify the managers of the relevant hospital of an address at which that person may be contacted;

(b) to notify that person of the address of the hospital.

(4) The offender is to be regarded as a patient in respect of whom a hospital order was made without a restriction order; and sections 37A and 38A are to apply in relation to him accordingly.

(5) The relevant hospital has the meaning given in section 36A(6).

(6) The relevant local probation board has the meaning given in section 40(8)."

Transfer directions (with or without restriction directions)

10 (1) Section 42 (victims' rights: preliminary) is amended as follows.

(2) In subsection (1)(c), for "and a restriction order in respect of him" substitute "in respect of the offender (whether or not he also gives a restriction direction in respect of the offender)".

(3) In subsection (3)—

(a) in paragraph (a), after "discharge from hospital" insert "at a time when a restriction direction is in force in respect of him", and

(b) after paragraph (b) insert ";

(c) what conditions he should be subject to in the event of his discharge from hospital under a community treatment order".

11 After section 42 insert—

"42A Supplemental provision for case where no restriction direction given

(1) This section applies if, in a case where section 42 applies, the transfer direction in respect of the patient was given without a restriction direction.

(2) Subsection (3) applies if a person who appears to the local probation board mentioned in section 42(2) to be the victim of the offence or to act for the victim of the offence, when his wishes are ascertained under section 42(2), expresses a wish—

(a) to make representations about a matter specified in section 42(3), or

(b) to receive the information specified in section 42(4).

(3) The local probation board must—

(a) notify the managers of the hospital in which the patient is detained of that person's wish and of that person's name and address, and

(b) notify that person of the name and address of the hospital.

(4) Subsection (5) applies if a person who appears to the local probation board mentioned in section 42(2) to be the victim of the offence or to act for the victim of the offence, subsequently to his wishes being ascertained under section 42(2), expressed a wish to do something specified in subsection (2)(a) or (b).

(5) The local probation board mentioned in section 42(2) must take all reasonable steps—

(a) to ascertain whether the transfer direction given in respect of the patient continues in force and whether a community treatment order is in force in respect of him, and

(b) if the board ascertains that the transfer direction does continue in force—

(i) to notify the managers of the relevant hospital of that person's wish, and

(ii) to notify that person of the name and address of the hospital.

(6) The relevant hospital has the meaning given in section 36A(6)."

12 In section 43 (the title to which becomes "Representations where restriction direction made"), in subsection (1), for "if section 42 applies" substitute "if, in a case where section 42 applies, the transfer direction in respect of the patient was given with a restriction direction".

13 After section 43 insert—

"43A Representations where restriction direction not given

(1) This section applies if, in a case where section 42 applies, the transfer direction in respect of the patient was given without a restriction direction.

(2) Subsection (3) applies if—

(a) a person makes representations about a matter specified in section 42(3) to the managers of the relevant hospital, and

(b) it appears to the managers that the person is the victim of the offence or acts for the victim of the offence.

(3) The managers must forward the representations to the persons responsible for determining the matter.

(4) The responsible clinician must inform the managers of the relevant hospital if he is considering making—

(a) an order for discharge in respect of the patient under section 23(2) of the Mental Health Act 1983,

(b) a community treatment order in respect of him, or

(c) an order under section 17B(4) of the Mental Health Act 1983 to vary the conditions specified in a community treatment order in force in respect of the patient.

(5) Any person who has power to make an order for discharge in respect of the patient under section 23(3) of the Mental Health Act 1983 must inform the managers of the relevant hospital if he is considering making that order.

(6) A Mental Health Review Tribunal must inform the managers of the relevant hospital if—

(a) an application is made to the tribunal under section 66 or 69 of the Mental Health Act 1983, or

(b) the patient's case is referred to the tribunal under section 67 of that Act.

(7) Subsection (8) applies if—

(a) the managers of the relevant hospital receive information under subsection (4), (5) or (6), and

(b) a person who appears to the managers to be the victim of the offence or to act for the victim of the offence—

(i) when his wishes were ascertained under section 42(2), expressed a wish to make representations about a matter specified in section 42(3), or

(ii) has made representations about such a matter to the managers of the hospital in which the patient was, at the time in question, detained.

(8) The managers of the relevant hospital must provide the information to the person.

(9) The relevant hospital has the meaning given in section 36A(6)."

14 In section 44 (the title to which becomes "Information where restriction direction made"), in subsection (1), for "if section 42 applies" substitute "if, in a case where section 42 applies, the transfer direction in respect of the patient was given with a restriction direction".

15 After section 44 insert—

"44A Information where restriction direction not given

(1) This section applies if, in a case where section 42 applies, the transfer direction in respect of the patient was given without a restriction direction.

(2) The responsible clinician must inform the managers of the relevant hospital—

(a) whether he is to make an order for discharge in respect of the patient under section 23(2) of the Mental Health Act 1983;

(b) whether he is to make a community treatment order in respect of the patient;

(c) if a community treatment order is to be made in respect of the patient, what conditions are to be specified in the order;

(d) if a community treatment order is in force in respect of the patient, of any variation to be made under section 17B(4) of the Mental Health Act 1983 of the conditions specified in the order;

(e) if a community treatment order in respect of the patient is to cease to be in force, of the date on which it is to cease to be in force;

(f) if, following the examination of the patient under section 20 of the Mental Health Act 1983, it does not appear to the responsible clinician that the conditions set out in subsection (4) of that section are satisfied, of the date on which the authority for the patient's detention is to expire.

(3) Any person who has power to make an order for discharge in respect of the patient under section 23(3) of the Mental Health Act 1983 must inform the managers of the relevant hospital if he is to make that order..

(4) Subsection (5) applies if—

(a) an application is made to a Mental Health Review Tribunal under section 66 or 69 of the Mental Health Act 1983,

(b) the patient's case is referred to a Mental Health Review Tribunal under section 67 of that Act, or

(c) the managers of the relevant hospital refer the patient's case to a Mental Health Review Tribunal under section 68 of that Act.

(5) The tribunal must inform the managers of the relevant hospital if it directs that the patient be discharged.

(6) Subsection (7) applies if a person who appears to the managers of the relevant hospital to be the victim of the offence or to act for the victim of the offence—

(a) when his wishes were ascertained under section 42(2), expressed a wish to receive the information specified in section 42(4), or

(b) has subsequently informed the managers of the relevant hospital that he wishes to receive that information.

(7) The managers of the relevant hospital order must take all reasonable steps—

(a) to inform that person whether the patient is to be discharged under section 23 or 72 of the Mental Health Act 1983;

(b) to inform that person whether a community treatment order is to be made in respect of the patient;

(c) if a community treatment order is to be made in respect of the patient and is to specify conditions which relate to contact with the victim or his family, to provide that person with details of those conditions;

(d) if a community treatment order is in force in respect of the patient and the conditions specified in the order are to be varied under section 17B(4) of the Mental Health Act 1983, to provide that person with details of any variation which relates to contact with the victim or his family;

(e) if a community treatment order in respect of the patient is to cease to be in force, to inform that person of the date on which it is to cease to be in force;

(f) if, following the examination of the patient under section 20 of the Mental Health Act 1983, the authority for the patient's detention is not to be renewed, to inform that person of the date on which the authority is to expire;

(g) to provide that person with such other information as the managers of the relevant hospital consider appropriate in all the circumstances of the case.

(8) The relevant hospital has the meaning given by section 36A(6).

44B Removal of restriction

(1) This section applies if, in a case where section 42 applies—

(a) the transfer direction in respect of the patient was given with a restriction direction, and

(b) the restriction direction ceases to be in force while the transfer direction continues in force.

(2) Subsection (3) applies if a person who appears to the relevant local probation board to be the victim of the offence or to act for the victim of the offence—

(a) when his wishes were ascertained under section 42(2), expressed a wish to make representations about a matter specified in section 42(3) or to receive the information specified in section 42(4), or

(b) has subsequently informed the relevant local probation board that he wishes to make representations about such a matter or to receive that information.

(3) The relevant local probation board must take all reasonable steps—

(a) to notify the managers of the relevant hospital of an address at which that person may be contacted;

(b) to notify that person of the name and address of the hospital.

(4) While the transfer direction continues in force, the patient is to be regarded as a patient in respect of whom a transfer direction was given without a restriction direction; and sections 43A and 44A are to apply in relation to him accordingly.

(5) The relevant hospital has the meaning given in section 36A(6).

(6) The relevant local probation board has the meaning given in section 43(8)."

Interpretation

16 (1) Section 45 (the title to which becomes "Interpretation: sections 35 to 44B") is amended as follows.

(2) In subsection (1)—

(a) for "44" substitute "44B", and

(b) at the appropriate places insert—

""community treatment order" has the meaning given in section 17A of the Mental Health Act 1983;",

""the managers" has the meaning given in section 145 of the Mental Health Act 1983;",

""responsible clinician" means the responsible clinician for the purposes of Part 3 of the Mental Health Act 1983;", and

""responsible hospital" has the meaning given in section 17A of the Mental Health Act 1983;".

(3) In subsection (2), for "44" substitute "44B".

(4) After subsection (2) insert—

"(3) A reference in sections 35 to 44B to a place in which a person is detained includes a reference to a place in which he is liable to be detained under the Mental Health Act 1983.

(4) For the purposes of section 32(3) of that Act (regulations as to delegation of managers' functions, etc.) as applied by Parts 1 and 2 of Schedule 1 to that Act, a function conferred on the managers of a hospital under sections 35 to 44B of this Act is to be treated as a function of theirs under Part 3 of that Act".—*[Ms Rosie Winterton.]*

Brought up, read the First and Second Time, and added to the Bill.

Schedule 6

MENTAL CAPACITY ACT 2005: NEW SCHEDULE A1

Amendments made: No. 51, page 89, line 44, at end insert ', or

(c) any section 39D IMCA.'.

No. 52, page 92, line 9, at end insert—

'(d) the right to have a section 39D IMCA appointed;

(e) how to have a section 39D IMCA appointed.'.

No. 53, page 92, line 18, at end insert—

'(7) Sub-paragraph (8) applies if the managing authority is notified that a section 39D IMCA has been appointed.

(8) As soon as is practicable after being notified, the managing authority must give the section 39D IMCA a copy of the written information given in accordance with sub-paragraph (4).'.

No. 54, page 101, line 22, at end insert—

'(ba) any section 39D IMCA;'.

No. 55, page 108, line 22, at end insert—

'(d) any section 39D IMCA.'.

No. 56, page 111, line 26, at end insert—

'(d) any section 39D IMCA.'.

No. 57, page 116, line 9, at end insert—

'156A A section 39D IMCA is an independent mental capacity advocate appointed under section 39D.'.

No. 58, page 116, line 10, at end insert—

'or a section 39D IMCA.'.—*[Ms Rosie Winterton.]*

Schedule 8

AMENDMENTS RELATING TO NEW SECTION 4A OF, & SCHEDULE A1 TO, MENTAL CAPACITY ACT 2005

Amendments made: No. 60, page 129, line 41, leave out from 'subsection (1)' to end and insert—

'after "relate" insert "or persons who fall within section 39A, 39C or 39D".'.

No. 61, page 132, line 13, at end insert—

'39D Person subject to Schedule A1 without paid representative

(1) This section applies if—

(a) an authorisation under Schedule A1 is in force in relation to a person ("P"),

(b) P has a representative ("R") appointed under Part 10 of Schedule A1, and

(c) R is not being paid under regulations under Part 10 of Schedule A1 for acting as P's representative.

(2) The supervisory body must instruct an independent mental capacity advocate to represent P in any of the following cases.

(3) The first case is where P makes a request to the supervisory body to instruct an advocate.

(4) The second case is where R makes a request to the supervisory body to instruct an advocate.

(5) The third case is where the supervisory body have reason to believe one or more of the following—

(a) that, without the help of an advocate, P and R would be unable to exercise one or both of the relevant rights;

(b) that P and R have each failed to exercise a relevant right when it would have been reasonable to exercise it;

(c) that P and R are each unlikely to exercise a relevant right when it would be reasonable to exercise it.

(6) The duty in subsection (2) is subject to section 39E.

(7) If an advocate is appointed under this section, the advocate is, in particular, to take such steps as are practicable to help P and R to understand the following matters—

(a) the effect of the authorisation;

(b) the purpose of the authorisation;

(c) the duration of the authorisation;

(d) any conditions to which the authorisation is subject;

(e) the reasons why each assessor who carried out an assessment in connection with the request for the authorisation, or in connection with a review of the authorisation, decided that P met the qualifying requirement in question;

(f) the relevant rights;

(g) how to exercise the relevant rights.

(8) The advocate is, in particular, to take such steps as are practicable to help P or R—

(a) to exercise the right to apply to court, if it appears to the advocate that P or R wishes to exercise that right, or

(b) to exercise the right of review, if it appears to the advocate that P or R wishes to exercise that right.

(9) If the advocate helps P or R to exercise the right of review—

(a) the advocate may make submissions to the supervisory body on the question of whether a qualifying requirement is reviewable;

(b) the advocate may give information, or make submissions, to any assessor carrying out a review assessment.

(10) In this section—

"relevant rights" means—

(a) the right to apply to court, and

(b) the right of review;

"right to apply to court" means the right to make an application to the court to exercise its jurisdiction under section 21A;

"right of review" means the right under Part 8 of Schedule A1 to request a review.

39E Limitation on duty to instruct advocate under section 39D

(1) This section applies if an advocate is already representing P in accordance with an instruction under section 39D.

(2) Section 39D(2) does not require another advocate to be instructed, unless the following conditions are met.

(3) The first condition is that the existing advocate was instructed—

(a) because of a request by R, or

(b) because the supervisory body had reason to believe one or more of the things in section 39D(5).

(4) The second condition is that the other advocate would be instructed because of a request by P.'.

No. 62, page 132, line 15, after '40', insert

'(as substituted by section [Independent mental capacity advocacy service: exceptions] of this Act)'.

No. 63, page 132, line 17, leave out from 'for' to end of line 18 and insert

'"or 39(4) or (5)" substitute ", 39(4) or (5), 39A(3), 39C(3) or 39D(2)".'.

No. 64, page 132, line 22, leave out from 'matters' to end of line 23 and insert

'to which a duty mentioned in subsection (1) relates."'.

No. 65, page 134, line 18, at end insert—

"Section 39D	Instructing independent mental capacity advocate when representative for relevant person under Part 10 of Schedule A1 to the Act is not being paid."

—[Ms Rosie Winterton.]

Schedule 9

TRANSITIONAL PROVISIONS AND SAVINGS

Amendment made: No. 66, page 136, line 41, at end insert—

'Independent mental health advocates

(1) Section [Independent mental health advocates]—

(a) applies to a patient who is liable to be detained under the 1983 Act immediately before the commencement date as it applies to a patient who becomes so liable on or after that date;

(b) applies to a patient who is subject to guardianship under that Act immediately before the commencement date as it applies to a patient who becomes so subject on or after that date;

(c) applies to a patient who is a community patient under that Act immediately before the commencement date as it applies to a patient who becomes a community patient on or after that date.

(2) For the purposes of the provisions inserted by that section, a patient is to be treated as a qualifying patient within section 130C(3) of the 1983 Act if—

(a) not being a formal patient, he discussed before the commencement date with a registered medical practitioner or approved clinician the possibility of being given a form of treatment to which section 57 of that Act applies, and

(b) sub-paragraph (4) or (5) applies in relation to him.

(3) A patient is also to be treated for those purposes as a qualifying patient within section 130C(3) of the 1983 Act if—

(a) not having attained the age of 18 years and not being a formal patient, he discussed before the commencement date with a registered medical practitioner or approved clinician the possibility of being given a form of treatment to which section 58A of that Act applies, and

(b) sub-paragraph (4) or (5) applies in relation to him.

(4) This sub-paragraph applies in relation to the patient if, immediately before the commencement date, he has yet to be informed whether or not the treatment is proposed in his case.

(5) This sub-paragraph applies in relation to the patient if, immediately before the commencement date—

(a) he has been informed that the treatment is proposed in his case,

(b) the proposal has not been withdrawn, and

(c) the treatment has not been completed or discontinued.

(6) A qualifying patient in relation to whom sub-paragraph (4) applies and who is informed on or after the commencement date that the treatment is proposed in his case, or in relation to whom sub-paragraph (5) applies, remains a qualifying patient until—

(a) the proposal is withdrawn, or

(b) the treatment is completed or discontinued.

(7) In relation to a patient who is a qualifying patient within section 130C(3) of the 1983 Act by virtue of this paragraph, the responsible person under section 130D of that Act is to be the person with overall responsibility for the patient's case (and subsection (2)(e) of that section is to be read accordingly).

(8) Sub-paragraph (9) applies in relation to a patient—

(a) who is a qualifying patient within section 130C(2) of the 1983 Act by virtue of being a formal patient immediately before the commencement date, or

(b) who is a qualifying patient within section 130C(3) of that Act by virtue of this paragraph.

(9) The steps to be taken under subsection (1) of section 130D of that Act are to be taken on, or as soon as practicable after, the commencement date (and subsection (3) of that section is to be read accordingly).

(10) In this paragraph—

"approved clinician" has the same meaning as in the 1983 Act,

"the commencement date" means the date on which section [Independent mental health advocates] comes into force, and

"formal patient" means a patient who is—

(a) liable to be detained under the 1983 Act (otherwise than by virtue of section 4, 5(2) or (4), 135 or 136 of that Act),

(b) subject to guardianship under that Act, or

(c) a community patient under that Act.'.—*[Ms Rosie Winterton.]*

Title

Amendments made: No. 67, line 1, after '1983', insert

', the Domestic Violence, Crime and Victims Act 2004'.

No. 68, line 2, after 'persons;', insert

'to amend section 40 of the Mental Capacity Act 2005;'.—*[Ms Rosie Winterton.]*

Miss Ann Widdecombe (Maidstone and The Weald) (Con): On a point of order, Mr. Deputy Speaker. May I draw to your attention the situation with regard to the lifts in 1 Parliament Street? Every time there is a Division—and I do mean every time—Members stand outside those lifts, sometimes for anything up to three minutes, waiting for one of them to do its job. The middle lift does not work at all and the two lifts either side of it have been subject to a long programme of so-called maintenance, which has meant that they do not do the job that they are meant to do. In view of the fact that we have only a limited amount of time to get to Divisions, will you draw this problem to the attention of the Serjeant at Arms, with a strong request for a solution?

Mr. Deputy Speaker (Sir Alan Haselhurst): I am grateful to the right hon. Lady for making that situation clear. It is obviously worrying and ongoing, and I am sure that the Serjeant will take note and see what can be done. There is a bar on non-Members using the lifts at that time, but if mechanical failure is compounding the problem, obviously that needs attention.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): On a point of order, Mr. Deputy Speaker. I have just been informed by the chief executive of Shrewsbury and Atcham borough council that in the High Court today a judge has given my council a full judicial review of the Government's unitary authority status programme. There were scathing comments about the behaviour of the Secretary of State for Communities and Local Government in that matter. Will the Minister come before the House tomorrow to explain Government policy in the light of that defeat?

Mr. Deputy Speaker: That is not a matter on which I can rule. It seems to me that the correct procedure is not via a point of order. Other avenues are open to the hon. Gentleman to bring the matter further out into the open so that he can possibly get answers, a debate or something of that kind.

New Clause 4

ACCOMMODATION, ETC.

'(1) The 1983 Act is amended as follows.

(2) In section 39 (power of court to request information about hospitals), after subsection (1) insert—

"(1A) In relation to a person who has not attained the age of 18 years, subsection (1) above shall have effect as if the reference to the making of a hospital order included a reference to a remand under section 35 or 36 above or the making of an order under section 44 below.

(1B) Where the person concerned has not attained the age of 18 years, the information which may be requested under subsection (1) above includes, in particular, information about the availability of accommodation or facilities designed so as to be specially suitable for patients who have not attained the age of 18 years."

(3) After section 131 insert—

"131A Accommodation, etc. for children

(1) This section applies in respect of any patient who has not attained the age of 18 years and who—

(a) is liable to be detained in a hospital under this Act; or

(b) is admitted to, or remains in, a hospital in pursuance of such arrangements as are mentioned in section 131(1) above.

(2) The managers of the hospital shall ensure that the patient's environment in the hospital is suitable having regard to his age (subject to his needs).

(3) For the purpose of deciding how to fulfil the duty under subsection (2) above, the managers shall consult a person who appears to them to have knowledge or experience of cases

involving patients who have not attained the age of 18 years which makes him suitable to be consulted.

(4) In this section, "hospital" includes a registered establishment."

(4) In section 140 (the title to which becomes "Notification of hospitals having arrangements for special cases"), for the words from "for the reception" to the end substitute "—

(a) for the reception of patients in cases of special urgency;

(b) for the provision of accommodation or facilities designed so as to be specially suitable for patients who have not attained the age of 18 years.'".—*[Ms Rosie Winterton.]*

Brought up, and read the First time.

Ms Rosie Winterton: I beg to move, That the clause be read a Second time.

Mr. Deputy Speaker: With this it will be convenient to discuss the following: new clause 8—*Age appropriate treatment*

'After section 131 of the 1983 Act (Informal admission of patients) insert—

"131A Admission to age appropriate setting and age appropriate treatment

(1) In the case of any child or young person under the age of 18 years who is admitted to any hospital or registered establishment for treatment for mental disorder, whether informally or otherwise, the responsible Primary Care Trust or Local Health Board shall , at the time of admission or as soon as reasonably practicable thereafter, appoint a registered medical practitioner or clinical psychologist with specialist training in child or adolescent mental health to assess the healthcare needs of the child or young person.

(2) It shall be the duty of the responsible Primary Care Trust or Local Health Board to provide the child or young person admitted to a hospital or registered establishment in accordance with subsection (1) with such healthcare services (whether by way of suitable hospital accommodation, specialist medical services or otherwise) as necessary to meet the healthcare needs as assessed under subsection (1).

(3) In this section the 'responsible Primary Care Trust or Local Health Board' means the Primary Care Trust or Health Authority responsible for providing healthcare services to the child or young person under the National Health Service Act 2006 (c. 41).'".

Amendment No. 4, in clause 34, page 33, line 44, leave out '16' and insert '18'.

Amendment No. 83, in clause 40, page 38, line 22, at end insert—

'(2A) Subsections (3) and (4) below shall also apply in the case of a patient who has not attained the age of 16 years who is competent to consent to the making of the arrangements set out in subsection (1) above.'.

Government amendment No. 50

Ms Winterton: New clause 4 and amendment No. 50 are the result of further consideration that we have given to age-appropriate services for children and young people following detailed debates in the other place and in Committee, and discussions that I have had since then with YoungMinds, 11 Million—the new name for the Office of the Children's Commissioner for England—and Lord Williamson of Horton, to whom I pay particular tribute. Lord Williamson tabled the initial amendment on the subject. He has also given us a lot of help in thinking through the Government amendments. There are those who say that his help has been so central to the debate that the new clause should be called the Williamson amendment.

Let me remind hon. Members about the background. The Children's Commissioner for England's powerful report "Pushed into the Shadows" was extremely timely in highlighting the bad experiences that some young people have had on adult psychiatric wards. Professor Aynsley-Green and his staff have been most helpful and constructive in discussions on how to tackle the problem. The children's organisation YoungMinds researched that report for the children's commissioner. It has also been a vigorous campaigner on the issue. It has always been willing to engage in constructive discussion to resolve the problem in a way that is acceptable to all and will be effective. Hon. Members who served on the Committee will know that I had reservations about implementing some of the changes that were requested, but following discussions with the organisations, and with Kathryn Pugh from YoungMinds, who has been a powerful and persuasive advocate for children, in particular, and with the realistic attitude that is being adopted, I think that we have found a way forward.

I am also aware that the Joint Committee on Human Rights, led by my hon. Friend the Member for Hendon (Mr. Dismore), has been supportive on this issue. Indeed, he has tabled new clause 8. I hope that following my remarks he will be reassured that new clause 4 and amendment No. 50 make it possible for him not to press his new clause to a Division.

New clause 4 will ensure that patients aged under 18 are detained in a hospital environment that is suitable for their age, subject to their needs. We have used the word "environment" because what matters to a child or young person goes well beyond mere physical segregation from older people, as I am sure right hon. and hon. Members appreciate. By using the word "environment" we can ensure not only that children and young people have separate facilities, but that they are appropriate physical facilities, with staff who have the right training to understand and address their specific needs as children, and a hospital routine that will allow their personal, social and educational development to continue as normally as possible. We do that by using the word "environment", and by giving hospital managers a duty to ensure that that is the case.

Mr. Boswell: The Minister makes a case that we find congenial, as she will have noticed because we have put our names to the new clause. Will she confirm that in cases when a person is referred to a hospital environment in another local authority area, which is not untypical in my constituency because of its geography, there will be adequate support that crosses the boundary so that their studies are supported and disruption is minimised?

Ms Winterton: One of the other changes that we are making will provide for a duty to ensure that people know what accommodation is available. As the hon. Gentleman acknowledged in Committee, when their needs are taken into account it is clear that some under-18s are better placed in adult psychiatric wards. Patients in CAMHS—child and adolescent mental health services—wards can also benefit from that. Our aim is to allow the necessary flexibility for such patients.

The duty to ensure that the patient's environment is suitable lies with hospital managers, but the new clause requires them to consult a person whom they consider to have the necessary knowledge and experience of cases involving patients under 18. We have made the description fairly wide to allow for future changes in the qualifications of professionals, but for now we will make clear in the codes of practice for England and Wales that we expect such people to be tier 3 or tier 4 CAMHS specialists. I think that that covers some of the points raised in the House of Lords about the need to ensure that cases were dealt with by specialist CAMHS people rather than by people who did not understand the changes. We want to ensure that those who make the initial decision on whether to detain someone in hospital have the correct information about the availability of and arrangements for specialist beds, so that children are sent to appropriate hospitals.

Sandra Gidley: I am a little concerned about the wideness of the prescription. The Minister said that she expected those consulted to be tier 3 or tier 4 specialists. What will happen when that expectation is not met and the opinion of the person described in the Bill is different—or does the Minister not expect such circumstances to arise?

Ms Winterton: If the hon. Lady is asking what would happen if a tier 3 or tier 4 specialist was not available, I can tell her that the new clause provides for a duty to ensure that a suitable person is available in such circumstances. I know from my meetings with YoungMinds, the children's commissioner and Lord Williamson— who has reflected the views of peers—that they support the new clause. However, they want an assurance that we have a performance management framework, and I assure the House that we intend to provide one. All along, it has been argued that merely legislating for something to happen does not necessarily make it happen. We could sit here patting ourselves on the back for having introduced legislation, but unless the services are there it will not be possible for us to deliver for people as we would wish.

Dr. Gibson: Has the model not been set in cancer services, where charities such as the Teenage Cancer Trust have fought for young people to be placed in separate wards? Indeed, the whole charity movement has combined with the state to provide wards featuring the expertise that the Minister describes. What is the problem with doing the same in mental health?

Ms Winterton: My hon. Friend is right. We know that we can achieve such changes when people put their minds to it. The issue is legislation. It has been made clear to me that because some of the issues involve compulsory detention, it is right for us to make an exception. I suspect that the cancer provisions are not in legislation, whereas we are using legislation that constitutes something of a step change—but, as my hon. Friend says, we know that such developments are possible.

6.45 pm

We have been working on this issue for some time. In April 2005 we began collecting detailed information about the use of adult psychiatric wards for children and adolescents in England to allow performance management of that aspect of the service. We are making capital available to the NHS to increase the availability of in-patient facilities for adolescents, and to reduce reliance on adult wards.

In November last year the Under-Secretary of State for Health, my hon. Friend the Member for Bury, South (Mr. Lewis), who is responsible for care services, made a commitment that within two years no child under 16 in England would be placed in an adult ward while being treated for a mental disorder. To ensure that that commitment is fulfilled, the director general of commissioning in the Department of Health has written to the chief executives of strategic health authorities setting out new reporting requirements on the use of adult psychiatric wards by children aged 16 and under.

Any exceptional case of a child of 16 or under being placed in an adult psychiatric ward must be reported to the strategic health authority as a serious untoward incident, and the SHA must in turn notify the Department. We would expect the child not to stay in the ward for more than 48 hours. The ward would be specially equipped to deal with the child, and staff dealing with the child would be appropriately qualified.

I can reassure the House that the Government are working to develop performance measures for 2008-11 public service agreements and a health and social care outcomes framework. As part of that work we are considering a range of indicators, including a CAMHS indicator. Regulators have an ongoing responsibility to assess performance, which includes the commissioning of age-appropriate services. We need to ensure that they are being commissioned properly. To help that, the Care Services Improvement Partnership is developing a commissioning framework specifically for CAMHS. We will have continuing discussions with the Healthcare Commission to ensure that the monitoring of age-appropriate services is one of its priorities. We have also agreed to keep YoungMinds and the children's commissioner informed of our progress on performance management.

We have not specified a commencement date in the Bill, because we do not feel that that would be productive. We would probably have to err on the side of caution, and we think we can probably achieve some of the changes soon. I want that to happen; I do not want to specify a date that kicks the matter into the future and sends a mixed message to the NHS. However, I emphasise the Government's clear and firm intention to invest resources so that we can implement the provision as soon as possible. Our aim is to implement it fully in England by around April 2010. Amendment No. 50 gives us the flexibility to allow, for example, new section 131A to be implemented in relation to part 2 and informal patients in England as soon as resources allow, rather than our having to wait until it can be implemented for part 2, informal and part 3 patients in England. I am sure that YoungMinds, the Children's Commissioners for England and Wales and Members of this House and the other place will track progress on this issue.

Amendment No. 4 was tabled by my hon. Friend the Member for Bridgend (Mrs. Moon), and I will listen carefully to what is said about it. Her amendment would increase safeguards for 16 and 17-year-olds by

ensuring that their cases are referred to the tribunal by hospital managers after one year, where the patient has not used their right to apply or their case does not otherwise come before the tribunal. I said in Committee that I was sympathetic to the intentions behind the amendment but that I wanted to look further into some of its financial and operational implications. My officials recently came back to me on that. They reassured me that the impact would be operationally manageable for both hospitals and the mental health review tribunal, so at this stage I am supportive of my hon. Friend's amendment. I look forward to hearing her speech, and any other contributions on her proposal.

Amendment No. 83 would extend the provisions in clause 40—which was inserted by a Government amendment in the other place—to under-16s who are competent to consent to the making of arrangements for their informal admission to hospital for the treatment of mental disorder. That raises complex issues, and an amendment to the Bill is not the right way to address them. Most 16 and 17-year-olds will be able to understand, and make an informed decision about, being admitted to hospital except where they lack capacity, but that is not the case for under-16s. Each case needs careful consideration. The Government consider that the position of under-16s—both those who are Gillick-competent, and those who are not—can best be set out in guidance in the code of practice. Guidance can go into this difficult area in much greater detail and can be updated more easily in line with developments in case law. Therefore, I ask the hon. Member for Romsey (Sandra Gidley) to withdraw the amendment.

I hope that the Government amendments will be welcomed by all Members. They are the result of fruitful and constructive discussions by various organisations—and also by Members of the other place, which I greatly appreciate. I will listen carefully to the arguments—which I am sure will be very persuasive—of my hon. Friend the Member for Bridgend, but I do not at this stage accept the amendment of the hon. Member for Romsey.

Tim Loughton: I find myself for the second time this evening congratulating the Minister on having listened—at long last, and despite having thrown a bit of a strop in Committee on this subject—and on having returned with worthwhile amendments. Although they do not go explicitly as far as some of us asked, their spirit is very much in keeping with what we hoped for. I join her in paying tribute to the excellent work of Lord Williamson in another place, who to a great extent kicked off the consideration of this issue by introducing a measure under which three conditions were to be met: admission to age-appropriate settings, and medical assessments by a CAMHS specialist and by a clinical supervisor specialist. That provided a good starting point to lay out the importance of this subject; many Members of this House and of the other place, and many people in YoungMinds and other mental health organisations, feel strongly about it, as do many young people suffering from mental illness.

I also join the Minister in paying tribute to YoungMinds and the sterling work of Kathryn Pugh, who follows our deliberations closely. I can say that without having to declare an interest—unlike the hon. Member for Southport (Dr. Pugh) if he wishes to reiterate that praise when he comes to speak.

I also pay tribute to the report of "Sir 11 million" as we now must call the children's commissioner. "Pushed into the shadows: young people's experience of adult mental health facilities" reported some shocking testimonies of the experiences of young people who had found themselves in traumatic periods of their lives in wholly inappropriate and very depressing and traumatic environments. In a variety of witness evidence that Members of both Houses received, we heard some brave and devastating testimonies, particularly from teenage girls, about such experiences in adult acute mental health wards. They told us about having to use mixed-sex bathrooms and about being in wards with older men who had committed violent acts, and they also told us that no education facilities were provided for them. At important stages in their educational career they found themselves in a mental health institution with no way of getting back to some degree of normality by furthering their education. One of our witnesses said that eating was the only recreation. We also heard about problems to do with siblings aged under 18 not being able to visit.

The testimony of one witness, Antonia, was especially stark, and it might be helpful if I repeat some of it. She said that in order to be in an adolescent service,

> "I would rather go to Scotland than be 10 minutes down the road from my home."

That serves to emphasise how important it is to have age-appropriate treatment. Even if she had to go a long way to get it, that was preferable to being placed more conveniently closer to home in an inappropriate setting.

I am pleased that the Government have taken on board the comments that have been made, and that the amendments cover all those aged under 18. There was a big argument about how we address 16 and 17-year-olds—it is completely inappropriate for many in that age group to be placed in adult wards, but for some of them it is more appropriate. In our amendments in Committee we were at pains to retain the flexibility that 16 or 17-year-olds could be admitted to adult wards if appropriate. However, that must be decided on the basis of its appropriateness to their therapeutic benefit and recovery. I welcome the fact that all under-18s and voluntary and detained patients will be covered and that reference is made to the fact that a suitably qualified practitioner should be consulted at the assessment prior to admission.

The code of practice will need to explain what a suitable environment is—I believe that it will do so—and also provide an explanation of the different needs of a child. Another matter that must be addressed is the placing of a duty on commissioners to inform local authorities where beds have been commissioned. Primary care trusts and health boards will have to tell local authorities where CAMHS beds have been commissioned for the local area.

7 pm

I think that we are happy to take the timing of the enactment of this provision on trust, just as we took the Minister at her word in Committee when she

promised to look at this issue and come back with something more definitive, which she has now done. I realise that some perverse incentives are potentially built in, in that areas that are more advanced in their provision of CAMHS facilities might take their foot off the gas if they are told that everything has to come in by a certain date; we need to prompt the less advanced areas to make sure that they provide those facilities. I know that there is a particular problem in Wales, for example, and the hon. Member for Caernarfon (Hywel Williams) might wish to refer to it in a little while.

All of us will feel let down and disappointed if we find ourselves coming back to this place in three years time to consider this issue and not a lot has changed. We need some strong assurances from the Minister that it will be a real priority for her Department, and we perhaps need some explanation of a strong performance-management framework to complement the legislation, so that we can judge whether progress is being made and how fast, and judge what extra support or attention might need to be given in the meantime. There is a possibility, as YoungMinds pointed out, that some adult hospitals might interpret the provision in such a way that it will lead them to refuse all under-18-year-old patients. The Friday night scenario of clinicians phoning unit after unit to find one that will accept an under-18-year-old would then get worse, particularly if PCTs or health boards did not have to ensure adequate provision.

We need a performance management framework or targets, although we are not great fans of the latter, to make sure that local partners understand their duty to commission sufficient capacity to ensure that age-appropriate facilities are available, and that local providers act in a manner that reflects the duty to co-operate to meet the needs of the child or young person, as enshrined in the Children Act 2004. This has got to be a joint effort and as the Minister rightly said, that is not going to happen if the services are not in place. This legislation should not be a substitute for services; rather, it should be a serious spur to the providers to make sure that services are available and appropriate and are being used properly, and that as many of our children and young people as possible are being picked up and given the appropriate treatment that they need and deserve.

We will track closely the progress of this measure, as the Minister has mentioned. I shall be interested to hear what the hon. Member for Hendon (Mr. Dismore) has to say about his new clause 8, with which I have a deal of sympathy because it places greater duties specifically on commissioners and PCTs, and not just on hospital managers. As I said, this is a team effort in which a joined-up approach involving everyone will be absolutely essential.

I have to say that the Government have moved a long way. They have listened to a very compelling argument that was started in Parliament in the Lords, but which was first started by charities such as YoungMinds and by brave young people themselves coming forward and saying that the current arrangements are just not good enough. As the Mental Health Act Commission found in its report, a young person a day was being inappropriately admitted to adult acute wards, and the therapeutic benefit of those establishments in terms of the appropriateness of treating such young people was being seriously called into question. We are delighted that the Government have tabled these new clauses and we will certainly support them, but that support will not be given without a deal of assurances about how they are going to work in practice, and an assurance that the Minister is going to keep on the case of those responsible for ensuring that the measures become a reality.

Mr. Andrew Dismore (Hendon) (Lab): New clause 8, which is in my name, is designed to give effect to the recommendations in paragraphs 1.16 and 1.17 of the 15th report of the Joint Committee on Human Rights. Before I get to the meat of what I have to say, perhaps I might compliment my right hon. Friend the Minister on engaging very constructively with the Committee. Indeed, she gave lengthy and detailed responses to our two reports. Unusually, we reported twice on this Bill, which is very complex and raises some fundamental issues of freedom and liberty; that is why we felt it necessary to go into such detail. I am very grateful to my right hon. Friend for engaging so constructively with us.

In considering new clause 8, we need to look at the United Nations convention on the rights of the child, which the UK has ratified, and to recognise that the Bill impacts on and engages a number of the convention's articles: article 3, on the need to recognise the best interests of the child when acting concerning children; article 12, which requires consideration of children's views in decisions on issues affecting them; and article 19, which is designed to protect children from all forms of violence, injury, abuse, neglect, maltreatment or exploitation. Of course, the article 19 right also engages article 3 of the European convention on human rights.

I do not want to go into the underlying reasons for such a provision in detail; they have been adequately outlined already in the debate, particularly with reference to the children's commissioner's report, which has highlighted some of the serious problems and risks of abuse associated with placing children on adult psychiatric wards. We recommended the adoption of an amendment to ensure that young people receive age-appropriate assessment and placement, while at the same time not rendering illegal the placement of a child on an adult ward if that is the only way that their needs can be met. When we tabled the new clause, we had not seen the Government's proposals, and I am delighted that they have tabled new clause 4, which represents a very satisfactory way forward as far as my Committee is concerned. In the circumstances, I do not propose to press new clause 8 any further, as my right hon. Friend the Minister has gone far enough to satisfy the concerns raised in our report.

Sandra Gidley: The Minister was clear, in as much as she is not going to accept my amendment No. 83 and asked me to withdraw it. However, I thought it worth clarifying why I tabled it. It is an attempt to make it clear that children under 16 who are competent to make decisions can either consent to or refuse to agree to their admission to hospital for treatment of mental disorder. If such a child does not agree to being admitted to hospital, this refusal cannot be overridden by a person with parental responsibility. The amendment achieves this by extending the remit of section 131 of

[Sandra Gidley]

the 1983 Act, which relates to informal admission, to cover children under 16 who are considered competent to make such decisions.

If the amendment is accepted, a person with parental responsibility would not be able to agree to the child's being informally admitted to hospital if the child is deemed competent to make this decision and is refusing to be admitted. Where a competent child refuses to agree to admission to hospital for treatment for mental disorder, the mental health professionals involved would need to consider whether the criteria for admission to hospital under the 1983 Act are met, and in a small number of cases the powers under the Children Act 1989 may be appropriate.

As the Minister said, clause 40 of the Bill will amend section 131 of the 1983 Act. This was a Government amendment introduced in the other place, and it makes it clear that a 16 or 17-year-old who is capable of making such decisions may decide whether or not to be admitted to hospital for treatment for mental disorder, and that that decision cannot be overridden by a person with parental responsibility. That amendment was welcome and clarifies the position of 16 and 17-year-olds, but it is also important to clarify the position of Gillick-competent children. A child is generally considered Gillick-competent if they have sufficient understanding and intelligence to understand fully what is being proposed, and to be capable of making up their own mind on the matter.

The Minister said that this issue is complex, and I agree; indeed, that is partly the motivation behind tabling this amendment. There is great uncertainty in the law, and this is an attempt to clarify it. There is a certain amount of confusion among practitioners responsible for the care and treatment of children and young people with mental health problems. It has commonly been accepted that the refusal of a Gillick-competent child or young person to accept medical treatment can be overridden by a person with parental responsibility for them. There is case law to that effect. In the area of mental health, that has led to great uncertainty among professionals. If the young people have complex mental health care needs, the professionals have to rely on parental consent in the face of disagreement from the young person. In some cases, that uncertainty has caused delay in making the appropriate arrangements for the treatment and care of the young child or person. I am sure that we would all wish to avoid that happening.

If a parental decision overrules a child under 16, it can cause longstanding tensions between the child and parent. It is usually a stressful time for them and it seems unfair to place the weight of responsibility for that decision on the parent. There is also the question of respecting the rights of the child. If he or she is competent to make the decision, for example, to refuse admission to hospital, relying on parental consent to authorise the admission could breach the child's right to liberty under article 5 of the European convention on human rights. That is acknowledged in the draft code of practice. Richard Jones, an expert in mental health law, states:

"It is likely that the Court would hold that a parental consent to the admission of a mentally competent child to a psychiatric hospital violates Art. 5 if the child objects to the admission."

The Government's approach appears inconsistent, because the Bill's provisions on community treatment orders cover child community patients under 16 years of age, but do not address the problem I have described. The Department has previously indicated that case law has developed to give greater autonomy to children and young people and it is no longer the case that a person with parental responsibility can override the refusal of a child or young person, of whatever age, who has the capacity to make such decisions for him or herself. The indication was therefore that it was not necessary to include this issue because the case law is clear. For example, Lord Hunt of Kings Heath has said that

"more recent cases demonstrate the trend towards greater autonomy for young people."—[*Official Report, House of Lords*, 15 January 2007; Vol. 688, c. 545.]

The Government's reasons for taking that approach are outlined in Lord Hunt's letter to Baroness Walmsley of 16 January 2007. But the case cited by Lord Hunt—R *v.* Secretary of State for Health (Axon)—relates to consent to advice and treatment and the duty of confidentiality. It considered how medical professionals should deal with young people who are Gillick-competent and want advice on sexual matters, but who cannot be persuaded to inform their parents or to permit the medical professionals to do so. It does not address the issue of a competent child's refusal of medical treatment.

The Minister mentioned guidance, and the most important point is that the draft illustrative code of practice to the Mental Health Act 1983, which has been published to help people to understand the Bill, removes references to the refusal of a Gillick-competent child or capable 16 or 17-year-old being overridden by a person with parental responsibility. However, it cites no case law to support that view nor does it provide any explanation for the change in approach. It would be helpful if the Minister could clarify when the guidance will be produced and what form it will take, because another publication, "The Reference Guide to Consent for Examination and Treatment", issued by the Department in 2001, claims that it

"sets out in detail the current English law on consent".

That document refers to parental consent overriding the refusal of a competent child or young person. Although it suggests that that power should be used rarely, it also highlights the lack of clarity on the issue by acknowledging that

"no definitive guidance has been given as to when it is appropriate to over-rule a competent young person's refusal".

The issue is very confused and medical practitioners receive conflicting advice in different publications by the Department. The amendment was an attempt to avoid further confusion and provide an explicit statutory provision that those with parental responsibility cannot override the competent refusal of a child—

Dr. Pugh: May I intervene simply to praise the work of YoungMinds and my sister-in-law, Kathryn Pugh, in particular? I would not want to be the only Front-Bench spokesperson not to do so tonight.

7.15 pm

Sandra Gidley: I thank my hon. Friend for declaring his interest, which he hinted at earlier.

Without amendment of the law, there will continue to be great uncertainty in this important area. It is an issue that affects relatively few children and young people, but for those whom it does affect it can have long-lasting effects on their lives. I hope that the Minister will explain how she will provide greater clarity for practitioners dealing with those sensitive issues.

Mrs. Moon: A significant number of changes have been made to the Bill, many of which will greatly improve mental health services, especially for young people. The initial criticism was that the Bill would not make enough changes, but no one could claim now that Ministers have not listened. Our debates in Committee have borne fruit and changes are being made, especially to age-appropriate services, settings and specialists for those under 18.

Some of the evidence that we heard, which hon. Members have described, was about the lack of education for young people, the difficulty in accessing family members and the anxiety and fear that they experienced on adult wards. Those points have been recognised and the changes that will be in place by 2010 will address all the issues.

Amendment No. 4 would ensure that services for 16 and 17-year-olds came into line with the services proposed for under-16s in new clause 4, so that those who do not request a review will get one annually rather than every three years, as at present. That seems only right. Life at 16 and 17 can be distressing. Young people of that age change fast, their emotions are changeable, difficult and contradictory. Physical changes and emotional turmoil can be extreme. It is also a time when people are trying to find their voices, put their own ideas and find their own competency. If we are to help young people of 16, 17 and 18 who are struggling to find mental stability and competency, it is only right that they have the opportunity to request a review every year, so that they can look again at their lives, the decisions they have made and the mental health troubles they are experiencing. Services can then be reviewed and their decisions challenged.

I welcome the Minister's generosity in saying that she will consider amendment No. 4, because it will give 16 and 17-year-olds access to the services in new clause 4. I hope that it will ensure that they will have the annual reviews necessary at that vulnerable time in their lives. As they enter adult life, they should still have the rights of a child to have their lives examined and questioned and their voices heard.

Ms Rosie Winterton: Will my hon. Friend clarify whether organisations such as YoungMinds and the children's commissioner would support us if we were to adopt her proposal?

Mrs. Moon: That was where I was going next.

YoungMinds and the children's commissioner—a children's commissioner service was first established in Wales, so yet again Wales has led the way—have welcomed the proposal. It is only right that justice is available for young people. YoungMinds strongly advocates the acceptance of amendment No. 4, which stands in my name and those of my fellow Committee members.

Mr. Charles Walker (Broxbourne) (Con): Thank you, Mr. Deputy Speaker, for calling me to speak in this good-natured debate. I assure you and the Minister that there will not be any strops from this Member of Parliament. There have been strops in the past, but he is in a very good mood and has had supper, so he is well balanced and his sugar levels are where they should be.

I welcomed the Minister's statement on new clause 4, which represents a great step forward, but I must express my concerns, although I will do so less eloquently than my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton). Adult wards are accommodating children, which suggests that there is a shortage of appropriate facilities in this country for young people with mental health problems. My hon. Friend said that people would rather go to appropriate facilities in Scotland than an adult mental health ward near their home. I hope that young people will not have to make such a choice and that appropriate facilities will be available near their homes. It is important that young people have their family and friends nearby at a difficult and traumatic time in their lives.

Will the Minister clarify where the resources will come from to fund the creation of additional suitable environments? She will be aware that Hertfordshire's mental health trust is having to make significant cuts to its budget to contribute towards addressing the PCT deficit. I hope that the money for the creation of appropriate facilities will not be taken from another part of the mental health budget through a process of robbing Peter to pay Paul. The money should be additional to that already in the system and overall budgets should expand to ensure that young people are given suitable accommodation so that we can make them well as quickly as possible and return them to their families and friends in good time.

Ms Rosie Winterton: I thank the hon. Member for East Worthing and Shoreham (Tim Loughton) for his support. He talked about perverse incentives, which have been mentioned before. We did not want the Bill to lead to people being turned away from treatment, which is why we have adopted our approach. I assure him that we will engage with YoungMinds and the children's commissioner. For the purpose of the debate, I will not use the title "11 Million" in case that gives the impression that we will consult 11 million people, given that that would probably be slightly beyond what we could achieve. I am sure that the Opposition will continue to hold us to account until 2010 and beyond.

Tim Loughton: We will be in government by then.

Ms Winterton: Obviously, there will still be a Labour Government.

I thank the Committee chaired by my hon. Friend the Member for Hendon (Mr. Dismore) for its interest in the Bill and its probing and detailed approach. I thank him for his comments about the way in which I have engaged with the Committee and for saying that he will not press new clause 8 to a Division, in recognition of the fact that the Government's position has moved.

The hon. Member for Romsey (Sandra Gidley) was ably assisted by the hon. Member for Southport (Dr. Pugh)—I am sure that his relatives will note the interest that he declared. I have tried to explain why

[Ms Rosie Winterton]

amendment No. 83, which was tabled by the hon. Member for Romsey, is unacceptable.

The hon. Lady called for greater clarity. As I said, we will examine the code. We will also continue to discuss with YoungMinds and the children's commissioner the way in which we develop consolidated CAMHS guidance for practitioners, which is her particular concern, so that we can bring together a lot of necessary information and existing guidance. I assure her that we will keep her informed, perhaps through the organisations on behalf of which she spoke. If she knows of other organisations with concerns outwith those that I have named, she might like to let me have that information so that I can ensure that officials liaise with them on the guidance.

The hon. Member for Broxbourne (Mr. Walker) raised the question of cost and talked about the importance of services near to home. In my opening remarks, I pointed out how we are examining the commissioning of services with the Care Services Improvement Partnership. If we can get proper commissioning and the performance management about which we have talked—perhaps we could ask the Healthcare Commission to examine this matter—we can ensure that services are as near to home as feasible and that people are aware of where beds are available.

We will give funding estimates, and we will ensure that the health service has the necessary funds available. Our estimates suggest that there will be overall capital costs of £10 million as well as ongoing revenue costs. We will work closely with the health service. As hon. Members will know, we have already made announcements about this matter.

My hon. Friend the Member for Bridgend (Mrs. Moon) was right that 16 and 17-year-olds—those affected by amendment No. 4, which she tabled—are at an extremely vulnerable time of their lives. I was struck by the fact that she said that YoungMinds and the children's commissioner were especially supportive of the amendment. I get the feeling that it is supported by hon. Members on both sides of the House, and we will certainly accept it. I congratulate her on introducing it.

Mrs. Moon: Should I withdraw the amendment?

Ms Winterton: No, my hon. Friend should not withdraw her amendment at this stage. The best thing would be to leave it in the hands of the House so that the Government can accept it.

I urge the House to support all the amendments that I have talked about, but to oppose amendment No. 83, which the hon. Member for Romsey tabled.

Question put and agreed to.

Clause read a Second time, and added to the Bill.

Clause 9

AMENDMENTS TO PART 2 OF THE 1983 ACT

7.30 pm

Mr. Dismore: I beg to move amendment No. 70, page 5, line 37, at end insert—

'(aa) in subsection (3)—

(i) after paragraph (a) insert—

"(aa) to arrange for the patient to be examined by the registered medical practitioner or chartered clinical psychologist who has been professionally concerned with the medical treatment of the patient; or if no such practitioner is available, a registered medical practitioner or chartered clinical psychologist who is an approved clinician; and,"

(ii) in paragraph (b), for "if it appears to him that the conditions set out in subsection (4) are satisfied, to" substitute "if the responsible clinician and the medical practitioner or chartered clinical psychologist (as the case may be) agree that the requirements of subsection (4) are satisfied, the responsible clinician shall"'.

Mr. Deputy Speaker: With this it will be convenient to discuss the following: amendment No. 93, page 5, line 37, at end insert—

'( ) In subsection (3), leave out from end of paragraph (b) to end of subsection and insert—

"(3A) Where a report under subsection (3) above is furnished in respect of a patient the managers shall arrange for an approved clinician who is a member of a different profession to that of the responsible clinician to examine the patient;

(3B) If it appears to him that the conditions set out in subsection (4) below are satisfied the approved clinician shall furnish to the managers of the hospital where the patient is detained a report to that effect in the prescribed form and where such a report is furnished in respect of a patient the managers shall, unless they discharge the patient, cause him to be informed."'.

Government amendments Nos. 6 to 9.

Amendment No. 73, in clause 13, page 9, line 38, at end insert—

'(3) In section 72 (powers of tribunals) after subsection (1) insert—

"(1A) In determining whether they are not satisfied that a patient is suffering from mental disorder of the requisite nature or degree for the purposes of subsections (1)(a)(i), (1)(b)(i), (1)(c)(i) or (4)(a) a tribunal must hear evidence from a registered medical practitioner approved for the purposes of section 12 of this Act or, in an appropriate case, from a chartered clinical psychologist."'.

Amendment No. 95, in clause 22, page 14, line 23, at end insert—

'(c) an approved clinician shall not make a report for the purposes of renewal of detention under section 20'.

Government amendments No. 13, 15, 35, 38, 40, 44, 47 and 48.

Mr. Dismore: My right hon. Friend the Minister of State has yet to convince us on the point with which our amendments deal, and a meeting of minds may not occur. However, I hope that she will be able to make further progress on convincing us when she responds to the amendments.

Amendments Nos. 70 and 73 in this group, and amendment No. 79 in the next, are designed to give effect to the recommendations of the Joint Committee on Human Rights in its fourth report at paragraph 26, and its 15th report at paragraphs 1.7 to 1.14. Our amendments would ensure that registered medical practitioners provide objective medical evidence of a mental disorder to justify detention and to cases before mental health tribunals. Our concern is that case law from the European Court of Human Rights—in particular, Winterwerp *v.* Netherlands and Varbanov *v.* Bulgaria—requires that objective medical evidence of a true mental disorder justifying detention should come from a medically qualified expert who has recognised

skills in psychiatric diagnosis and treatment. The Bill's current provisions do not require that.

A surprisingly broad range of professional groups will be eligible to provide objective medical evidence of mental disorder, including occupational therapists and social workers. All must demonstrate an extensive list of competences, but some of the competences are very broad indeed. In our 15th report at paragraph 1.13, we make the point that it is not specified how people will demonstrate that they have those competences. We state:

"The regulations say that the relevant authorities must have regard to references, but there seems to be no requirement for an examination."

The Committee points out that the approval process under section 12 of the 1983 Act that applies to doctors does not, in our view, work in relation to the competences, because many of the skills in question are medical skills, and occupational therapists and social workers do not already have the same baseline qualifications as doctors have.

Our report continues:

"Second, the competencies relating to assessment require first an ability to identify the presence or absence of mental disorder and its severity... One competency refers to the ability to undertake a 'broad mental health assessment and formulations (sic) incorporating biological, psychological, cultural and social perspectives.' Frequent use is made of the term 'broad'. The competencies require a 'broad understanding' of different mental health treatment approaches. It is questionable whether 'broad competencies'"

are sufficiently rigorous to

"meet the intention behind the Convention safeguard of objective medical expertise."

Our concern is that

"The European Court of Human Rights might well uphold a challenge based on *Winterwerp* and *Varbanov* in a specific case where, for example, detention was renewed on the basis of a report from an occupational therapist without evidence from a doctor that the patient continued to suffer from mental disorder of a nature or degree warranting confinement."

In her helpful letter in response to that report and the question how competences might be demonstrated, my right hon. Friend the Minister of State said that

"we will be working with stakeholders to determine the kinds of experience and training that would enable a professional to demonstrate the competencies."

In other words, the detail is yet to be worked out. I believe that she accepts that the competences are rather broad. It is interesting to see how the problem is described in a briefing produced on behalf of a range of organisations, including Unison, the Royal College of Nursing, occupational therapists and the British Psychological Society. Those organisations say that

"the responsible clinician role should be competency based"

but point out that

"Responsible clinicians will be extremely experienced members of staff"

who

"will have met strict criteria"

and who

"would have to pass several...thresholds"

and so on. In other words, in anticipation of the details being worked out, they make favourable assumptions, which I am sure my right hon. Friend will confirm. However, the detail is simply not there yet.

The reason that is important is set out in the briefing from Mind, which points out that we are talking about a person potentially losing their liberty

"for up to 12 months on the say of a single professional."

Mind emphasises that

"Renewing detention is no less important or difficult than the original decision to detain."

and says that

"At the very least there should be two suitably qualified professionals from different disciplines agreeing the detention."

Dr. Evan Harris (Oxford, West and Abingdon) (LD): As a member of the Joint Committee chaired by the hon. Gentleman, I have co-signed the amendment. I rise to assure him that, as someone who is clinically qualified, I think that he is on to a critical point. I am always in favour of extending doctors' roles to other professions, but in relation to a loss of liberty for a long period, it is necessary to have the assurance that competence has been adequately assessed.

Mr. Dismore: I am grateful to the hon. Gentleman, whose professional background has enabled him to play an important role in our consideration of the Bill.

The point made by Mind is repeated by the Mental Health Alliance, representing patients in this context. It states:

"The position under the 1983 Act, whereby a single doctor decides whether or not to renew a patient's detention for up to twelve months is unacceptable."

The Alliance believes reform is needed that would satisfy the following principles—at least two professional opinions should agree the detention, with those opinions coming from different disciplines, and at least one of them providing the 'objective medical expertise' required by human rights legislation."

When looking at renewal of detention, the British Medical Association also says that renewal should require opinions from

"two professionals, from different professional backgrounds, one of whom must be able to provide 'objective medical expertise'...as required under the European case-law".

In other words, the BMA makes the same point as the Joint Committee. The Royal College of Psychiatrists and the Royal Society reach similar conclusions in a briefing that they prepared on the Bill.

The Joint Committee is worried that, if the proposals in the Bill are passed as they stand—simply based on broad competences, without any of the detail fleshed out—the UK is at risk of falling foul of the European Court of Human Rights in cases where detention under the Mental Health Act has not been authorised by a properly qualified medical practitioner. That is a real risk. I know that there are other legal views, but the Joint Committee has a good track record in offering opinions on such matters. I suspect that our opinion is more likely to be correct than legal opinions produced by those who are perhaps not quite as objective and independent as the Committee, to justify a particular cause or pressure group's views.

I hope that my right hon. Friend the Minister of State will provide more detail of what is going on in relation to competences. If she does, we might yet achieve the meeting of minds that has eluded us thus far.

Ms Rosie Winterton: I ask the House to support Government amendments Nos. 6 to 9, 35, 38, 40, 44, 47 and 48, which deal with some small inconsistencies in parts 4 and 4A of the Mental Health Act 1983 that would otherwise result from the introduction of the role of the approved and responsible clinician.

Let me set out the background to why we believe that the responsible clinician role that we have set out in the Bill is extremely important. We spent some 10 years considering how to expand the team that takes care of people who have mental health problems. We have considered a multidisciplinary approach and giving new roles and responsibilities to others in the team, and we want to put that into practice by introducing the role of the responsible clinician. Some fears have been expressed about the introduction of that new role, because people wonder whether they will be experienced enough to take on new responsibilities. I appreciate the work that my hon. Friend the Member for Hendon (Mr. Dismore) has put into this issue. Perhaps we can give some reassurance by giving his Committee more information on the competences that we expect people who take on the role of responsible clinician to have. In those cases, we are talking about experienced psychiatric nurses, who may be nurse consultants, and about clinical psychologists. They have had years of training to get to the positions that they occupy. Beyond that, we are talking about new competences that we will discuss with the professions and others to make sure that when people get that new responsibility, they are perfectly able to deal with the medical issues that come before them.

The other issue that has arisen is whether what is known as the Winterwerp judgment dictated that medical expertise could be provided only by a doctor. I understand that there is an independent Queen's counsel report from the Royal College of Psychologists on that judgment, and it has shown that medical expertise does not always have to be provided by a doctor. We are talking about others in the team, trained to a very high standard, who would be able to give medical expertise to patients who have been under their care for a long time. As my hon. Friend the Member for Hendon may know, 85 per cent. of those who work in mental health services have broken away from the Mental Health Alliance because they are very concerned. They include members of Unison and Amicus, the Royal College of Nursing, and the British Psychological Society, and occupational therapists, who all feel strongly that to undermine the role of the responsible clinician by accepting amendments that would limit that role is not an acceptable way forward.

Tim Loughton: I hear the point that the Minister makes; it was inevitable that she would make it. The five groups that she mentioned broke away from the alliance on a specific point. Does she accept that many members of the Royal College of Psychiatrists and the British Medical Association feel that the Government's stance could undermine the position of psychiatrists and their highly trained, highly skilled role? However, our amendments in no way try to undermine the role of other vital professionals involved in multi-agency working, so it is not an either/or situation.

Ms Winterton: I certainly accept that some psychiatrists are worried about other people taking on the responsibilities that we have defined. I also accept that the hon. Gentleman has moved some way from his previous position, but his amendment No. 93 makes it very likely that a person who does not even know the patient could override the decision of the patient's responsible clinician. The vast majority of approved clinicians will be psychiatrists, at least initially. Under his amendment, it would probably be necessary to go outside the team, or even the hospital, to find an approved clinician who belonged to a different profession from the responsible clinician. That may not be the intention of his amendment, but it is certainly a result of it.

Amendment No. 73, tabled by my hon. Friend the Member for Hendon, is unnecessary because the tribunal is an independent judicial body that can seek evidence from whomever it chooses. Amendments Nos. 70 and 73 assume that only a doctor or a clinical psychologist can provide objective medical expertise, but I assure my hon. Friend that the statutory competence requirements will ensure that all responsible clinicians can provide objective medical expertise. Again, amendment No. 70 would allow a doctor or clinical psychologist who might not even know the patient to override the decision of the responsible clinician. We do not think that that is a desirable approach. It could lead to inappropriate discharge, which I am sure is not what my hon. Friend would want, and that would put the patient, their family or even the general public at risk.

I hope that my hon. Friend will withdraw his amendment, and I hope that the Opposition will withdraw theirs, but I also hope that my hon. Friend and the Opposition will continue to work with us, and that we will be able to convince them on the subject of competences, which will ensure very high standards, in terms of the responsibilities that we want to give to the responsible clinician.

7.45 pm

Mr. Dismore: I listened to what my right hon. Friend said, and in particular to her undertaking to give us rather more detail on competences. If that detail includes how those competences will be assessed, I do not propose—

It being three and a half hours after commencement of proceedings on the programme motion, MR. DEPUTY SPEAKER, *put forthwith the Question already proposed from the Chair, pursuant to Order [this day].*

Amendment negatived.

MR. DEPUTY SPEAKER *then proceeded to put forthwith the Questions necessary for the disposal of the business to be concluded at that hour.*

Clause 12

AMENDMENTS TO PART 4 OF 1983 ACT

Amendments made: No. 6, in page 8, line 33, before 'person', insert

'responsible clinician (if there is one) or the'.

No. 7, in page 8, line 35, leave out from '(3),' to end of line 37 and insert

'for the words from "; and of those persons" to the end substitute "but, of those persons—

(a) one shall be a nurse and the other shall be neither a nurse nor a registered medical practitioner; and

(b) neither shall be the responsible clinician (if there is one) or the person in charge of the treatment in question.'".

No. 8, in page 8, line 44, before 'approved', insert 'responsible clinician or the'.

No. 9, in page 9, line 1, leave out from '(4),' to end of line 3 and insert

'for the words from ", and of those persons" to the end substitute "but, of those persons—

(a) one shall be a nurse and the other shall be neither a nurse nor a registered medical practitioner; and

(b) neither shall be the responsible clinician or the approved clinician in charge of the treatment in question."'.—*[Ms Rosie Winterton.]*

Clause 27

ELECTRO-CONVULSIVE THERAPY, ETC.

Amendments made: No. 13, in page 17, line 32, after 'being', insert

'the responsible clinician (if there is one) or'.

No. 15, in page 18, line 4, leave out from 'treatment' to end of line 7 and insert 'but, of those persons—

(a) one shall be a nurse and the other shall be neither a nurse nor a registered medical practitioner; and

(b) neither shall be the responsible clinician (if there is one) or the approved clinician in charge of the treatment in question.'.—*[Ms Rosie Winterton.]*

Clause 32

AUTHORITY TO TREAT

Amendments made: No. 35, in page 27, line 19, leave out 'approved clinician' and insert 'responsible clinician or the person'.

No. 38, in page 28, line 7, leave out 'approved clinician in charge of the treatment' and insert 'person in charge of the treatment and an approved clinician'.

No. 40, in page 29, line 24, leave out 'approved clinician in charge of the treatment' and insert 'person in charge of the treatment and an approved clinician'.

No. 44, in page 30, line 21, after 'clinician', insert 'or the person in charge of the treatment in question'.

No. 47, in page 30, line 34, leave out 'approved clinician' and insert 'person'.

No. 48, in page 30, line 38, leave out 'approved clinician' and insert 'person'.—*[Ms Rosie Winterton.]*

Clause 34

REFERENCES

Amendment made: No. 4, in page 33, line 44, leave out '16' and insert '18'.—*[Mrs. Moon.]*

New Clause 13

AUTHORITY TO TREAT COMMUNITY PATIENTS

'(1) The 1983 Act is amended as follows.

(2) In section 58(3), after first "patient", insert "who is liable to be detained under this Act".

(3) After section 58 of the 1983 Act, insert—

"58A Consent to treatment of community patients

(1) Subject to section 62A below, a community patient who has not been recalled to hospital shall not be given any form of treatment to which this section applies unless—

(a) he has consented to that treatment and either the approved clinician in charge of that treatment or a registered medical practitioner appointed for the purposes of this Part of this Act has certified in writing that the patient is capable of understanding its nature, purpose and likely effect and has consented to it; or

(b) a registered medical practitioner appointed as aforesaid (not being the approved clinician in charge of the treatment in question) has certified in writing that—

(i) the patient is not capable of understanding the nature, purpose or likely effects of that treatment; and

(ii) he has either no reason to believe that the patient objects to being given the treatment, or he does have reason to believe that patient so objects, but it is not necessary to use force against the patient in order to give the treatment; and

(iii) he is satisfied that the treatment does not conflict with a valid and applicable advance decision, or a decision made by a donee or deputy or the Court of Protection; and

(iv) it is appropriate for the treatment to be given.

(2) Where a patient who has been liable to detention under this Act has been administered medication for mental disorder to which this section applies for less than three months prior to becoming a community patient, the period mentioned in section 58(1)(b) above shall be read to extend for no longer than one month beginning with the day on which the community treatment order is made.

(3) The Secretary of State may by order vary the length of the period mentioned in subsection (2).

(4) Certification under subsection (1)(b) above may take place whilst a patient remains liable to be detained, but will not come into force until the responsible clinician discharges the patient from detention in hospital under the terms of section 17A(1) above.

(5) Before giving a certificate under section 58(3A)(b) above the registered medical practitioner shall consult two other persons, who have been professionally concerned with the patient's treatment, but of those persons—

(a) at least one shall be a person who is not a registered medical practitioner; and

(b) neither shall be the patient's responsible clinician or the approved clinician in charge of the treatment in question.

(6) In section 61(1), leave out "or "58(3)(b)" " and insert "58(3)(b), or 58A(1)(b)".

(7) In section 61(1)(a) after "20(3)", insert "20A(4)".

(8) In section 61(3) for "responsible medical officer" substitute "approved clinician in charge of the treatment in questions".

(9) In section 61(3), leave out "or "58(3)(b)" " and insert "58(3)(b), or 58A(1)(b)" ".

(4) After section 62(2) insert—

"(2A) Section 62A below shall not preclude the continuation of any treatment or of treatment under any plan pending compliance with section 58 above where a community patient is recalled to hospital or a community treatment order is revoked and

(a) the patient is capable of understanding the nature, purpose and likely effect of that treatment and has consented to it; or

(b) the patient is not capable of understanding its nature, purpose and likely effect of that treatment, but it is not necessary to restrain the patient in order to give the treatment.".

(5) After section 62 (Urgent Treatment) insert—

'62A Treatment on recall of community patient or revocation or order

(1) This section applies where—

(a) a community patient is recalled to hospital under section 17E above; or

(b) a patient is liable to be detained under this Act following the revocation of a community treatment order under section 17F above in respect of him.

(2) Subject to section 62 above, a patient to whom this section applies shall not be given any form of treatment to which section 58 applies without its certification under section 58(3)(c) following that recall or revocation.'.

(6) In section 64 (supplementary provisions for Part IV), after subsection (2) insert—

"(3) In this Part of this Act, references to 'not capable of understanding the nature, purpose and likely effects of treatment' are to be read in accordance with the test established at section 3 of the Mental Capacity Act 2005 (c. 9).

(4) References to a donee are to a donee of a lasting power of attorney (within the meaning a section 9 of the Mental Capacity Act 2005) created by a the patient, where the donee is acting within the scope of his authority and in accordance with that Act.

(5) References to a deputy are to a deputy appointed for the patient by the Court of Protection under section 16 of the Mental Capacity Act 2005, where the deputy is acting within the scope of this authority and in accordance with that Act.

(6) Reference to the responsible clinician shall be construed as a reference to the responsible clinician within the meaning of Part 2 of this Act.

(7) For the purpose of this section, a person restrains the patient if he—

(a) uses, or threatens to use, force to require the doing of an act which the patient resists, or

(b) restricts the patients liberty of movement, whether or not the patient resists.

(8) References to a hospital include a registered establishment.".

(7) In section 119 (practitioners approved for Part 4 and section 118)—

(a) in subsection (2)(a) for "in a registered establishment" substitute "hospital or registered establishment or any community patient in a hospital or establishment of any description or (if access is granted) other place",

(b) in subsection (2)(b), leave out "in that home" and insert "there",

(c) after subsection (2) insert—

"(3) In this section 'establishment of any description' shall be construed in accordance with section 4(8) of the Care Standards Act 2000.".'.—*[Angela Browning.]*

Brought up, and read the First time.

Angela Browning: I beg to move, That the clause be read a Second time.

Mr. Deputy Speaker: With this it will be convenient to discuss the following:

New clause 14—*Authority to treat community patients (Mental Capacity Act)*—

'(1) The Mental Capacity Act 2005 (c. 9), is amended as follows.

(2) In section 28 (Mental Health Act matters) after subsection (1) insert "(1A) Section 5 does not apply to an act to which section 58A of the Mental Health Act 2007 (c) applies.".'.

Amendment No. 89, in clause 29, page 19, line 24, at end insert—

'(c) the following persons have been consulted about the making of the order under section 17A and the conditions to which the patient is subject specified under 17B—

(i) the patient;

(ii) the nearest relative of the patient;

(iii) any carer who the responsible clinician believes will play a substantial part in the care of the patient after he leaves hospital; and

(iv) any person with parental responsibility; and

the responsible clinician has taken into account any views expressed by the person concerned.

(d) in this section "parental responsibility" has the same meaning as in the Children Act 1989 (c. 41).'.

Amendment No. 101, in page 19, line 24, at end insert—

'(c) after subsection (3) insert—

"(4) Subsections (1)(b), (c) and (d) above shall not apply if the treatment is electro-convulsive therapy.".'.

Amendment No. 96, in page 19, line 27, leave out paragraphs (b) to (d) and insert—

'(b) if the patient is not under Part III of the Act, (a patient concerned in criminal proceedings or under sentence), the patient's ability to make decisions about the provision of medical treatment is significantly impaired because of his mental disorder;

(c) it is necessary for—

(i) the protection of others from serious harm, or

(ii) the protection of the patient from suicide or serious harm to himself that he should receive treatment for his mental disorder;

(d) subject to his being liable to be recalled to hospital for medical treatment such treatment can be provided without his continuing to be detained in a hospital;

(e) the patient has on at least one occasion within five years previous to the present admission under section 3 refused to accept medical treatment for mental disorder;

(i) when appropriate medical treatment has been refused there has been a significant relapse in his mental or physical condition justifying compulsory admission to hospital; (whether or not there has been such an admission); and

(ii) medical treatment was then provided to him which alleviated or prevented a worsening of his condition, its symptoms or other manifestations of his condition.

(f) it is necessary for the protection of others from serious harm, or the protection of the patient from suicide or serious harm to himself, that he should be liable to be recalled to hospital for medical treatment; and".'.

Amendment No. 84, in page 19, line 37, at end insert—

'( ) The following persons have been consulted about the making of a community treatment order:

(i) the patient;

(ii) any person with parental responsibility;

(iii) any person who the responsible clinician believes will play a substantial part in the care of the patient after he leaves hospital but will not be professionally concerned with the after-care services to be provided to him; and

(iv) (where practicable) the person (if any) appearing to be the nearest relative of the patient.

and the responsible clinician has taken into account any views expressed by the persons consulted.'.

Amendment No. 85, in page 20, line 9, at end insert—

'"parental responsibility" has the same meaning as in the Children Act 1989.'.

Government amendments Nos. 22 and 23.

Amendment No. 103, in page 20, line 33, at end insert—

'(8) A community patient or his nearest relative may make an application to the Mental Health Review Tribunal to vary or suspend any or all of the conditions imposed under subsection (3)(a), (aa), (c) and (d) above within the relevant period or if substantial variations have been made by the responsible clinician under subsection (4) above.

(9) In subsection 8 above "the relevant period" means—

(i) six months beginning with the day on which the community treatment order is made; and

(ii) the period or periods for which the community treatment period is extended by virtue of the report.

(10) Where application is made to a Mental Health Review Tribunal by or in respect of a community patient under subsection (8) above the tribunal—

(i) may recommend that the responsible clinician consider whether to vary or suspend any or all of the conditions imposed under subsections 3(a), (aa), (c) and (d) above; and

(ii) may further consider the patient's case if the responsible clinician does not make all or some of the changes recommended.

(11) Nothing in this section restricts the power to make applications to tribunals under section 66'.

Government amendment No. 24.

Amendment No. 87, in page 23, line 14, at end insert 'for a maximum of three years in total.'.

Amendment No. 100, in page 24, line 15, leave out clause 30.

Amendment No. 92, in page 26, line 10, leave out clause 32.

Amendment No. 97, in clause 32, page 29, line 2, leave out 'or 64G'.

Amendment No. 99, in page 29, line 19, clause 32, leave out from 'treatment' to end of line 22.

Amendment No. 74, in page 29, line 25, at end insert—

'(6) The fifth condition is that giving the treatment does not conflict with a refusal made on the patient's behalf by a person with parental responsibility in relation to that patient.'.

Amendment No. 86, in page 29, line 25, clause 32, at end insert—

'(6) The fifth condition is that a person with parental responsibility for the patient consents to the provision of such treatment.

(7) In this section "parental responsibility" has the same meaning as in the Children Act 1989 (c. 41).'.

Amendment No. 98, in page 29, line 28, leave out 'or 64E(6)(b)'.

Amendment No. 75, in page 31, line 16, at end insert—

'(2A) References to a patient who lacks competence are to a patient under the age of 16 years who lacks the maturity and understanding to be able to understand and retain, or to weigh in the balance, information relevant to the treatment decision, or to a patient under the age of 16 years who lacks the ability to communicate a decision by any means.'.

Amendment No. 76, in page 31, line 17, leave out 'accordingly' and insert

'in accordance with subsection (2).'.

Amendment No. 77, in page 31, line 17, at end insert—

'(3A) References to a patient who has competence are to be read in accordance with subsection (2A).'.

Amendment No. 78, in page 31, line 30, at end insert—

'(9) References to a person with parental responsibility are to a person with parental responsibility within the meaning of sections 2 to 4A of the Children Act 1989.'.

Amendment No. 79, in schedule 3, page 63, line 27, at end insert—

'(2A) After subsection (2) of section 72 insert—

"(2A) The tribunal may remove or vary any condition as to behaviour imposed on a community patient."'.

Amendment No. 90, in page 63, line 27, at end insert—

'(d) Where application is made to the tribunal by or in respect of a community patient and the tribunal does not direct that the patient be discharged, the tribunal—

(i) may recommend that the responsible clinician consider whether to vary or suspend any or all of the conditions imposed under subsections (3)(a), (aa), (c) and (d) above; and

(ii) may further consider the patient's case if the responsible clinician does not make all or some of the changes recommended.'.

Angela Browning: I should particularly like to speak to new clause 13, but I shall also discuss new clause 14 and amendments Nos. 96, 92 and 98, which basically address the question of consent to treatment, particularly on the part of community patients. New clause 13 would provide simpler but safer provision for community patients who are not recalled to hospital, particularly when it comes to providing for a second opinion authorising doctor to examine a community patient in the same set of circumstances as a patient who is detained. In other words, we would like parity, because there are clear parallels between the two sets of patients. New clause 14 seeks a second opinion in respect of those who may be covered by the Mental Capacity Act 2005, but who none the less require treatment. The effect of the amendments is to require a SOAD to examine a community patient. The question is one of considering what happens to patients who are detained in a hospital, and of trying to implement legislation that will give parity to those outside hospital—and, in the context of this group of amendments, to those who are on community treatment orders.

At the moment, under section 58 of the Mental Health Act 1983, a detained in-patient who has already been on medication for three months—we have had some discussion about whether the period should be three months—faces one of two situations. If the patient has capacity to consent to the medication, and does consent, as confirmed by the responsible clinician, the responsible clinician specifies the medication on statutory form 2. If patients lack capacity to consent to medication or if they retain capacity but refuse it while they are in-patients, the responsible clinician must require a SOAD. The SOAD reads the patient's medical records, examines them, interviews a nurse and another professional who is neither a doctor nor nurse but is involved with the patient's care, discusses the case with the responsible clinician, then authorises what medication may be given, including details about whether or not it may be given by injection or only by mouth, assuming that an injectable form of medication is made. Details are given on the statutory certificate

[Angela Browning]

issued by the SOAD, so there is careful clinical assessment by someone with a specific medical background.

The SOAD assesses the patient's mental state, decides if they retain capacity, listens to their objections, if any, to any of the medication, takes note of the patient's history and response to medication, including adverse effects, notes the patient's physical health—something that we have discussed a great deal in our debates on the legislation—and explores, particularly with the other professionals, whether there are other non-medication interventions that are more appropriate or whether there is a reasonable alternative. All patients on a community treatment order, after the relevant time of three or four months, see a SOAD, who undertakes the same assessments, examinations and interviews as those for in-patients, but because the patient agrees to the treatment, it is self-evident that the SOAD cannot explore the reason why the patient is refusing and whether that is reasonable. The SOAD will issue a certificate authorising both the medication that can be given only with the patient's capacitous consent and medication that can be given should the patient lose capacity or refuse the original medication in future. We raised that problem in Committee. The Minister rejected our proposal, but there was quite of a lot of discussion of the need to write the certificate and what might follow under a certain set of circumstances several weeks or even months down the track.

The SOAD must issue the certificate, despite having no knowledge, nor being able to assess why, for example, the patient has suddenly become incapacitous or, while retaining capacity, has decided to refuse medication that they previously accepted. One must assume that patients on a community treatment order, as opposed to those who remain, or are detained as, in-patients, at the point at which the CTO is discussed, will agree to the treatment and suggested programme of intervention, which would be conditional on their having a CTO. All too often, however, things go wrong, so when something significant changes it is important to have a professional judgment by a clinician that is based on the facts, and that is what is at the heart of our proposals.

The new clause gives CTO patients exactly the same rights and safeguards as patients detained in hospital. Patients who are capacitous and consenting would have their treatment authorised by the responsible clinician. Patients who lack capacity, or who refuse treatment, would have the safeguard of the requirement for a SOAD authorisation based on an examination and assessments at the time the decision needed to be made, not based on a piece of certification ordered previously, which could be many months out of date. Safeguards for necessary and emergency treatments are included by amending section 62 of the Mental Health Act 1983 to ensure that patients do not suffer as a result of having to wait for a SOAD assessment. The Minister should consider that seriously. In Committee, we did not have enough time to go into the disparity between the appropriate treatment for in-patients compared with the treatment for people on a CTO. The CTO is proposed as an alternative for patients who hitherto would have been considered for in-patient treatment, so it is right that there should be parity in the way in which their conditions are clinically addressed, particularly after a significant change of circumstances or after a given period after the CTO is made, and there is a need for reassessment by a clinician. I therefore hope that the Minister will look favourably at the proposal, as she often does when such cases are put to her, perhaps with a little more detail and time than we had in Committee. She has generously tabled amendments on Report—not, I accept, across the board, and I would have preferred many more to be tabled—on issues where she believes that fairness and parity should prevail for patients, as they should be treated equitably. That is what is at the heart of our proposals in this group of amendments.

Mr. Dismore: I have tabled amendment No. 74, and amendments Nos. 75 to 78, which relate to child patients in the community. I have also tabled amendment No. 79, which deals with appeal rights. The amendments seek to give effect to paragraphs 1.18 to 1.25 in the recommendations of the 15th report by the Joint Committee on Human Rights. Clause 32 governs the treatment of CTO patients in the community, without recalling the person to hospital. The basic principle is that a patient with capacity, or competence in the case of a child under 16, may be given treatment in the form of medicine for mental disorder only if they consent and if there is a certificate authorising the treatment from a SOAD. If the patient is capable but refuses treatment, that treatment may only be given without consent by recalling the person to hospital.

The JCHR received evidence from the Children's Commissioner for England and from the Royal College of Psychiatrists expressing concern about the provisions of clause 32 and their potential impact on child community patients. The principal broad criticisms were that the provisions provide insufficient safeguards in relation to treatment without consent, that they are complex, cumbersome and confusing, and that there is insufficient guidance in the draft code on how they are intended to work. More specifically, a child patient may be given medicine for mental disorder without consent in the community if they lack "competence". The same applies to an adult patient if they lack "capacity". The Bill specifically provides that decisions about capacity are to be made in accordance with the test in the Mental Capacity Act 2005, but there is no guidance as to how the competence of a child community patient is to be determined.

Adult patients have greater protection in relation to non-emergency treatment than children, as the treatment of an adult must not conflict with an advance decision which the person giving the treatment is satisfied is valid and applicable. Equally, for adults, but not for children, the treatment may not be given if it conflicts with a decision of a donee, of a deputy, or of the Court of Protection. The Children's Commissioner and the Royal College of Psychiatrists argue that that should be addressed by giving those with parental responsibility the right to be consulted over the treatment of a child who lacks competence. The European Court of Human Rights, in the case of Glass v. the United Kingdom, recognised the rights of the mother of an incapacitated child patient as his treatment proxy when he lacked competence. The

JCHR therefore recommends that provision should be made for the involvement of those with parental rights in decision making about the community treatment of child patients who lack competence. It recommends that individuals with parental rights should have the same rights as donees with lasting powers of attorney or deputies to refuse non-emergency treatment on behalf of an incompetent child patient.

The children's commissioner and the Royal College of Psychiatrists have expressed deep concern, too, about the power forcibly to treat children and young people in the community when they actively resist treatment. They insist that guidance on the circumstances in which emergency treatment and the use of force are authorised should be clarified, and they say that further guidance is essential. We share those concerns. Treatment given without consent engages article 8 of the European convention on human rights, especially if there is an objection, and in order for such interferences to be in accordance with law, a person's position should be more clearly ascertainable than is currently the case, given the lack of specific guidance on competence.

8 pm

Again, my right hon. Friend the Minister helpfully wrote to the Committee about the matter, but I am a little concerned about her approach. The position that the Government seem to be adopting, as set out in paragraph 26 of her letter, is that the effect of allowing a parent to refuse treatment would be to veto community treatment for that child, which may not be in the child's best interests, but she goes on to say that without the co-operation of the parent, supervised community treatment will not work. The Government seem to want to have their cake and eat it, saying that the parent should not have rights in these circumstances, yet expecting them to co-operate.

Without parental co-operation, it is unlikely that a treatment order in the community would be made in the first place. There is some inconsistency in the Government's position on the matter. When she replies to the debate, perhaps my right hon. Friend will give us more information about why she thinks parents should not be involved in the decision making about community treatment for their children.

Amendment No. 79 relates to paragraphs 52 to 56 of our fourth report. A patient subject to a community treatment order can appeal to a mental health review tribunal against the order as a whole, but not against specific conditions of the order. We think that that risks interference with articles 5, 8 and 13 of the European convention. The Government's response was that the need to obtain the agreement of an authorised medical health professional as to the making of the CTO and as to the nature of the conditions to be imposed provides protection against arbitrariness. We do not think that that offers much of a safeguard. Will my right hon. Friend be more specific?

The Mental Health Alliance supports the amendment because of the need for better safeguards against unreasonable conditions. It states that despite the Government's amendment, CTOs give clinicians wide powers to impose conditions on patients' behaviour and lifestyle—for example, that the patient should live in a certain institution, should be subject to curfew and should not engage in specified conduct.

The MHA says, and I agree, that it is important that any conditions are reasonable and that the patient has the power to challenge any requirements that are unreasonable. It makes the valid point that the responsible clinician and the approved mental health professional may not have met the patient before their crisis, and may not have in-depth knowledge about the patient's home life or the needs of their carers. That could lead to assumptions about the patient and unreasonable expectations of their carers as to supervision of the patient, transportation for treatment, police conditions and even housing for the patient.

The Mental Health Alliance gives a series of examples of conditions that could be unreasonable. A person could be required to live in a certain place where they might experience abuse or stigmatisation from neighbours. A person under a curfew might find that too restrictive if they find a job requiring them to work after specified curfew time. Although the supervising clinician may be sympathetic, the right to challenge such restrictions would hinge upon the good will of the clinician. That goes to the heart of the European convention. I hope my right hon. Friend will read our report on the matter in detail. It is not good enough to be able to challenge the order as a whole. It should be possible to challenge the conditions if they are specifically unreasonable. I urge her to consider the human rights implications of not providing such a right of appeal.

Dr. Richard Taylor (Wyre Forest) (Ind): I shall speak briefly to amendment No. 89, in my name and that of the hon. Member for Birmingham, Selly Oak (Lynne Jones). It is similar to amendment No. 84, except in its positioning. It seeks to address what I still believe is a gap in the Bill—a gap in the details of consultation with patient, family and carers before a community treatment order is made.

I have read the *Official Report* of the Public Bill Committee and I know that attempts were made in Committee to plug the gap, but that was felt to be unnecessary. I agree with some of the Minister's comments and question others. She said at column 328:

> "I believe firmly that, without proper consultation, supervised community treatment will not work".—[*Official Report, Mental Health Public Bill Committee*, 10 May 2007; c. 328-29.]

She also agreed that consultation with nearest relatives and carers is important. I agree with her about that, but she went on to say that that should not be prescriptive, but part of routine good practice integral to the operation of the Act.

Again, I agree with the Minister, but that would be in an ideal world. I fear that we are not living in such a world. She and the House are no doubt aware of the recent Healthcare Commission in-patient survey carried out by the Picker Institute. Several questions were asked about communication between staff, patients and the families. It was an extremely large survey—140,000 patients in acute hospitals, not mental health settings—and there was a 59 per cent. response rate, which is incredibly high.

Question 36 put to that large number of in-patients was:

> "Were you involved as much as you wanted to be in decisions about your care and treatment?"

[Dr. Richard Taylor]

On average across England for acute hospitals, 11 per cent. said that they were not involved. Question 38 was:

"If your family or someone else close to you wanted to talk to a doctor did they have enough opportunity to do so?"

The average across the country, 16 per cent., said no, they did not have sufficient opportunity. That was brought to my attention in my local paper because one of my local hospitals was one of the worst, with 25 per cent. saying that they were not given that opportunity.

Those were acute hospitals, where good communication is surely paramount. Poor communication, as many of us hon. Members know, is one of the commonest causes of complaints to us. Good communication is vital, especially when it involves curtailment of liberty or freedom of choice among mental health patients. I would like to have seen provisions like those in the amendment written into the Bill. Consultation cannot be left to routine good practice.

An attempt is made to address the gap in schedule 3 on page 65, but that gives a duty only to managers and it is a duty to inform, not to consult or discuss. Will the Minister deal with the matter in her remarks? The duty of clinicians—doctors and nurses—is to inform and explain things to their patients. Without that being written into the Bill, a large gap is left.

Meg Hillier: I shall speak broadly in favour of the Government position and against the amendments tabled by the hon. Member for Tiverton and Honiton (Angela Browning) and her allies, largely because I have been going out and talking to people in Hackney—practitioners, users and residents who live alongside mental health patients in the community who are not always receiving the treatment that they need. I mentioned that on Second Reading and subsequently, but it has not been voiced enough in the debate. Some of those patients will be bounced back into hospital because their needs are severe. Some do not necessarily need to be in hospital, but they need an element of compulsion to deliver their treatment.

I am not blindly following the Minister's lead on the matter. I have come to my own conclusion that treatment on the basis of need should be what drives our treatment of people in need of mental health services. That principle pervades the national health service in other areas. The difficulty with mental health is that not everyone can identify their needs, and even if they can, they are sometimes unable, for various reasons, to adhere to treatment voluntarily.

I have spoken to users about this on a couple of occasions. I heard mixed views from them, but they did not rule out compulsory community treatment orders completely. Some said that they would rather have one as an alternative to hospital treatment because it would allow them to continue their family life and their work. Moreover, crucially, it is less stigmatising than removal to hospital, whereby someone is suddenly taken away from their home environment and family, and perhaps away from their workplace if they are able to hold down a job, for a period of time. That identifies them as a mental health patient, whereas in other circumstances they could say that they were in hospital for an operation, without having to go into specifics.

There was a common and clear view from the mental health service users to whom I spoke, thanks to Hackney Mind and its user group, that compulsion was entirely acceptable if the behaviour of somebody with a mental health problem led to police involvement. That was a universal view, admittedly not from a scientifically representative group of people, but from a group of mental health service users to whom I spoke in preparation for the Committee stage of the Bill. Interestingly—I hope that the Minister has heard this from users too—they were more concerned about consistency, quality and communications in relation to community care in general. The compulsion element was obviously part of our debate, but it was mainly about the quality of community services. If we are to have CTOs, we should also have better community services alongside them, so that someone does not have to have a CTO in order to get the services that they need, but can pick up services in the community as well.

Angela Browning: Does the hon. Lady agree that if people are in the community under CTOs, there should be some parity with the level of service given to in-patients in hospitals? At a recent meeting in my constituency, when I asked 19 immediate carers of mental health patients whether they had ever seen the care plan for the person they looked after, only two of them had ever seen it, let alone been consulted about it.

Meg Hillier: I agree that everybody should be able to see their care plan and have some input into it. Perhaps there are some gaps in services. Certainly the crisis team that I spoke to in Hackney, which includes medical professionals and social workers, does a very good job in intervening at the stage of pre-admission to hospital. I applaud the work done by them, by my local mental health trust and by Mind locally in giving users a voice, but that process is sometimes underdeveloped because there is not a great deal of funding for it. However, much as I would love to have endless discussions about types of treatment and services—issues that are vital to my constituents—this measure is about the narrow area of compulsion and treatment. That must be properly resourced and organised if it is to deliver what is required.

One of the consultants in my area highlighted the part of the Mental Health Act 1983 that deals with requiring treatment "in hospital" for a mental health condition. As he rightly pointed out, adaptations through case history over the years since then mean that a patient does not need to be in hospital day and night. If one replaced the words "in hospital" with, say, "requires treatment", one would in effect allow for CTOs under current case law—and professionals have told me that in many cases they are already, in effect, in operation, in Hackney and elsewhere.

Under section 3 of the 1983 Act, extended leave after six months in hospital allows for treatment that could mean that someone goes back into hospital if they do not adhere to it. Under section 2, detention for 28 days is allowed, as well as special orders for people who have committed crimes and are released because it was an episodic crime. Section 41 deals with court restriction orders, whereby the person has to report to a psychiatrist every three months. That is far more

restrictive than a CTO—although it does deal with far more severe cases. It can outline where someone lives, who they see and when to take medicine. I would be concerned if some of those matters were covered by CTOs. The Home Office enforces those restriction orders, and usually people placed under them have been in Broadmoor before the order was applied.

Having spoken to a number of professionals, and from what I have heard in the House and, in Committee, I would guess that the Royal College of Psychiatrists is split about 50:50 on this. It is perhaps not surprising that its younger members and city-based psychiatrists tend to be more in favour of CTOs. Unfortunately, in constituencies such as mine we have a far higher incidence of mental health problems than we should, but we need to ensure that we are dealing with the situation in the most appropriate way. The same local psychiatrist whom I quoted earlier said:

"The idea that this upsets the relationship between patient and psychiatrist is more theoretical than happening in real life."

He deals with people on restriction orders and all the other types of leave of absence that I mentioned, and believes that instead of admission, a patient's relationship with their practitioner can be beneficial. The Royal College of Nursing, among others, is in favour of CTOs as long as they are administered properly.

8.15 pm

An important issue about staff was raised in an earlier debate. It is important that in using CTOs staff are not asked to do something in someone's home that would put them at risk. We have to get the balance right. It is sometimes more appropriate for somebody to be readmitted to hospital, but it is often better for them to be in the community. However, it is not fair on people in the community who are living with somebody who is not taking their treatment to have to put up with such difficulties when they know, perhaps better than the patient themselves, that something needs to be done that may not be being picked up by the crisis teams.

Another local consultant described sectioning as an act of kindness, and said that it was bizarre to restrict it to hospital. I have come to that conclusion myself. I hope that the hon. Member for Wyre Forest (Dr. Taylor) is reassured by the amendment to which Members agreed earlier, which gives patients going through compulsory sectioning the right to an advocate to argue their case. I hope that some of the points that he raised will be addressed by that, although I have a lot of sympathy with the views that he expressed.

I am in favour of this because of the work that I have done, which shows me that we are only regularising what currently happens anyway. In some cases, we will provide normalcy for patients, beyond mental health issues, so that they can carry on with their normal lives. By happily agreeing to the advocacy amendment—I am delighted that the Government introduced that—we can put in safeguards to ensure that patients in any sort of compulsory treatment, be it in hospital or in the community, have somebody to help them to argue their case for them. That is vital, and makes this a much better measure.

The Bill does not solve all the issues that I, like my constituents—be they users, professionals or residents—think important, but it goes some way towards tackling them.

Dr. Pugh: The hon. Lady has mentioned the problem of patients who lack insight and do not go for voluntary treatment. Not all those people will be subject to CTOs under any regime. Does she recognise that that remains a big outstanding problem?

Meg Hillier: I certainly do. Without going into details, I am representing individuals in a couple of cases, one involving a victim's family and the other involving the perpetrator, where there was not that insight, and the individuals concerned would not have recognised that they needed treatment. In such situations the "revolving door" bounce back into hospital may still be necessary.

The Bill would not solve everything. I have moved to being in favour of something that I questioned when I first learned about it, because of the evidence that I have heard directly from people, which has shown me that the measure is being used already, but through different routes. If the Bill is passed tomorrow, it will regularise the current situation and give psychiatrists another method of supporting people on the basis of their need. Through the safeguards on advocacy, among other things, we will ensure that patients get many benefits.

Earlier, the hon. Member for Romsey (Sandra Gidley) raised black and minority ethnic mental health issues, which I have also raised in the Chamber and in Committee. The huge inequalities in my constituency are one reason for my getting involved in mental health issues. The Bill is not the place to solve those problems, and I look forward to working with the hon. Lady, and Members of all parties, on tackling those gross inequalities further.

Jeremy Corbyn (Islington, North) (Lab): There is a serious problem of inequality. The number of black and identified minorities that make up the population of mental health institutions is disproportionate by a long way. Does my hon. Friend not believe that the Bill could tackle that a little more?

Meg Hillier: I have already said that one of the main reasons for my interest in this matter is the inequalities in Hackney. The Bill is narrow and primarily tackles compulsory treatment. It is not the right measure to deal with inequality. The Government have a programme about black and minority mental health issues, which is making some progress. At least we now record and recognise the important problems that exist.

Several people have asked whether compulsory community treatment orders would exacerbate inequalities that are already evident. However, I believe that the inequalities exist and are problematic, and that community treatment orders on their own will not increase that inequality. They may reflect the inequality that currently exists and we must accept that reality. We need to tackle the inequality at its root and ensure that it is not reflected in either detention in hospital or compulsory treatment in the community.

Lynne Jones: I agree with much of what my hon. Friend says, but one factor affecting the disproportionate number of black and ethnic minority people who are detained is reluctance to come forward early and access services. I take the point that we must tackle discrimination, but one problem is the culture within a society that does not trust the system. The Bill is relevant to that. We have heard many scare stories about the contents of the Bill, so we must tell the truth about that, but it is also important to have regard to the impact of the Bill on the stigmatising effect on people with mental health problems.

Meg Hillier: I agree that there have been many scare stories about the Bill, which have not helped the general debate in the wider community—or, indeed, in parts of the House. Conversation with several different groups in my constituency, including Derman, which represents Turkish and Kurdish groups, and the Chinese Mental Health Association, shows that there are many complex reasons for people not presenting with mental health problems. Sometimes it is to do with the culture of the community, and I admit that it is also sometimes to do with the way in which the system deals with people.

However, the Bill, with its narrow focus, will not solve those problems, whatever we do to it. If it were amended to the point of dealing with the way in which we provide services, it would be a different animal. It would be about provision of services, whereas it is about the legal rights of detention and compulsion. It appears that there is some consensus in the House about examining more deeply and radically the way in which we ensure that our mental health services provide treatment on the basis of need, and by ethnically blind means so that gross inequalities no longer exist. Black men in Hackney are three times more likely to suffer from mental health problems than anywhere else in the country—I forget my exact facts, but the instance is higher than average.

I look forward to working with hon. Members of all parties to try to tackle the matter, perhaps outside the Bill, but in the next mental health measure—my right hon. Friend the Minister looks weary at the prospect—in which we may consider direct provision of services and tackling inequality. The debate has at least helped air those matters to a slightly wider audience than those of us who live among people with such difficulties.

Dr. Pugh: It is a pleasure to follow the hon. Member for Hackney, South and Shoreditch (Meg Hillier). We are considering a huge cluster of amendments, and it is impossible to speak about them all—and I should not be encouraged to do that anyway.

Amendment No. 101 is an attempt to remove ECT from compulsory treatment, for which I have given sufficient good reason. I want especially to concentrate on amendment No. 96. Like many hon. Members, I am not against CTOs in principle. I know that they exist in many countries, including Scotland, and that evidence for efficacy is inconclusive. I also accept that they are difficult to assess because clients and jurisdictions differ worldwide.

As an alternative to sectioning, CTOs have some attractions. However, as an extension to coercive medicine, they pose some genuine dangers. Throughout the process, the Government have been unable to guarantee that the range of coercive treatment would not be increased. The object of critics is to ensure that the threshold of coercive medicine is not lowered unduly. Amendment No. 96 would do that.

Amendment No. 92 is the nuclear option, for when all else fails. Amendment No. 96 would introduce a set of eminently reasonable criteria, including impaired judgment, a record of refusal, and evidence of the medical efficacy of the treatment offered. The individual would have to be sectionable, and at risk to himself or the public. There would have to be evidence that treatment was available and the individual would, in theory, have to be recallable to hospital if he defaulted on his course of treatment.

At least four of the conditions are the same as the Government's proposal. The only genuinely crucial distinction between the Government's proposal and amendment No. 96 is that the amendment would require evidence that the voluntary route was unlikely to work, but that the compulsory route would work. That is a reasonable expectation. It could be argued that the threshold is higher than the current threshold in Scotland. The Scottish legislation has been much admired throughout our discussions, including by many critics of the Bill. Perhaps the amendment would provide for a higher threshold than exists throughout the world, wherever CTOs are used. However, it is not much higher than that that the Government have already set, and it is necessary to allay fears.

I share some of the views of the hon. Member for Hackney, South and Shoreditch, who emphasised the fact that many of the fears that have been expressed about the Bill are grossly unreasonable, unfair and uncharitable towards the legislators. I am genuinely surprised that many of those who, like me, are sceptical about the prospect of CTOs reducing suicide, believe totally and without much evidence that their mere existence will drive people away from seeking help. Worldwide evidence leaves one agnostic on both scores.

It we are to use CTOs for their avowed purpose, not simply as an extension of coercive medicine, the Government must explain why the threshold in amendment No. 96 is too high. Mere stubbornness will not do. The Government have a chore to convince hon. Members on this side of the Chamber that our proposal is unreasonable, given that it supplements theirs with reasonable expectations about the efficacy of treatment and the likelihood that the patient will not be dealt with effectively on a voluntary basis.

James Duddridge: Early in his contribution, the hon. Gentleman referred to amendment No. 101 on ECT. I am not sure why he brushed over it so quickly. It is an excellent amendment, and perhaps he could go into more detail about his reasons for brushing over it. Has he received reassurances, or did he not speak about if for long because of time constraints?

Dr. Pugh: I have spoken about the topic for a considerable time already; I am fearful of acquiring a reputation in the subject. The point that I wish and intend to make is that where compulsory treatment is in place, it should not entail anything as invasive or

uncertain as electroconvulsive therapy. I believe that that is a general common-sense point that we can all accept.

8.30 pm

Let me return in conclusion to what the hon. Member for Hackney, South and Shoreditch said. There is a real danger of decrying this legislation because it does not achieve everything. However, I would like to repeat, as an addendum to what I have said previously, that there are many people out there who are rattling around in society with very little insight into their condition, but they are not sufficiently dangerous or troublesome ever to meet the criteria to become eligible for compulsory treatment. My point is that we simply have no solution for those people at the moment. At one stage, they would gradually have drifted towards the institutionalised route, but now they exist in various forms and are by and large untreated.

Jeremy Corbyn: Does the hon. Gentleman accept that the prospect of compulsory treatment might actually be a deterrent to some people, and indeed might deter their friends, family or neighbours from advising them to seek the help that they clearly need and deserve? Might we not end up with more people in an even more vulnerable situation as a result?

Dr. Pugh: I share the view of the hon. Member for Hackney, South and Shoreditch that there is no evidence for that. There is a great deal of worldwide evidence of using community treatment orders, which we can look at to establish whether it does drive people away from ordinary means and mechanisms to secure treatment. I do not believe that the evidence is there, so although the point exists as an allegation, it remains largely just a fear at the moment.

Mr. Walker: I raised my concerns about community treatment orders in Committee and, with the indulgence of the House, I will do so again on Report. I hope that I have the Minister's indulgence and that she will not mind if I raise my concerns with as good grace as I can muster—*[Interruption.]* That sounds pretty good.

There are huge resource issues with CTOs. From the piles of briefing that we have read over the past couple of months, it seems that there are currently about 32,000 people a year receiving some form of in-patient hospital care. With the introduction of CTOs, it is estimated that the numbers involved could be in the region of 25,000 a year. The figure is disputed, but a number of organisations that submitted evidence as part of the consultation process and then as part of Public Bill Committee scrutiny believe that the threshold for CTOs in this country will be set at a far lower level than that in many of the other 70 jurisdictions. It is anticipated that about 50 people per 100,000—a significant number—will be eligible to be placed under CTOs in this country. I am well aware that the Minister disagrees with the figure and will probably come back with a counter-bid, but if we could work on the basis of 25,000 people for the next few minutes, I would be grateful.

First, we have to ask what will be the mechanism for delivery of CTOs. How will they be applied within the many diverse communities?

Angela Browning: My hon. Friend will recall that when CTOs were first talked about in the Chamber, they were referred to by the rather unfortunate description of medical ASBOs.

Tim Loughton: Psychiatric ASBOs.

Angela Browning: Psychiatric ASBOs—and I am grateful to my hon. Friend, who is as astute as ever on the Front Bench and listening to my every word. If they are not to turn out as psychiatric ASBOs and if they are to stand a chance of working effectively, what about the resource implications, which my hon. Friend the Member for Broxbourne (Mr. Walker) has just mentioned? How will they manifest themselves and what will be the impact on other community-based psychiatric services?

Mr. Walker: My hon. Friend makes an excellent point. We are perhaps in danger of commanding mental health armies that do not exist—or do not yet exist. We need to be aware that huge resource issues are involved—we are talking about 25,000 people in England, which is about 500 for each county, and many will require additional support to what is already being provided by the existing excellent mental health service professionals. We thus need to explore the mechanism for delivery at greater length. Perhaps the noble Lords in the other place will do so when the Bill returns to them.

The hon. Member for Finsbury Park—*[Interruption.]* The hon. Member for Finsbury, North—*[Interruption.]* I mean the hon. Member for Islington, North (Jeremy Corbyn), I am sorry. I wanted to leave Finsbury Park in, because it is one of my local train stations on the way through to the House. I apologise as no slight was intended. The hon. Gentleman made an important point about the concerns of black and ethnic minorities. I have a briefing from the Commission for Racial Equality, which is concerned that certain communities will be more prone than others to CTOs. Of course, we hope that that will not be the case, but we need to have procedures in place to ensure that the concerns of minority groups—and indeed the concerns of hon. Members—are properly reflected in the implementation of CTOs. We do not want to disfranchise huge parts of our community so that people feel that the Bill is yet another measure unfairly applied against them. That is not where we want to be.

I return to the point made by my hon. Friend the Member for Tiverton and Honiton (Angela Browning). Who will actually deliver CTOs? Will it be community mental health nurses, or will there be CTO teams working together to ensure that the orders are applied and work fairly in the community? CTOs will have significant training implications; the orders will be new to this country so we shall want to be sure that they are subject to best practice and effectively delivered. Who will be responsible for providing training? How much will it cost and how will it be given? Will it be on the job or will front-line practitioners have to be taken

[Mr. Walker]

away from their patients to spend time learning about the new techniques? I hope that the Minister does not think I am being churlish when I raise these concerns—*[Interruption.]* I am sure she does not; she is too generous.

Lynne Jones: I am rather perplexed by the hon. Gentleman's argument. By and large, the people we are talking about will already be in the mental system. Unlike the Scottish system, this proposed system is more "liberal" in that people have to be detained in hospital before they can be subject to a CTO, so has it occurred to him that some patients might think that a CTO would guarantee them services they cannot receive because they have been discharged and will be forgotten until the next time they exhibit difficult symptoms?

Mr. Walker: That is a very long question and I do not think I can remember every aspect of it, but I shall try very hard.

Of course, CTOs will be applied only to people who have been in hospital, but how long will the orders last? If 32,000 people are seen in hospital over a year, how many will be subject to CTOs and for how long? Will the orders last six months, a year, two years or three years, or will they be indefinite—almost life sentences? The hon. Lady makes an important observation, but I do not think I am being hostile in arguing my concerns. I am raising legitimate questions to which mental health professionals have the right to an answer.

Many of the people who would be subject to a CTO will be known to the mental health services, but we are not talking about business as usual; CTOs will introduce a whole new regime and a whole new system for dealing with people, and they will require a whole new set of skills.

Meg Hillier: The hon. Gentleman talks about a whole new system, but in my comments I highlighted the fact that there are already cases of people who are, in effect, on community treatment orders. They are admitted to hospital under a section and when they are released they have to undertake certain treatment or they will have to go back to hospital. Given such examples, it seems to me that the hon. Gentleman's argument falls apart.

Mr. Walker: Perhaps we can hold up the hon. Lady's constituency as an example of best practice.

Angela Browning: The hon. Member for Hackney, South and Shoreditch (Meg Hillier) may have been referring to a recent meeting we attended with the Minister and some psychiatrists she had invited to the House. When I raised the existing section 25A orders under the 1983 Act, I was told that there are powers that allow people to go back to the community, but with the threat that if, for example, they come off their medication, they can be taken to a hospital—usually by the police. A psychiatrist told us, quite flippantly, that the powers were rarely implemented because the police do not want to co-operate. It is scandalous that powers on the statute book that could be used effectively are not being implemented.

Mr. Walker: My hon. Friend makes an important point. If such powers already exist, we should be asking why they have not been used more widely and why we do not consider using them more widely before introducing CTOs.

Meg Hillier: Does the hon. Gentleman know how widely the powers have been used? I was talking not merely about my own constituency but about a fairly common practice.

Mr. Walker: Actually, I do know. We covered the matter at some length in Committee and the view was that the powers had not been widely used. I think there were about 1,500 cases a year—

Angela Browning *rose—*

Mr. Walker: But I am sure my hon. Friend will correct me if I am wrong.

Angela Browning: I do not know the exact number, but I raised it only last week with the psychiatrist whom the Minister brought before those of us who chose to attend her meeting. It was a good meeting, but I was interested to know why section 25A orders are not used more frequently—they have been on the statute book for a long time— and the psychiatrist said that it was because the police do not want to co-operate. The situation is extraordinary.

Mr. Walker: If we want section 25A orders to be used more widely, perhaps we should direct people to my hon. Friend's constituency, where they seem to be having some success.

One concern about CTOs is how they will be implemented at local level when there are many hundreds, if not thousands, of them. How will we know if people are not complying with them? Who will be there, day in, day out, monitoring their effectiveness? Will there be a spy camera in someone's bedroom—I am sure that there will not be—to ensure that they are taking their medication, or will people follow them to ensure that they do not go to the pub? Those are Orwellian possibilities, which I am sure will not happen, but the legitimate question is: how on earth will we realistically monitor 10,000, 15,000, 20,000 or 25,000 people on community treatment orders? If someone breaks an order, what will we do? Will we send them a warning letter, will they get a knock at the door, or will they receive a visit from one of their clinical team?

Jeremy Corbyn: The hon. Gentleman should remember that many of the people who do not take their medicine as regularly as they should and so on are often lonely, isolated, have bad relations with their neighbours because of their condition, and do not receive sufficient support. If community care is to be effective, we need a much better system of local, individual, social support for those people.

Mr. Walker: The hon. Gentleman makes an excellent point. I recall that many years ago when I was a young man there was all-round support for the idea of care in the community, returning people to the community, and closing institutions down. It sounded extremely

good, and in theory was extremely good, but when people got back into the community insufficient care was delivered. Perhaps—I am not an expert on this—we would not need to go down the road of CTOs if we had the proper resources in place to ensure that people with mental illness receive the care and the contact that they need.

It would be interesting to consider how we will measure CTOs' effectiveness. Again, I do not have the answer, but I am sure that the Minister has, and I am sure that she will tell us that she looks forward to coming to the House in three or four years—I look forward to my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton) coming to the House—to tell us how they are working. I hope that they will have achieved what people want them to achieve, and that we will have better delivery of services to the mentally ill in our community.

It has been pointed out that many of the people concerned are known to the mental health services, and that is so, but community treatment orders will often be compulsory, and that will require advocacy, which will have another implication on resources. We talked earlier about advocacy services, but if we are applying community treatment orders liberally around the country to people who do not want to be subject to them, I imagine that the demand for advocacy will be high. We must consider how we will meet that demand and who will meet it.

We have talked about using local charities, such as Powher, which operates in my constituency—I am not sure whether hon. Members are familiar with it—but empowering such charities to help people who are worried about being placed under a CTO might be a way forward.

Finally—I am sure that that will be a great relief to all hon. Members assembled here—how will we protect the confidentiality of patients under community treatment orders? Many of them will have jobs and places of work, and a CTO might stigmatise them. I would be interested to know whether, if someone is placed under such an order, there would be a personal contract between them and the relevant health service, or would the CTO be made known to a wider audience?

To conclude, if such services are to be delivered in Hertfordshire, the Minister will have to take a long, hard look at what is going on with our mental health trust. Its budget has been cut by £5 million a year—last year, this year and next year. That will have resource implications, which I hope that she will take into consideration. I tried to make that point with extreme good grace.

8.45 pm

Sandra Gidley: I want to speak briefly to amendments Nos. 84, 85 and 86, which I tabled.

Amendments Nos. 84 and 85 are a simple attempt to include consultation in the Bill. They aim to make sure that those who are involved or likely to be involved in supporting or caring for patients in the community—but not as professionals—are included in the consultation process. That is particularly important for children, as it will ensure that they benefit both from the skill of professionals and the informed support of those closest to them.

It is best practice to involve carers, but, over the years, many have complained that they are excluded from the care plan process, which means that the care plan often does not take into account the knowledge and skills of those closest to the patient. Imposing some types of condition on a patient may also have an impact on others living in the same household. From the point of view of the long-term success of the treatment, the provision seems particularly important. In addition, the rights of parents or carers could be affected.

In many cases, patient confidentiality is cited as the reason for not sharing information. That is a strange argument for a blanket refusal to consult, however, as the people denied information are often the very ones who will assist and support the patient. If part of a care plan is to treat a young person at home, it is important that the other people in the household, and possibly the patient, have some understanding of the condition. They do not necessarily have to know all the medical evidence, but there ought to be a process by which their needs can be taken into account.

Amendment No. 86 provides a similar provision for consultation when non-emergency treatment is proposed for a child community patient—a child under 16 who has been assessed as lacking competence to consent to treatment. If a person over 16 lacks capacity, or a person under 16 lacks competence, treatment can be given if certain conditions are met. The amendment provides greater safeguards for child community patients.

The Minister has suggested that for all practical purposes a CTO cannot be put in place for a child under 16 if parents do not consent to the treatment plan and its conditions. The amendment would ensure, however, that the rights of the parents are also enshrined in law, so that there is no ambiguity whatever when a CTO is set up. Parents of a hospitalised child for whom a CTO has been suggested need to understand what their rights are, with regard to saying yes or no to conditions that may be set to allow a young person home after treatment. A CTO for a child under 16, with conditions, places the whole family within the framework of those conditions. Parents should be consulted fully in that respect.

Tim Loughton: The preceding speeches proved to be rather like a series of wind-up speeches. I am sure that the Minister will carry on in the same way on probably the most contentious part of the Bill, which was debated long and hard in another place and in Committee.

The reference by the hon. Member for Hackney, South and Shoreditch (Meg Hillier) to another mental health Bill coming along was rather alarming. We have not had a mental health Bill for 24 years, but if we are not careful a couple are going to come along together—rather like double-decker buses. We are, however, almost at the end of the gestation of this Bill.

The Bill's provisions on community treatment orders are contentious. I shall talk primarily to amendment No. 96, as my hon. Friend the Member for Tiverton

[Tim Loughton]

and Honiton (Angela Browning) skilfully expounded the virtues of new clauses 13 and 14, which we tabled. The amendment goes to the heart of objections about how CTOs have been placed in the Bill. We intend to put the amendment to a vote at the appropriate time.

We welcome the Government's climbdown on some of the most objectionable aspects of CTOs, especially on proposed new section 17B(3)(e), which contains the criteria whereby those under a CTO could be directed to "abstain from particular conduct." That would have been one of the most coercive pieces of mental health legislation in any jurisdiction. It would also have been wholly counterproductive and unworkable. I am glad that the Minister has seen that and withdrawn that part of the clause.

I am also pleased, to an extent, that the Minister has sought to rewrite the conditions of CTOs so that they must have a medical treatment benefit. That is welcome, but it does not go far enough, so we have tabled amendment No. 96, which is a reworking of the amendment that received overwhelming support across all parties in another place. We have listened to the debate and to some of the objections that the Minister and her colleagues made, and have adapted the amendment, we think, to make it more acceptable in dealing with the problems that she flagged up.

We do not want to dismiss CTOs out of hand, because they have a place. I was a member of the pre-legislative scrutiny Committee, which considered CTOs in great detail. It said that they have a place, but that they should be used for a closely defined set of "revolving door patients", as they are called, in closely defined circumstances. We have taken that line all along. However, the definitions that the Government have left in the clause are still far too broad, will capture too many people, leave too many unanswered questions, and are too open-ended. The amendment defines the criteria for CTOs in limited circumstances, which are not to include criminal proceedings, that are deemed to be necessary to protect the public, which we all agree with, and to protect the person, him or herself. That meets the Minister's concern that we were ignoring the plight of those with suicidal tendencies. That was never the intention. In any case, they are covered by other parts of the Bill.

A concern was also expressed in another place that we could end up issuing a lot more CTOs to people who could be deemed to be suicidal. That would overload the system and many more people would be under CTOs, with limited, and certainly questionable, benefit. We have responded to what the Minister said and have added to the definitions where it is necessary to protect somebody.

We have also adapted part of the amendment so that a person may have a CTO imposed on them

"if he has refused to accept medical treatment for a mental disorder"

in the previous five years—effectively, somebody who has form. The second time that he comes under compulsion in the system, the responsible clinician may decide that a CTO would be appropriate.

We believe that there are good grounds for the five-year period. The wording is based on the New South Wales Mental Health Act 1990. Australia is one of the countries that operate a form of CTOs. There has recently been an extensive review of the Act, focusing particularly on CTOs, and there was no push to change the wording in the new Bill published last week. What we are suggesting has not been conjured up out of the air; it has precedents in parts of the world with experience of CTOs that are very different from the coercive variety that the Government are trying to introduce.

Our second criterion is that a CTO should be permissible when refusal of medical treatment has led to a significant relapse justifying a compulsory admission, whether or not an admission subsequently took place. The Minister suggested that someone might not have been admitted despite qualifying for admission, and that in such circumstances there would not be grounds for a CTO. Our view is that if compulsory admission was justified, that should count towards a CTO. The final criterion is for subsequent medical treatment to have alleviated the patient's condition.

We have thought a great deal about how CTO criteria can be honed to ensure that they affect a closely defined set of people in a closely defined set of circumstances and take account of many of the potential loopholes identified by the Minister, although I believe that most of her suggestions were unjustified. There is no empirical evidence for the efficacy of CTOs where they exist overseas. They exist in some 52 jurisdictions in Australia, New Zealand, Canada, the United States, Scotland and Israel. In 51 of those jurisdictions the scope is narrower than that of our own law: the definitions are narrower—as is the case in New South Wales—the criteria are narrower, or both. In North America, for example, the scope is substantially narrower. Typically in the United States, imminent serious harm to self or others is required before the powers can be used.

The long-awaited Churchill report, which the Government commissioned from the Institute of Psychiatry and were then reluctant to publish until the House of Lords had finished its deliberations, followed examination of no fewer than 72 reviews of the workings of CTOs in those six countries. It is the most comprehensive research ever conducted on CTOs. The first key point is that

"It is not possible to state whether community treatments orders...are beneficial or harmful to patients."

The Government have been proceeding with a new measure, pioneering new ground affecting new classes of patients, without being able to provide evidence that this arrangement works anywhere in the world where there is an equivalent system. On that basis, it is surely incumbent on them to make the merits of their case categorically and without doubt. We believe that they have failed to do that, which is why we have been keen to ensure that if CTOs are to be used, the circumstances are defined very narrowly. We need to know exactly who will be affected by them, and exactly how people get into and out of them. I shall say more about that when dealing with another amendment in this group. We support the principle of CTOs, but want them to work justifiably in practice. We want a restricted regime.

According to one body of thought—this is not scaremongering, as some have suggested—CTOs could

be counterproductive. That is clear from some of the criteria in briefings received by all Members of the Committee. They state that there is a potential for harm to patients and to service provision for voluntary patients, which should not be discounted, and that

"CTOs interfere with a person's Article 8(1) rights to private and family life and need to be proportionate under Article 8(2). CTOs increase the numbers of people under compulsion. This brings bureaucratic burdens and adds to the public expenditure."

Given the comments we have heard about the resourcing of mental health services, there is a genuine fear that CTOs could eat up a substantial and disproportionate part of the mental health budget, to the detriment of other people who require the system on other levels.

9 pm

The briefing goes on to state that

"In the 'blame' culture in which mental health professionals work there is a strong incentive to use extra coercive powers even where they might not be needed or desirable",

on the basis that if somebody who could have been subjected to a CTO subsequently goes out and commits an atrocity, the flak will hit the professional concerned and he will be asked, "Why wasn't that person put under a CTO? It is available."

The briefing further states:

"There is no enthusiasm for the Government's proposals from any other professional group and they are feared by service users."

The hon. Member for Hackney, South and Shoreditch said that the Royal College of Nursing was in favour of CTOs. It is not. The RCN has questioned some of the criteria, but it is not a great advocate and proponent of CTOs. It and members of the Mental Health Alliance base their position primarily on the responsible clinician criteria, not on CTOs. Regardless of whether there are 75 or 80 members of the MHA, the vast majority of professionals, mental health charities, service users and others still have serious reservations about community treatment orders.

Meg Hillier: It is my good fortune that I have in front of me the question MH 54 that was submitted to the Committee. It is entitled "Further Memorandum submitted by the Royal College of Nursing". It says that

"the RCN is not supportive of the Lords amendment that requires at least 2 in-patient admissions prior to commencement of compulsory treatment."

Under the subheading "Criteria for Compulsion", it adds:

"The RCN is clear that any treatment must be of therapeutic benefit to the individual or prevent deterioration of his/her condition."

I am sure no Member would disagree with that. That is what the RCN says; perhaps I should have quoted it in my speech, but I have done so now.

Tim Loughton: That is not a ringing endorsement of CTOs, nor does it endorse the Government position.

I do not want us to return to the situation that arose in Committee, when the Minister read out a brief that she had received but which no one else had, and it turned out to be a rather interesting misinterpretation of the position of certain groups. The fact is that she has been unable to produce any ringing endorsement of CTOs from any members of the MHA or any respected professional body, and neither has she been able to cite any reviews conducted anywhere else in the world that have found that they are efficacious.

Professor Thorneycroft of the Institute of Psychiatry was one of the co-authors of the Churchill report. He said:

"There are real risks not just of the unamended Bill having neutral effects but causing actual harm. The key such areas of harm, would be increased treatment avoidance by people with mental health problems, perpetuation, at least, of current disparities with respect to people from black and ethnic minorities who, as you know, are much more likely to be detained, and huge transaction costs from the implementation of CTOs. Without the evidence that CTOs work, not only would the money be ill-spent, but the opportunity to invest the relevant funds wisely in effective services would be lost."

We are all greatly concerned about the impact on black and minority ethnic communities. The hon. Member for Hackney, South and Shoreditch has greater experience of that than many of us because of the particular problems in her constituency among the BME community. A recent letter from the director of policy and public sector of the Commission for Racial Equality does not pull its punches. He says that the concerns it has

"primarily relate to the widening of the definition of 'mental illness', the impact of supervised Community Treatment Orders and the role of Approved Mental Health Professionals. It is our view that in each instance there is the potential for negative impact"

for mental health users from different ethnic minority communities. Interestingly, he also mentions in that letter the Minister's selective use of available research. We have certainly seen instances of that.

My hon. Friend the Member for Tiverton and Honiton mentioned existing section 25A powers and section 17 supervised discharge powers. Section 17 leave of absence powers allow a compulsory patient to leave hospital and live back in the community, while still being subject to the powers of the Act. A section 17 patient can be recalled any time a clinician wishes, without the need for formal re-sectioning and the imposition of compulsory treatment. The provision is widely used. As the King's Fund said, this raises the question of whether a better understanding of section 17 powers might negate the need for supervised community treatment. So the point is that many existing powers are not being used. We should be investigating why they are not being used first, before bringing in a whole raft of new powers that are potentially very off-putting to people coming to the mental health service.

Angela Browning: My hon. Friend was present when I asked about the application of section 25A orders. If it has been the case for many years that the police do not co-operate with them, one would have thought that an inquiry into the matter would have been undertaken. However, the problem seems simply to have fallen on deaf ears.

Tim Loughton: That is right, and at no stage have we had an explanation of why these orders are not working as they should, and as they can do under the powers already granted. They have been dismissed with

[Tim Loughton]

the observation, "Oh well—these things aren't used. The clinicians don't like them." Why not? Surely we need to find out why the existing powers for professionals are not being used properly and are not working as they should, before the Government introduce new proposals for which there is no empirical evidence that they would be any better, let alone that they would work at all.

Meg Hillier: I thank the hon. Gentleman for being generous in giving way again. On speaking to consultant psychiatrists about the powers of release under compulsion, they made it clear that that point was reached through successive instances of case law and through pushing at the edges of what is possible within the current law. The two main psychiatrists to whom I spoke, and others, expressed the view that putting such a provision in the new Bill will make it clearer and make it easier for clinicians to use it; it would also make the situation for patients, including their rights, clearer. Perhaps that goes some way toward answering the hon. Gentleman's question.

Tim Loughton: If there was a very real need to achieve what these measures are trying to achieve, there would have been greater pressure to make the existing laws work before going down a new, untried and untested route.

There is a very real fear, which has also been raised, regarding the number of people who will be covered by these provisions. The Bill will inevitably lead to an increase in the use of compulsory powers, thus exacerbating a trend that was not anticipated back in 1983. By definition, those on CTOs cannot be detained in hospital—they are a different group. The Government assume that in the first year, 2 per cent. of detained section 3 patients in England and Wales might be discharged as CTOs. However, if the experience of Scotland is replicated—the point that my hon. Friend the Member for Tiverton and Honiton may have been getting at—whereby in the first six months, 23 per cent. of all hospital-based orders were varied upon patient discharge to a CTO, this will be a significant underestimate.

Dr. Doug Naysmith (Bristol, North-West) (Lab/Co-op): I thank the hon. Gentleman for giving way; he is being very generous. I rise to back up what my hon. Friend the Member for Hackney, South and Shoreditch (Meg Hillier) said earlier. The existing powers do not enable us properly to do what we are doing through community treatment orders. They are being pushed to their limits, and many psychiatrists—I have discussed this issue on more than one occasion with psychiatrists—know that they are not really intended for the purpose that they are using them for. CTOs will give them that tool and that power, which will be used sparingly by professionals to do something that they know may well help them to treat their patients better.

Tim Loughton: I greatly respect the hon. Gentleman's position—he and I have been heavily involved in this issue from the early days of this legislation—but the fact is that the majority do not agree with him. The Royal College of Psychiatrists and the British Medical Association do not agree with him. There are some psychiatrists who do agree, including a predictable dozen whom the Minister troops out at every opportunity to talk to us, as if they represent the entire psychiatric field. But they are, with perfectly good intentions, in a minority—

Lynne Jones: It is unfortunate that the hon. Member for Hackney, South and Shoreditch (Meg Hillier) raised the current powers, because she has been hoist by her own petard on this issue. I have a letter from Professor Sarawan Singh, one of the psychiatrists who came to the meeting. I have talked to him, and he quotes a survey published in the *British Journal of Psychiatry* in 2000, which showed that 46 per cent. of psychiatrists responding were in favour of CTOs, 35 per cent. were not in favour and 19 per cent. were unsure. I do not know whether there have been any subsequent surveys, but it would appear that claiming that the majority of psychiatrists are against CTOs is not necessarily true.

Tim Loughton: They had every opportunity to influence the position of the Royal College of Psychiatrists and the Mental Health Alliance, but they have not been able to do so. I remember Professor Singh, when he came to that briefing with his 11 colleagues, together with Dr. Swartz, who was flown over at Government expense from the US—

Ms Winterton: That is not true.

Tim Loughton: Well, he was flown back at Government expense. I do not have a copy of the Minister's admission, but Dr. Swartz, from Duke university, North Carolina, was shipped in to speak alongside several other so-called professionals to tell us how wonderful CTOs were in North Carolina, but the CTOs there are rather different and he did not even know what sort of CTOs the Government are trying to promote in this country. For that, the Minister has admitted that we had to pay part of his airfare and his other travelling expenses, and that was a poor deal.

There are two other important issues. Amendment No. 103, which is coupled with amendment No. 90, provides the right for patients to apply to the mental health review tribunal to vary or suspend the conditions of their CTO or the period for which it is in force. The tribunal can therefore recommend that those conditions should be varied or suspended and can follow up the issue if the responsible commission does not make the changes that it recommends. That is important, because if we are to have some form of CTOs, we need flexibility so that they are sensitive to individual patient's needs, especially given the great powers to impose all sorts of conditions even within the diluted form of CTOs that we will now have. In the interests of balance and fairness, patients must be able to challenge the conditions of the CTO imposed on them.

Amendment No. 87 goes back to Genevra Richardson's original expert committee, and her reference to the lobster pot analogy. People can be subject to CTOs, but it is not clear how they can have them removed. CTOs can be renewed every six months

or year, in perpetuity. If a CTO is still going after three years, it has clearly failed and is not the solution for the patient concerned, so we need to go back to the drawing board and review the best form of treatment for them. It is also natural justice that if we are to impose criteria that restrict the liberty of an individual, he or she needs to know how they can avoid getting into the lobster pot and, equally, how they can get out of it when their condition improves and they no longer need to be subject to the same strict criteria.

The lobster pot is a good analogy. It is easy to get into it, but difficult to get out of it, and that is why we need the checks and balances in amendments Nos. 103, 90 and 87. If we are to have CTOs, people must know how they can justifiably avoid them, or have them removed. That must be in the best interests of those people for whom a therapeutic benefit is intended and who need to trust the clinicians treating them.

9.15 pm

Ms Rosie Winterton: We have had a thorough debate. I hope that I will be able to address all the concerns that hon. Members have raised and to explain why we reject several of the amendments that have been tabled. I also hope that I will be able to indicate that we have examined the matter carefully, which is why we have tabled specific amendments on the conditions of supervised community treatment. That has occurred because concerns have been raised about supervised community treatment during extensive debates in the House of Lords and in Committee.

Let me set out some of the background to supervised community treatment because it represents one of the most important changes that we wish to bring about through the Bill. We want to reflect what takes place in other countries and the fact that more services are now delivered in the community. We want services to support patients effectively so that they can live safely and successfully in the community in the least restrictive environment that can be achieved under compulsory treatment. Such an approach means that patients will spend less time in a hospital environment and more time with their families and loved ones. If we can achieve that without bringing any harm to patients and while protecting others from harm, we should certainly do so.

When we began this debate many years ago, we intended to allow patients who had not been detained in hospital at all to be on supervised community treatment, which is what happens in Scotland. Legislation was recently introduced in Scotland to provide that people can be detained if a clinician thinks that that is right and to allow people to undergo compulsory treatment in the community, irrespective of whether they have already been detained in a hospital setting. We accepted that there was a great deal of concern about that and listened to the views of the pre-legislative scrutiny Committee. We thus brought forward measures to provide that patients would have to undergo a period of detention in a hospital setting before they could be subject to a supervised community treatment order. Several clinicians criticised us for moving too far and said that we should not restrict clinicians' ability to allow patients to benefit from supervised community treatment if they felt that that was the right thing for the patient. However, we recognised that there was concern about the proposals.

The hon. Member for East Worthing and Shoreham (Tim Loughton) said that our CTO proposals went wider than those in any of the 52 jurisdictions that he cited. I think that that figure was produced by the Mental Health Alliance, but we have no idea of how its conclusion was reached. It is only in Canada that it is necessary for a patient to be detained in hospital before going on to a CTO. Even in those circumstances, the detention need not take place immediately beforehand, as it must under our proposals. I am thus at a loss as to where that information comes from.

Tim Loughton: The Government have changed their position. Which other country has CTOs that require people to abstain from particular conducts?

Ms Winterton: In a number of jurisdictions where conditions are set, they can extend to specifying certain activities. We are talking about requiring someone to abstain from a particular conduct. If using illegal drugs exacerbates a person's condition, or if consuming large amounts of alcohol contributes to their mental health deterioration, such matters are set out in conditions. However, I shall deal later with requirements to abstain from particular forms of behaviour, because they are an important part of the changes made in our amendments.

The hon. Gentleman referred to existing powers available under the 1983 Act not being effective. The real problem is that those powers, which I believe come under the heading "supervised aftercare", do not allow immediate recall to hospital if the patient's mental health deteriorates to the extent that they become a danger to themselves or to others. I believe that the hon. Member for Broxbourne (Mr. Walker) referred to the problem facing clinicians in having to go back to the beginning—to a completely new detention scenario—to be able to bring someone back to hospital. That is why those powers have not been used as often as they might have been.

Mr. Walker: I am not being argumentative and I hope that the right hon. Lady will take my question in the spirit in which it is asked. To tell a chronic alcoholic or drug addict who also has mental health problems that they will be readmitted to hospital if they break the requirements of their CTO to avoid drugs or alcohol seems unreasonable, unless one provides that person with support that enables them to stay away from their addictions.

Ms Winterton: I hope to be able to deal with that question, because it relates to the points that the hon. Gentleman made about the availability of services.

On whether there are clinicians who support the introduction of CTOs, the new mental health coalition, comprising Unison, Unite, the Royal College of Nursing, the College of Occupational Therapists, the British Psychological Society and the British Association of Occupational Therapists, which together represent 85 per cent. of mental health workers, acknowledges in its briefing that

"there are concerns surrounding the use of Community Treatment Orders, however we also believe that for a number of patients they can provide a real opportunity to be cared for at home. We welcome the Government's amendment that CTOs should demonstrate a health benefit".

[Ms Rosie Winterton]

Those organisations represent 85 per cent. of health workers, as well as clinicians.

The hon. Member for East Worthing and Shoreham may rest assured that I shall certainly apologise to Professor Swartz and the other clinicians who visited the House of Commons for his rather aggressive behaviour toward them. They had given up their time to come and talk to Members of this House and give their views on the Bill, and I felt that the hon. Gentleman dealt with them disgracefully.

Tim Loughton *rose—*

Ms Winterton: Please take the opportunity to apologise.

Tim Loughton: I certainly apologise if the Minister thought that I was unduly aggressive. The point that I was making is that she trooped out a dozen or so professionals to give their view, which happened to accord with her view but not with the view of the majority of the professional bodies to which they belonged. She has to admit that Dr. Swartz, who was rather surprised to be here, did not actually know why he was here, or the Government's position on the legislation that he was supposed to be commenting on. One did wonder why the meeting was set up in that form.

Ms Winterton: The meeting was set up in that form because the hon. Gentleman asked whether there were psychiatrists who supported the Government's view. Naturally, in my desire to please him—that is usually the thought that is uppermost in my mind—I arranged for a number of highly regarded psychiatrists to come to the House of Commons. I am glad that he has changed from talking about "so-called" professionals to admitting that they were professionals.

Mr. Jim Devine (Livingston) (Lab) *rose—*

Mr. Walker *rose—*

Ms Rosie Winterton: I give way to my hon. Friend the Member for Livingston (Mr. Devine).

Mr. Devine: I am grateful to my right hon. Friend for giving way, and I see my good friend on the Opposition Benches, the hon. Member for Broxbourne (Mr. Walker), wants to intervene, too. As the Minister knows, I have actually worked in primary care psychiatry, and when I was her Parliamentary Private Secretary—before I had to resign, sadly—we had good meetings with psychiatrists who were very positive about the Bill. In addition, she now has the support of Unison and the Royal College of Nursing. Basically, everyone who is a major player now says that this is a good Bill.

Ms Winterton: Scottish psychiatrists have had similar powers to those that we propose for many years, and I think that my hon. Friend would agree that if it was ever suggested at meetings that those powers should be removed because of concerns, they would think that it was an outrageous removal of clinical powers that have been extremely effective in helping patients to get treatment. That is what the Bill, and what supervised community treatment, is about. It is about getting treatment to people who need it, and who are in very vulnerable circumstances.

Jeremy Corbyn: The Minister will have heard my earlier intervention on the hon. Member for Southport (Dr. Pugh). Does she concede that it could be argued that there is a danger that people will be deterred from seeking any kind of help, support or treatment because they will feel that there is an element of compulsion? That could cause a negative reaction in the community. Additionally, there is the problem, which I am sure that she will address in her speech, of the disproportionate numbers of black and minority ethnic patients who end up with a degree of compulsion in their treatment.

Ms Winterton: My hon. Friend raises an important point about people being deterred from seeking treatment, but one reason why they are deterred is that they feel that they will have to spend a long time in a hospital setting. In actual fact, supervised community treatment is about providing the least restrictive setting that we can, if it is appropriate for a patient. It is about sending a clear message that when we talk about compulsory treatment, it does not always mean having to keep people in a hospital setting; we will allow them to return to their families, if that is appropriate. That is a different message, and it is less stigmatising and less discriminatory than saying that anything to do with compulsion has to involve a hospital setting. I think that the measures will not have the effect that my hon. Friend is talking about.

I believe, too, that there is a series of reasons why a disproportionate number of people from BME communities receive compulsory treatment. There are delays in people coming forward, because they do not access community services. Some of them take a different route into compulsion—for example, through greater contact with the criminal justice system. Very often, their relatives contact the police, but not health professionals. There is therefore a series of complicated reasons for that disproportionate number, which is why we have introduced the "Delivering race equality" programme, and why—I am afraid to use the phrase, but it is what they are called—we have focused implementation sites around the country, including several in London, which are looking particularly at the reasons why people do not come forward for treatment, and why a greater proportion of BME patients receive compulsory treatment. It is not as easy as saying that there are greater numbers because people are frightened to come forward—the position is much more complex.

9.30 pm

May I tell my hon. Friend the Member for Islington, North (Jeremy Corbyn), too, that it is important to remember the fundamental principles? As a result of discussions in the other place, we have included in the Bill the points that should be addressed when we draw up the principles in the code of practice. One of those principles is the avoidance of unlawful discrimination, and we have made it clear in the Bill and the code of practice that racial discrimination must be tackled as part of the way in which clinicians and the measure itself operate.

Angela Browning *rose—*

Ms Winterton: I shall give way to the hon. Lady, but then I must make progress.

Angela Browning: The right hon. Lady has prayed in aid certain groups of professionals who are in favour of CTOs. It is true that last week she managed to find 11 psychiatrists who support the Bill, but the overwhelming majority of members of the Royal College of Psychiatrists oppose the measure. However, there has been no mention of the patients. Only today, Members received a letter in preparation for our debate on Second Reading from Mind, which represents patients and carers, which said:

"Mind remains opposed to CTOs. The case for their introduction has not been made."

It lists six key points to demonstrate why it opposes CTOs, and the Minister will be familiar with them. What about the patients?

Ms Winterton: Many surveys of patients in other countries say that they and their carers like the use of supervised community treatment, because it allows them to return to a less restrictive environment and into the care of their family. The Opposition must make up their mind: are they are just going to bang on about not liking CTOs or are they going to support them, while expressing concern about some of the conditions? To keep rehearsing the arguments, however, is not helpful. I will explain why we think that the measure is right, but if the Opposition oppose CTOs, it would have been better if they had not tabled amendments but agreed that that is their position.

Mr. Walker: I am not sure that I can be helpful, but I will not try deliberately to be unhelpful. I met an outstanding consultant psychiatrist near Bristol called David Thurston who, for years, has gone out to meet his patients in pubs, at home and in places where they feel comfortable. He is concerned about CTOs which, he believes, may well drive a wedge between him and his patients. He has a method of working that works for him and his patients: will he be obliged to use CTOs, or will that be left to his discretion?

Ms Winterton: I have made it clear over and over again—I hope that the hon. Gentleman acknowledges that, because this is exactly the debate that we had in Committee—that the power is available to clinicians if they think that it is the right thing to do. There is no compulsion on them to use compulsion—it is for them to make the decision, based on a range of issues, and if they think that that is appropriate. May I return to the reason why we believe that supervised community treatment can help to get treatment to people? There are 1,300 suicides every year, and 50 homicides by people who have been in contact with mental health services. We believe that supervised community treatment is vital to helping patients continue to take treatment when they leave hospital and to enable clinicians to take rapid action if relapse is on the horizon.

All hon. Members know of cases where relatives and carers have had to stand by while somebody's condition deteriorates—one of their loved ones who has a mental health problem, who has perhaps been discharged from hospital, and who may not stay in touch with mental health professionals and continue taking their medication. That person's condition deteriorates and they end up back in a hospital setting or worse, perhaps committing suicide or doing harm to others. That is what we are trying to avoid through supervised community treatment. The Opposition must decide whether they will back us on that or not.

Tim Loughton: If CTOs are so vital to prevent suicides or to prevent homicides, can the Minister cite a study anywhere in the world where CTOs have led to a reduction in suicides, a reduction in homicides or a reduction in hospital readmissions when people fail to take medication? I would be faseinated if she can, as no evidence exists.

Ms Winterton: As we have always said, it is difficult to prove a negative. We do not know what the outcome would have been if the circumstances had been different. The recent report on avoidable deaths looked at homicides and suicides by mental health patients. As I noted, there are about 1,300 suicides a year by people who have been in touch with mental health services. The confidential inquiry into suicides examines all those suicides individually.

We know, therefore, that in the first two weeks after discharge from hospital, if a patient is not taking medication, the medication is still in their body and is still effective. In the second two weeks, if somebody has stopped taking medication, the effect is felt. We know that 56 suicides took place during that time after discharge from hospital because the person had stopped taking their medication. Nobody is saying that all those suicides could have been prevented, but we know very well that that is a point at which not taking medication will have an effect, and there has been a direct effect on people who commit suicide during that time.

Why do we not owe it to those people and their families and carers to take steps to enable us to supervise people in the community to make sure that they take medication and stay in touch with health care professionals, if the clinician believes that that is the right thing to do? In the case of John Barrett, who had a long history of non-compliance with medication in the community, which as hon. Members know resulted in the dreadful killing of Denis Finnegan, the inquiry team commented that in its view,

"the only means of securing John Barrett's compliance with treatment as an out-patient would have been a community treatment order".

That was not available at the time.

Lynne Jones: I can certainly see that there is a role for CTOs. I did not get the impression that the psychiatrists at that meeting were lapdogs to the Minister, and I am quite astute at identifying people who toe the line. They said what their experience was. Contrary to the impression that may have been given by the last couple of interventions I have made, I have some sympathy with amendment No. 96. Will my right hon. Friend address the point that CTOs are meant for a small number of patients who lapse from their

[Lynne Jones]

treatment and do not take their medication—the "revolving door" type of patient? What is the Government's objection to the amendment, which is about there having been one occasion on which a patient has refused to accept treatment and has subsequently deteriorated? We will have the discussion about impaired decision making tomorrow, so I will not go into that now.

Ms Winterton: Essentially, we do not believe that the amendment is necessary, given that we have moved so far in terms of supervised community treatment by saying that it must be preceded by one period of detention in hospital. That is completely different from what happens in many other jurisdictions, including Scotland. There have been suggestions about restricting that, which is what the amendment would do. As the House will know, in Committee we reversed the amendments introduced in another place on the criteria for SCT, which would have meant that it was not available to patients at risk of suicide, and would have limited it to patients who had had two previous compulsory admissions to hospital. I am glad that the Opposition have conceded that SCT can be helpful in preventing suicide, and that their amendment reflects that. However, I still strongly believe that the suggested restrictions would go too far and are unworkable in practice.

The Opposition are in effect trying to limit the availability of SCT. Amendment No. 96 would restrict health professionals' ability to make the decision, and make the scheme impossible to operate. It would demand an assessment of a previous relapse, including, crucially, whether compulsory admission to hospital would have been necessary, regardless of whether that admission had taken place. How is it possible for a clinician to look back over a five-year period and decide whether an admission would have been preferable irrespective of whether it took place? Are we asking them to say that the previous professional was wrong in not having admitted the person for compulsory treatment? How do they make an assessment about something that occurred as long beforehand as five years ago, without knowing anything about the precise circumstances?

That is complete nonsense. Moreover, what relevance would it have to the person's current circumstances? Under SCT, the clinician considers the patient's current circumstances and asks whether they would benefit from it. It is completely ridiculous to ask them to look back five years. That goes back to the issue of having compulsory admission twice. If we, as the House of Commons, were to try to restrict clinicians' ability to do what they think is right for a patient in any other circumstances, we would be wrong and the profession would be up in arms about it. The Opposition are trying to restrict the clinician's ability to make the decision. In effect, we would be saying to people, "Until you become ill again you cannot have supervised community treatment. Please go away, get ill again, and then come back and we can talk about it." It is almost impossible to imagine saying that to patients, or to relatives of somebody in these very limited circumstances.

Tim Loughton: The Minister is trying to caricature the amendment, which responds to matters that she raised in the first place. There are such things as medical records. She is giving powers to somebody who has never previously met a patient to place that patient under a CTO. She is also trying to claim that the amendment provides that the patient must have two previous compulsory admissions. That is not the case. The amendment refers to the second compulsory admission. She claims that the profession would be up in arms if we tried to impose such a provision on it, but why is it not up in arms at the moment? It does not agree with her about CTOs.

9.45 pm

Ms Winterton: That is not true. I have already said that 85 per cent. of people who work in mental health services support our amendments.

The hon. Gentleman should read amendment No. 96. It states that

"the patient has on at least one occasion within five years previous to the present admission...refused to accept medical treatment for mental disorder...there has been a significant relapse in his medical or physical condition justifying compulsory admission to hospital; (whether or not there has been such an admission)."

It would be impossible for clinicians to operate under those conditions. Again, it would put obstacles in the way of people getting appropriate treatment when they needed it. It would stop people getting that treatment. Although the hon. Gentleman has perhaps tried to solve some of the problems that I pointed out to him in Committee, he has not succeeded.

Let us consider the proposal to try to place a time limit of three years on supervised community treatment. As hon. Members know, we have tackled the concerns that patients will find it hard to get off supervised community treatment by making a new requirement that an approved mental health professional must agree to every extension of a CTO. That is a far more sensible method of tackling the matter than imposing another arbitrary time limit. Under the hon. Gentleman's proposal, whether or not a supervised CTO remains the right action in the clinician's opinion, we would say no. That is wrong. It gets in the way of a clinician's ability to make the right decision.

Supervised community treatment contains many safeguards, including the ability to appeal to the mental health review tribunal and the power of the nearest relative to discharge someone from a CTO. Those are the safeguards and it is not for us to limit clinicians' discretion as the hon. Gentleman suggests.

Tim Loughton: Is the Minister genuinely saying that she would be happy if a patient were on a CTO after three years? Does not she believe that those orders are for the shorter term? She admitted to an average of nine months. If they remain in force after three years, serious questions should be asked about whether they are the right basis for treating the patient and we should reassess the matter. That is all we propose. We are not trying to restrain the clinician; we simply say that if orders are in force after all that time, they cannot be working.

Ms Winterton: The amendment does not provide for that. All the safeguards that I have outlined cover the matter. We should not try to limit clinicians' ability.

Amendment No. 100, which would remove clause 30, is disturbing. Clause 30 requires the responsible clinician to consider supervised community treatment whenever longer-term leave is in view for a patient. If leave of absence for longer than seven days is given to a patient, the clinician should consider whether supervised community treatment is the most appropriate way forward. Anxieties have been expressed about the use of leave of absence when people remain under compulsion but are in the community. We want to ensure that clinicians consider whether supervised community treatment is appropriate so that such supervision exists in the community. Opposition Members would obviously prefer patients to go on leave in the community for long periods without the structure and safeguards of supervised community treatment to support them. That is not the best means of managing patients' care and treatment. It is therefore unacceptable to try to limit the discretion that we are giving clinicians to determine what they do. That is the point: the powers give clinicians discretion; that does not mean that they have to act.

Further amendments tabled by Opposition Members and by the hon. Member for Wyre Forest (Dr. Taylor) are designed to impose requirements about consultation. I certainly understand the concern, which was also raised by my hon. Friend the Member for Birmingham, Selly Oak (Lynne Jones). It is important for consultation to take place, but I would draw the attention of hon. Members to the statement of matters that should be considered when we are talking about principles in the code of practice—and that includes the involvement of patients in planning, developing and delivering care and the treatment appropriate to them. We believe that that principle should be at the heart of how the Bill is delivered.

I am afraid, however, that there are issues of confidentiality. It is true that there will be occasions in which it is not necessarily right to consult a range of people as the amendments suggest. It has to be the patient's right to say who they would or would not like to be consulted, and it would be extremely difficult for us to dictate that from here. These are matters for the code of practice, and I am quite prepared to look further into it and see whether it needs to be strengthened by pointing out that we want consultation. I will look again at that, and I will consult both my hon. Friends and other hon. Members in doing so.

Other amendments were tabled by my hon. Friend the Member for Hendon (Mr. Dismore) and the hon. Member for Oxford, West and Abingdon (Dr. Harris). For example, amendment No. 79 would provide a power for the tribunal to

"remove or vary any condition"

relating to the patient's behaviour. Let me explain that we see CTOs operating through clinicians talking with patients about the conditions that would be contained within a supervised community treatment order. If the patient turns around from the word go and says that there is no way that he is going to accept any of it, supervised community treatment will not work.

It is all about a partnership between patient and clinician—but with the knowledge that if things go wrong, clinicians have the ability to bring someone back into hospital. They do not have to do so. If the patient says that he is not taking his medication because he believes it to be too strong and regards the side-effects as unacceptable, the clinician can say, "Well, let's try something else." It does not automatically mean that an individual has to come back into the hospital setting. It is, as I say, about a partnership.

I recognise the concerns in all these issues about the conditions of supervised community treatment. That is why we are bringing forward some substantial amendments, which place the focus firmly on the purpose of conditions and remove altogether from the Bill the examples of conditions that could be set for a patient. These put beyond doubt the fact that the conditions must be about either ensuring that the patient receives treatment, or preventing harm to the patient or others. That means that we have responded to the concerns brought forward in Committee and in the other place and made it absolutely clear what the conditions are about. Given that we have tabled these amendments to the conditions—*[Interruption.]*

Angela Browning *rose—*

Ms Winterton: I really need to go through these provisions and address some of the points that the hon. Lady herself raised.

We believe that these amendments will clarify issues that we have discussed with clinicians and with members of the new mental health coalition who pressed for them, so I hope that hon. Members will not press their other amendments but will acknowledge that we must not limit the ability of clinicians or restrict any further supervised community treatment. It is all about getting treatment to people when they need it, and protecting patients and the public from harm.

As for the amendments that deal with children and supervised community treatment, we debated them fully in Committee, and although we are fully sympathetic to the spirit behind them, we really do not believe that they are necessary, given the package of safeguards that already exists for both adults and children on SCT.

Amendments Nos. 97, 98 and 99 would appear to prevent the treatment in emergencies in the community of children who lack competence. In practice, that would mean that in life-threatening situations, a clinician would not be able to treat a patient until they were brought back to hospital. A delay in treatment could spell disaster, so we must reject the proposals. They would mean that clinicians could not treat patients in difficult situations.

Amendments Nos. 75 to 78, tabled by my hon. Friend the Member for Hendon, attempt to prescribe on the face of the legislation what is meant by "competence". We believe that we have enough guidance to meet some of the concerns raised by my hon. Friend.

The problem with amendment No. 92 and new clauses 13 and 14 is that they would affect the use of SCT in practice. In attempting to deal with a concern about the review of medication by a second opinion appointed doctor, the proposals would, in practice,

[Ms Rosie Winterton]

prevent a patient from being treated without delay on recall to hospital, and would thus render recall useless. That is unacceptable.

Angela Browning: Will the Minister give way?

Ms Winterton: I cannot give way, because the debate has to finish soon.

Concern has been expressed that a SOAD may not be capable of approving the treatment that may be given on recall, but I must reiterate that the SOAD's review of medication in the community is not a mandate for the treating clinician to give that medication on recall come what may. The clinician will need to make an independent judgment about what treatment is necessary.

Amendment No. 101 would achieve a further restriction, preventing the use of ECT where it is necessary to prevent a serious deterioration in the patient's condition. We debated that point in Committee and I hope that the hon. Member for Southport (Dr. Pugh) recalls the arguments that were made, especially the example I gave of an anorexic patient, whose problems might not be immediately life-threatening, but could become so if the patient continued to refuse treatment. We cannot stand by and watch such things happen.

The Government's amendments on supervised community treatment address many of the concerns raised by my hon. Friends and the Opposition, and in the other place. Our proposals will make a real difference by clarifying the conditions; there must be a health benefit, or protection for the patient or the public. The amendments proposed by the Opposition would restrict the ability to use supervised community treatment, and would thus lead to harm to patients and, possibly, to the wider public.

Angela Browning: Having listened carefully to the Minister, I want to press the new clause to a vote.

Question put, That the clause be read a Second time:—

The House divided: Ayes 211, Noes 277.

Division No. 143] **[9.58 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, rh Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Campbell, rh Sir Menzies
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clegg, Mr. Nick
Conway, Derek
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Curry, rh Mr. David
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Foster, Mr. Don
Francois, Mr. Mark
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goodman, Mr. Paul
Gove, Michael
Gray, Mr. James
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Howarth, David
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jones, Mr. David
Kawczynski, Daniel
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Key, Robert
Kirkbride, Miss Julie
Kramer, Susan
Laing, Mrs. Eleanor
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
Malins, Mr. Humfrey
Mates, rh Mr. Michael
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McIntosh, Miss Anne
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Murrison, Dr. Andrew
Neill, Robert
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Oaten, Mr. Mark
Öpik, Lembit
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Robertson, Mr. Laurence
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Russell, Bob
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Stanley, rh Sir John
Stunell, Andrew
Swayne, Mr. Desmond

Swinson, Jo
Syms, Mr. Robert
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Tredinnick, David
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Walter, Mr. Robert
Waterson, Mr. Nigel
Webb, Steve
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Michael Fabricant and Angela Watkinson

NOES

Ainger, Nick
Ainsworth, rh Mr. Bob
Allen, Mr. Graham
Armstrong, rh Hilary
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cooper, Rosie
Cooper, Yvette
Cousins, Jim
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Darling, rh Mr. Alistair
Davies, Mr. Dai
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Efford, Clive
Ellman, Mrs. Louise
Ennis, Jeff
Etherington, Bill
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Harman, rh Ms Harriet
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodgson, Mrs. Sharon
Hoey, Kate
Hood, Mr. Jim
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Illsley, Mr. Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh John
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh David
Miliband, Edward
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morgan, Julie
Morley, rh Mr. Elliot
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Simpson, Alan
Skinner, Mr. Dennis
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Starkey, Dr. Phyllis
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari

Taylor, David
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Mr. Stephen
Tipping, Paddy
Touhig, rh Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, rh Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, rh Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Frank Roy and
Liz Blackman

Question accordingly negatived.

It being after Ten o'clock, MR. SPEAKER *put forthwith the Questions necessary to dispose of the business to be concluded at that hour.*

Clause 29

COMMUNITY TREATMENT ORDERS, ETC

Amendment proposed: No. 96, page 19, line 27, leave out paragraphs (b) to (d) and insert—

'(b) if the patient is not under Part III of the Act, (a patient concerned in criminal proceedings or under sentence), the patient's ability to make decisions about the provision of medical treatment is significantly impaired because of his mental disorder;

(c) it is necessary for—

(i) the protection of others from serious harm, or

(ii) the protection of the patient from suicide or serious harm to himself that he should receive treatment for his mental disorder;

(d) subject to his being liable to be recalled to hospital for medical treatment such treatment can be provided without his continuing to be detained in a hospital;

(e) the patient has on at least one occasion within five years previous to the present admission under section 3 refused to accept medical treatment for mental disorder;

(i) when appropriate medical treatment has been refused there has been a significant relapse in his mental or physical condition justifying compulsory admission to hospital; (whether or not there has been such an admission); and

(ii) medical treatment was then provided to him which alleviated or prevented a worsening of his condition, its symptoms or other manifestations of his condition.

(f) it is necessary for the protection of others from serious harm, or the protection of the patient from suicide or serious harm to himself, that he should be liable to be recalled to hospital for medical treatment; and".'.— *[Tim Loughton.]*

Question put, That the amendment be made:—

The House divided: Ayes 212, Noes 271.

Division No. 144] **[10.14 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Benyon, Mr. Richard
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Brazier, Mr. Julian
Breed, Mr. Colin
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, rh Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Campbell, rh Sir Menzies
Carswell, Mr. Douglas
Cash, Mr. William
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clarke, rh Mr. Kenneth
Clegg, Mr. Nick
Conway, Derek
Corbyn, Jeremy
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Mr. Quentin
Davis, rh David *(Haltemprice and Howden)*
Djanogly, Mr. Jonathan
Dorrell, rh Mr. Stephen
Dorries, Mrs. Nadine
Duddridge, James
Duncan, Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Foster, Mr. Don
Francois, Mr. Mark
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goodman, Mr. Paul
Gove, Michael
Gray, Mr. James
Greening, Justine
Greenway, Mr. John
Grieve, Mr. Dominic
Gummer, rh Mr. John
Hammond, Mr. Philip
Hammond, Stephen
Hancock, Mr. Mike
Hands, Mr. Greg
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Herbert, Nick
Hoban, Mr. Mark
Hogg, rh Mr. Douglas
Hollobone, Mr. Philip
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Howarth, David
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jones, Mr. David
Kawczynski, Daniel
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Key, Robert
Kirkbride, Miss Julie
Kramer, Susan
Laing, Mrs. Eleanor
Lamb, Norman
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
Malins, Mr. Humfrey
Mates, rh Mr. Michael
Maude, rh Mr. Francis
May, rh Mrs. Theresa
McDonnell, John
McIntosh, Miss Anne
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Murrison, Dr. Andrew
Neill, Robert
Newmark, Mr. Brooks
O'Brien, Mr. Stephen
Oaten, Mr. Mark
Öpik, Lembit

Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Robertson, Mr. Laurence
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Russell, Bob
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, Mr. Keith
Smith, Sir Robert
Soames, Mr. Nicholas
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Stanley, rh Sir John
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Syms, Mr. Robert
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Tredinnick, David
Tyrie, Mr. Andrew
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Walter, Mr. Robert
Waterson, Mr. Nigel
Webb, Steve
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Michael Fabricant and Angela Watkinson

NOES

Ainger, Nick
Ainsworth, rh Mr. Bob
Allen, Mr. Graham
Armstrong, rh Hilary
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Bradshaw, Mr. Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cooper, Rosie
Cooper, Yvette
Cousins, Jim
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
Darling, rh Mr. Alistair
Davies, Mr. Dai
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Efford, Clive
Ellman, Mrs. Louise
Ennis, Jeff
Etherington, Bill
Field, rh Mr. Frank
Fisher, Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
Gardiner, Barry
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Harman, rh Ms Harriet
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hillier, Meg
Hodgson, Mrs. Sharon
Hoey, Kate
Hood, Mr. Jim
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Illsley, Mr. Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Lynne
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Knight, Jim
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lammy, Mr. David
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Mackinlay, Andrew
MacShane, rh Mr. Denis
Mactaggart, Fiona
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh John
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh David
Miliband, Edward
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morgan, Julie
Morley, rh Mr. Elliot
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
O'Hara, Mr. Edward
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda

Robertson, John
Robinson, Mr. Geoffrey
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheridan, Jim
Simon, Mr. Siôn
Simpson, Alan
Skinner, Mr. Dennis
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Starkey, Dr. Phyllis
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Thornberry, Emily
Timms, rh Mr. Stephen
Tipping, Paddy
Touhig, rh Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Ussher, Kitty
Vaz, rh Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, rh Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Frank Roy and Liz Blackman

Question accordingly negatived.

Amendments made: No. 22, in page 20, line 11, leave out subsections (2) and (3) and insert—

'(2) But, subject to subsection (3) below, the order may specify conditions only if the responsible clinician, with the agreement of the approved mental health professional mentioned in section 17A(4)(b) above, thinks them necessary or appropriate for one or more of the following purposes—

(a) ensuring that the patient receives medical treatment;

(b) preventing risk of harm to the patient's health or safety;

(c) protecting other persons.

(3) The order shall specify—

(a) a condition that the patient make himself available for examination under section 20A below; and

(b) a condition that, if it is proposed to give a certificate under Part 4A of this Act in his case, he make himself available for examination so as to enable the certificate to be given.'.

No. 23, in page 20, line 30, after 'order', insert 'by virtue of subsection (2) above'.

No. 24, in page 21, line 25, leave out 'imposed under section 17B(3)(d)' and insert 'specified under section 17B(3)'.—*[Mr. Watts.]*

Schedule 6

MENTAL CAPACITY ACT 2005: NEW SCHEDULE A1

Amendment made: No. 59, in page 123, line 10, at end insert—

'187 The following table contains an index of provisions defining or otherwise explaining expressions used in this Schedule—

age assessment	paragraph 34
age requirement	paragraph 13
age review assessment	paragraph 112(3)
appointment regulations	paragraph 138
assessment under this Schedule	paragraph 127
assessor (except in Part 8)	paragraph 33
assessor (in Part 8)	paragraphs 33 and 128
authorisation under this Schedule	paragraph 10
best interests (determination of)	section 4
best interests assessment	paragraph 38
best interests requirement	paragraph 16
best interests review assessment	paragraph 112(6)
care home	paragraph 177
change of reason ground	paragraph 106
complete (in relation to a review of a standard authorisation)	paragraph 118
deprivation of a person's liberty	section 64(5) and (6)
Deputy	section 16(2)(b)
detained resident	paragraph 6
disposed of (in relation to a request for a standard authorisation)	paragraph 66
eligibility assessment	paragraph 46
eligibility requirement	paragraph 17
eligibility review assessment	paragraph 112(7)
eligible person (in relation to paragraphs 68 to 73)	paragraph 68
eligible person (in relation to Part 8)	paragraph 102(3)
expiry (in relation to an existing authorisation)	paragraph 125(b)
existing authorisation (in Part 8)	paragraph 125(a)
Hospital	paragraph 174
IMCA	paragraph 157
in force (in relation to a standard authorisation)	paragraphs 63 and 64
in force (in relation to an urgent authorisation)	paragraphs 88 and 89
ineligible (in relation to the eligibility requirement)	Schedule 1A
interested person	paragraph 184
interested person consulted by the best interests assessor	paragraph 185
lack of capacity	section 2
lasting power of attorney	section 9
managing authority (in relation to a care home)	paragraph 178
managing authority (in relation to a hospital)	paragraph 175 or 176
maximum authorisation period	paragraph 42
mental capacity assessment	paragraph 37
mental capacity requirement	paragraph 15
mental capacity review assessment	paragraph 112(5)
mental health assessment	paragraph 35
mental health requirement	paragraph 14
mental health review assessment	paragraph 112(4)
negative conclusion	paragraph 112(2)(a)
new supervisory body	paragraph 99(b)
no refusals assessment	paragraph 48

no refusals requirement	paragraph 18
no refusals review assessment	paragraph 112(8)
non-qualification ground	paragraph 105
old supervisory body	paragraph 99(a)
positive conclusion	paragraph 112(2)(b)
purpose of a standard authorisation	paragraph 11(1)
purpose of an urgent authorisation	paragraph 11(2)
qualifying requirements	paragraph 12
refusal (for the purposes of the no refusals requirement)	paragraphs 19 and 20
relevant care or treatment	paragraph 7
relevant hospital or care home	paragraph 7
relevant managing authority	paragraph 26(4)
relevant person	paragraph 7
relevant person's representative	paragraph 137
relevant procedure	paragraph 128
review assessment	paragraph 112(1)
Reviewable	paragraph 104
section 39A IMCA	paragraph 155
section 39C IMCA	paragraph 156
section 39D IMCA	paragraph 156A
standard authorisation	paragraph 8
supervisory body (except in Part 8)	paragraph 179, 180 or 181
supervisory body (in Part 8)	paragraph 128 and paragraph 179, 180 or 181
unauthorised deprivation of liberty (in relation to paragraphs 68 to 73)	paragraph 67
urgent authorisation	paragraph 9
variation of conditions ground	paragraph 107".

—[Mr. Watts.]

It being after Ten o'clock, further consideration stood adjourned.

Bill to be further considered tomorrow.

DELEGATED LEGISLATION

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6), (Delegated Legislation Committees),

ROAD TRAFFIC

That the draft Community Drivers' Hours and Recording Equipment Regulations 2007, which were laid before this House on 14th May, be approved.—*[Mr. Watts.]*

Mr. Speaker: I think the Ayes have it.

Hon. Members: No.

Division deferred till Wednesday 20 June, pursuant to Standing Order No. 41A (Deferred divisions).

Mr. Speaker: With the leave of the House, I will put motions 4, 5 and 6 together.

Motion made, and Question put forthwith, pursuant to Standing Order No. 118(6) (Delegated Legislation Committees),

DEFENCE

That the draft Armed Forces, Army, Air Force and Naval Discipline Acts (Continuation) Order 2007, which was laid before this House on 10th May, be approved.

That the draft Armed Forces (Alignment of Service Discipline Acts) Order 2007, which was laid before this House on 14th May, be approved.

That the draft Armed Forces (Service Police Amendments) Order 2007, which was laid before this House on 16th May, be approved.—*[Mr. Watts.]*

Question agreed to.

Housing Policy (Hartlepool)

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Watts.]*

10.27 pm

Mr. Iain Wright (Hartlepool) (Lab): I am very grateful to you, Mr. Speaker, for allowing me to secure this debate on an issue that is affecting many of my constituents, and which is hindering Hartlepool's ability to achieve its potential.

Over the past six to 12 months, housing-related matters have become the No. 1 issue in my constituency workload, eclipsing even antisocial behaviour as the main concern. I carry out weekly advice and street surgeries throughout the town, and a large proportion of work arising from them stems from an imbalance in housing supply and demand, resulting in people being unable to secure suitable and appropriate housing.

There are a number of different strands to the housing case load that I receive. The majority of cases involve families who are unable to find an affordable or suitable property. A family with just two children, let alone any more kids, finds it increasingly difficult to secure social housing. An increasing number of elderly or disabled constituents also contact me to request my help in securing adaptations to their homes such as stair lifts and walk-in showers. The disabled facilities grant has helped in this regard, but the demand for such services and for that grant far outstrips the available resources. Some elderly or disabled people wish to move from their homes altogether. They are getting older and becoming more infirm, their children may have grown up and left the family home, and their current house may no longer be suitable; they would much prefer to live in a properly adapted bungalow. That would also have the advantage of freeing up family homes, but the number of appropriate bungalows in Hartlepool is extremely low.

I also detect a growing number of homeless people who are priced out of the social and private rented markets altogether. In an extreme example, a constituent who came to see me—she was pregnant, quite heavily so—and her boyfriend were living on an allotment, waiting to be allocated suitable social housing. Such instances are mercifully rare, but they demonstrate vividly the imbalance between the demand for property and the available supply.

On the face of it, Hartlepool does not have the same issues of affordability as other parts of the country. Stockton-on-Tees has the highest average house prices in the Tees valley, while my constituency vies with Middlesbrough in the sub-region for the cheapest house prices. Moreover, average earnings of full-time employees in Hartlepool are among the highest in the Tees valley. That means that, on a crude price/earnings ratio, Hartlepool is one of the most affordable parts of the country in terms of buying a house.

It is true that in recent years, thanks to a relatively buoyant local and regional employment market and historically low interest rates, housing development in my constituency has been extremely healthy. We have seen the rise of new housing developments, such as Bishop Cuthbert and Middle Warren, with a high proportion of three, four and even five-bedroom homes being built. We have an exciting development at Hartlepool Quays, where modern homes are being targeted at young and prosperous professionals, keen to enjoy the marina's leisure facilities and the high quality bars and restaurants.

A Hartlepool couple who are both in work are more likely today to be able to afford and choose to live in a four-bedroom detached house or a modern apartment on the marina, than an equivalent couple some 20 or 30 years ago, when higher interest rates and other factors may have meant that they started their journey of property ownership in a two-bedroom terraced house. But the blunt ratio of affordability masks a great deal in terms of the experience of people in my constituency. The borough is the 14th most deprived in the country and more than half of the town's population lives in areas that are classified by the index of multiple deprivation as being in the 10 per cent. most disadvantaged in the country.

There are fewer people in professional or managerial jobs and more with lower skills than the national average. The number of those unemployed or classed as economically inactive remains relatively high, although the number in work is now at a record level and the unemployment rate has come down dramatically over the past decade. There are also fewer people classed as owner-occupiers and more in rented accommodation than the average for England and Wales. That means that for a far too large proportion of my constituents, being able to secure a foot on the property ladder is simply unachievable.

Hartlepool is often referred to as the largest village in the world, with everybody knowing everybody else. In some respects that may be true, although I do not necessarily see it that way: I view Hartlepool more as a close collection of very distinct neighbourhoods and communities, with areas such as Headland, Dyke House and West View, Owton Manor and Rossmere, each with their own identities and each with their own specific housing issues.

For the centre of Hartlepool, for example, there is a need to regenerate and halt the symptoms associated with inner-city decline. In that part of my constituency, there is an over-abundance of small Victorian terraced properties. Some 41 per cent. of the town's entire housing stock is classed as two-bedroom terraced property, compared with 26 per cent. nationally, and that tenure is located almost exclusively in the centre of town, with boundaries that align closely with the new deal for communities regeneration project.

In the late 1940s, Max Lock, who undertook a major planning review of Hartlepool, classified much of that area as blighted housing, with a recommendation that the terraced housing should be cleared. It has taken 60 years, and another Labour Government, before any real progress has been made.

Today, four of the weakest nine neighbourhoods across the whole of the Tees valley in terms of the so-called vitality index are in central Hartlepool, namely Dyke House, Grange, Belle Vue and Stranton. There has been acute and long-term market failure in that area, with properties being snapped up by developers a couple of years ago for as little as £10,000 or £12,000. As I mentioned earlier, for those in work, historically low and stable interest rates have meant that people have often been able to aspire to and buy larger houses as their starter home, as opposed to the

traditional two-up, two-down. That has produced a doughnut effect, which sees a trend of people moving out of the centre of Hartlepool and into the suburbs. The ownership ratio has also flipped over in those areas in the last decade, with private landlords taking over the majority of that type of property. That has accelerated and exacerbated the problems in the area, because landlords, often with no knowledge of the patch—or even with no knowledge of where Hartlepool or the north-east is at all—have frequently moved tenants with antisocial and criminal tendencies into the properties. That has undermined the sense of community and made long-standing residents resort to moving out, often selling to private landlords and accelerating the decline, or remaining and living in fear and subject to intimidation.

The housing problems are different in other parts of the town. Areas such as the Raby gardens and Easington road parts of Dyke House, and, to a lesser extent, Belle Vue in Stranton, are suffering from uncertainty and delay due to the lack of a firm commitment on their future. As part of the north-central Hartlepool master plan, Tees Valley Living, Housing Hartlepool and Hartlepool borough council are examining closely whether properties in those areas should be modernised or demolished. However, the process is being delayed, largely due to uncertainty about future flows of money to undertake regeneration work. That is causing residents to put their lives and hopes on hold. One resident in the area told me that she would like to put a new kitchen in her home, but was reluctant to do so because of the uncertainty in her area. The residents are willing to invest, but although that resident owns her own house, she does not know whether it will stay up or be pulled down.

Other areas of the town have different problems. In the 1940s and 1950s, large council housing estates were built, such as West View, Owton Manor and Rossmere, where both sides of my family were brought up. The right to buy has meant that there has been a gradual, yet marked, reduction in the supply of social housing over the past 20 years. Alongside that trend, council housing stock has been transferred to Housing Hartlepool, a newly-established registered social landlord. Under the socially committed leadership of Cath Purdy, its chief executive, it has ensured in three short years that two thirds of its 7,000 properties have met the decent homes standard. It is well on track to exceed the Government's target. It has improved the thermal efficiency of homes and put an emphasis on renewable sources of energy and insulation. It is extremely proactive in the community. I chair the local strategic partnership, so I am aware of Housing Hartlepool's contribution to the town's respect, neighbourhood renewal, social enterprise and financial inclusion agendas, which is all to the betterment of Hartlepool.

Therein lies the problem, however. While, to put it bluntly, demand for council homes was not high five years ago, which reflected a long-term failure to invest in housing stock, the success of Housing Hartlepool's modernisation programme means that people want to live in such homes, which symbolises the regeneration and reinvigoration of our neighbourhoods to which the organisation is contributing.

Those neighbourhoods have deep roots. I know from my surgery of many examples of three or four generations of the same family living in Owton Manor or West View, for example. That was what I meant when I said that Hartlepool was a collection of communities or villages. Younger people rightly want to stay close to their parents or grandparents. Such a situation might ease child care problems and thus help people to get jobs or embark on training and education and thus improve their standard of living. We should therefore encourage that trend as much as possible. However, the demand for Housing Hartlepool's properties greatly exceeds the available supply. The void rate for its 7,000 properties is just above 1 per cent., while 0.8 per cent. of properties are ready to let imminently. That trend is mirrored by the situation for other RSLs throughout the town.

The right to buy policy of the past 20 years has not been matched by a corresponding increase in the building of social housing, either generally across the town, or in areas identified as those with acute need. In Rossmere, for example, where both my parents grew up, the extent of the use of the right to buy has been astronomical. The former council estate has an owner-occupier rate of over 90 per cent., and the demand for social housing in the area is completely unmet. Much more needs to be done to match supply with demand in parts of the town such as Rossmere, West View and Owton Manor.

In addition to the past and current issues, Hartlepool has further requirements if the needs and aspirations of my constituents are to be met in the years to come. It is forecast that in the next 15 years, the number of households in the borough will rise by 13 per cent., which is on a par with the highest increases in the entire Tees valley. Moreover, the number of people older than 75 will increase by a massive 25 per cent., which will mean that a quarter of the borough's residents will be in their late 70s by 2021. That will have enormous repercussions for public services and the availability of appropriate housing. We are struggling to meet housing need at the moment. Future social and demographic trends show that we will be deluged in the next decade or so by an even larger excess of demand over supply of housing.

One of the frustrating things is that all the relevant partners already identify the need for action. In many cases, real progress has already been made, which shows that Hartlepool can progress and deliver when permitted. In the centre of town, where housing market renewal is necessary, the process of demolishing older properties is taking place as we speak, and new bungalows and other properties are being built. In other parts of the country, such clearance has aroused strong anger among communities, but not in Hartlepool. I can do no better than to quote an extract from an Audit Commission report published earlier this year:

> "Ambitions and plans which have been developed with local people are communicated clearly to them. This approach has been particularly beneficial in the Housing Market Renewal area of the town, where the quality of communication and involvement, the clarity of vision and objectives, and the close partnership working of all stakeholders, including developers, has engendered local enthusiasm for radical changes to the area and very few objections to the Compulsory Purchase Orders".

In small ways, Housing Hartlepool and other RSLs are building properties that are designed to tackle the problems of the supply of social housing. Housing Hartlepool, is building new properties in Nicolson way,

[Mr. Iain Wright]

for example, and to address the issue of an older population, the local authority, the health service and the Joseph Rowntree Housing Trust are building an innovative retirement village comprising 200 flats and bungalows—a scheme that won £9.8 million from the Government's extra care housing fund. Those initiatives show that Hartlepool can and does deliver on housing market renewal and development. I am therefore confident that achievements would be made if the Government provided additional resources and, perhaps just as importantly, allowed additional flexibilities to enable more to be done.

The comprehensive spending review hints at a flatline settlement for housing market renewal. For Tees Valley Living, that means about £45 million over the period 2008 to 2011 shared between four local authorities. Although Hartlepool is classed as a priority area for Tees Valley Living and HMR, largely because of its acute need and record on delivery, that means that my constituency will receive only about £3.75 million per year. Sites have now been identified and local communities consulted and enthused about what needs to be done, but progress will simply not happen at that level of funding. That further blights the area and hinders development. I therefore support Tees Valley Living's submission to the Government calling for £30 million per annum over the next five years, which would provide certainty across the sub-region and allow truly sustainable, prosperous and aspirational communities to be developed.

Perhaps of equal importance to additional resources is the need for greater flexibility for councils and RSLs to build homes. We need to redress the imbalance between demand and supply. We need more appropriate social housing in areas where properties are in demand. I hope that my hon. Friend the Minister will outline how means such as donation of council land to RSLs at nil cost, prudential borrowing for the local authority to build homes, and joint venture arrangements between the council, RSLs and other partners to build more housing stock could be used to resolve the problems and to increase the supply of social and affordable housing in Hartlepool. The local authority, RSLs and other partners are coming together to consider an agreed way forward in terms of land use planning, land disposal and funding, but we are at an extremely early stage in this process and I would welcome anything that the Minister can do both to facilitate and to accelerate that co-ordination and to meet the need for flexibility.

I am increasingly coming to the view that housing, particularly social housing, should be on a par in terms of a Labour Government's priorities with education and the national health service. Good-quality housing in sustainable communities raises people's hopes. A failure to meet housing needs runs the risk of consigning a generation of my constituents to low aspirations and a poor quality of life. Indeed, we need something similar to building schools for the future to secure additional social housing to help my constituents to achieve a better standard of living and realise their potential.

I am heartened by the fact that in the past few weeks, during the Labour Party's leadership and deputy leadership campaigns, the need for additional social housing has been identified and debated. I hope that tonight I have been able to demonstrate that social housing is not an issue that is confined to London and the south-east, but one that can be—indeed, is—very relevant to areas that are considered to be more affordable, such as the north-east and my constituency. I am keen to hear from my hon. Friend what additional help the Government can provide to ensure that the housing challenges in Hartlepool, both now and in the future, are met.

10.43 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Meg Munn): I congratulate my hon. Friend the Member for Hartlepool (Mr. Wright) on securing the debate and on raising an issue of such importance to his constituents.

A decent home for everyone is a key Government priority. Our policy is set out in the 2005 "Homes for All" statement:

> "Our vision of sustainable communities is to provide places that offer everyone a decent home that they can afford, in a community in which they want to live and work, now and in the future."

As my hon. Friend said, the housing market has undergone dramatic changes in recent times, particularly in Hartlepool, where the rate of increase in house prices was, for a period, the highest in England, albeit that prices started from a low base. I appreciate that increasing property values and rents, and shortages of affordable homes, have made things difficult for everyone, especially those setting out to buy a house for the first time. The Government are working with their partners in the public and private sectors to increase the number, range and quality of homes available.

We are making significant progress towards meeting the decent homes targets in the public and private sectors. We have invested more than £20 billion of public money in improving council housing since 1997, and more than £40 billion will have been invested by 2010. Since 1997, an additional £7.4 billion has been provided through borrowing by housing associations. We have increased the number of decent social homes by more than 1 million, and increased the proportion of vulnerable households in the private sector that have a decent home to 66 per cent.

As my hon. Friend mentioned, Housing Hartlepool took over ownership of Hartlepool's 7,500 council houses in 2004, and since then it has been working to achieve the decent homes standard. He is correct to say that it is more than two thirds of the way to achieving 100 per cent. by 2010, and the Audit Commission considers it to be "performing well". In addition to improvements to the existing stock, we want the creation of more affordable housing and new homes to be built at an increased rate. We are streamlining the planning system to ensure that a regular and reliable supply of land for new housing is available. The recently released planning policy statement on housing, commonly known as PPS3, enables local authorities to deal with the planning system more strategically to create places where communities can thrive.

The North East Housing Board recently published research on the use of section 106 agreements in the north-east and how those agreements can be better utilised. Private sector house builders have been active

in the area and the annual build rates in Hartlepool between 1995 and 2003 were steady, at around 370 new dwellings a year. Hartlepool borough council is increasingly focusing on the issue of affordable housing. A housing needs survey will soon be published; it will reflect the most up-to-date guidance on issues of affordability. After that, the council will meet the Housing Corporation and registered social landlords to discuss appropriate action. The council is preparing a framework to increase housing supply, and it is currently updating its planning policies and land sales policies. It continues to negotiate with developers to ensure the inclusion of social housing in areas such as Victoria harbour, to which my hon. Friend referred.

The council has also been considering the supply side of the issue, although it does not own a great deal of land. It needs to take into account the fact that planning permissions for several thousand homes were granted in the 1980s, and those permissions predate the most recent dramatic price increases. As the permissions were granted some time ago, they did not include section 106 agreements for affordable homes.

As my hon. Friend said, Hartlepool is the 14th most deprived of the 354 English boroughs, and more than half of the borough's residents live in areas that are among the 10 per cent. most disadvantaged in the country. Until recently, issues of affordability were not significant in the area, but price rises, particularly of better quality homes, has led to difficulty for first-time buyers. Despite those problems, Hartlepool borough council is well placed to develop the strategic approach to housing that is necessary for the borough and the rest of the Tees valley area.

The council is firmly established in the top third of all local authorities in England, and in its corporate assessment report of March this year, the Audit Commission said:

"There is good integration of housing and environmental improvements as key components of the regeneration of neighbourhoods."

I commend the excellent work that is being done in that regard. My hon. Friend referred to the housing market renewal programme; in 2006, Tees Valley Living areas were allocated £18.25 million between 2006 and 2008. That is excellent news for the sub-region. It will enable Tees Valley Living and partner local authorities to press ahead with their plans to bring about much-needed transformational change by replacing obsolete housing, improving existing properties, and helping to create mixed and sustained communities where people want to live and work. Authorities in the Tees valley area have combined to form Tees Valley Living, and are in the process of finalising a costed, prioritised sub-regional housing strategy for submission to the North East Housing Board in July. That is a key document for the determination of the next round of the single housing investment pot. Over the period 2006 to 2008, Tees Valley Living has been allocated more than £13 million from single housing investment pot funding for projects across the sub-region, of which 21 per cent. was spent in Hartlepool. Authorities in the Tees valley area have shown a strong lead in developing a strategic approach to housing, which is commendable and in line with the Government's vision for the future of housing policy.

What is the future, and, as my hon. Friend asked, what needs to happen now? The changing circumstances that he outlined bring new demands, so there is a need for new ways of working. Housing providers and local authorities need to increase house building rates; address the vexed issues of stock renewal; improve and maintain the quality of existing stock by achieving and going beyond the decent homes target; and meet specific community and social needs, particularly among vulnerable groups. It is essential to ensure that a suitable range of types and sizes of property is provided, based on a clear understanding of local needs and aspirations—hence the Government's emphasis on the importance of robust and up-to-date housing market assessments in the preparation of housing strategies. New building has a major role to play, but, at best, new homes represent a minor proportion of the total stock. We need, too, to maintain and improve existing homes and, where appropriate, redevelop outdated property.

My hon. Friend asked about future funding. Like any other Minister, I do not know the outcome of the comprehensive spending review. He has made his case well, and he articulated his constituents' needs, and that is now on the record. I thank him for giving me the opportunity to set out the work that is under way. We are living at a time when a great deal is changing, and the Government recognise the need to respond to increased and changing housing need.

Question put and agreed to.

Adjourned accordingly at eight minutes to Eleven o'clock.

House of Commons

Tuesday 19 June 2007

The House met at half-past Two o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

TRANSPORT

The Secretary of State was asked—

Railways

1. **Siobhain McDonagh** (Mitcham and Morden) (Lab): If he will make a statement on funding commitments for railways up to 2015. [143380]

The Secretary of State for Transport (Mr. Douglas Alexander): In July the Department will publish the high level output specification, which will set out what we expect the railway industry to deliver in the years to 2014. It will be accompanied by a statement of funds available, setting out the funds that we expect to make available to the industry over the same period.

Siobhain McDonagh: Is my right hon. Friend aware that Streatham to Mitcham Common is the longest line of track in London without a station, and that although I have been campaigning for 10 years for a station in Mitcham, the campaign for the Eastfields halt goes back to the 1930s? Does he share my delight that Network Rail intends to build a station there, and will he do everything he can to ensure that it is introduced at the earliest possible date in December?

Mr. Alexander: I am fully aware of the tireless efforts of my hon. Friend in relation to a new station at Eastfields. She has a reputation in the House for her efforts on behalf of her constituents, and I know that the matter is of particular concern to a number of commuters, who are keen to see a new station on that route. She is right to recognise that ultimately a decision rests with Network Rail. I understand that there have been constructive and positive conversations with Network Rail, and I urge her to continue those conversations.

Mr. James Gray (North Wiltshire) (Con): It is interesting that the Secretary of State says that the decision about a new station rests with Network Rail. Last Friday I had a meeting with Network Rail to discuss the new station in Corsham in the light of the very helpful letter that I had from the Secretary of State for Defence, who said that he was keen that the station in Corsham should open. The Network Rail people said that it was nothing to do with them—it was a matter for the Government or the regulator, but they were not quite certain which. Will the Secretary of State clarify whether he agrees with his right hon. Friend the Secretary of State for Defence that the new station in Corsham would be a good thing, and if so, who will take the decision to reopen it?

Mr. Alexander: With the greatest respect to my right hon. Friend the Secretary of State for Defence, I doubt that the terms of the letter to which the hon. Gentleman refers suggest that the decision is one for the Ministry of Defence or the Secretary of State for Defence. I am happy to look at the correspondence and we will be back in touch with him.

Mr. Paul Truswell (Pudsey) (Lab): When considering future rail investment, will my right hon. Friend take a particular look at west Yorkshire and especially the lines that run through New Pudsey, Horsforth and Guiseley in my constituency, bearing in mind the relatively low level of investment per person on transport in Yorkshire and Humberside?

Mr. Alexander: I am aware of the importance of rail services not just in one region, but in every region and nation of the United Kingdom. I am happy to give the assurance that we will consider the needs of every part of England when we publish the high level output specification in due course.

Mr. Patrick McLoughlin (West Derbyshire) (Con): Will the Secretary of State consider the service given to rail passengers on a Sunday? Does he think it is acceptable that most train companies offer appalling services on a Sunday, which take far longer than any other train journey during the rest of the week, and charge the same price for them?

Mr. Alexander: Of course it has been the case historically that significant engineering work has often been undertaken on a Sunday. It is right to acknowledge that as lifestyle, retailing and leisure patterns change, there are greater expectations of the network on a Sunday than was the case in a different era. I am sure Network Rail is aware of that, and I will make sure that the point is made to it, in light of the hon. Gentleman's contribution.

Mrs. Siân C. James (Swansea, East) (Lab): Will my right hon. Friend ensure that any moneys paid into the public purse by rail operators are ring-fenced for use within the franchise area where the moneys were raised, for further improvements to the franchise and the benefit of passengers?

Mr. Alexander: There has been some misapprehension on these issues in much of the commentary. I can give my hon. Friend the assurance that she seeks, which is that the money received from the franchise is ring-fenced in the budget of the Department for Transport. It is part of the ongoing sustained investment which accounts for about £88 million per week on Britain's railways at present.

Jo Swinson (East Dunbartonshire) (LD): Given the threat of climate change, is it not time the Government got serious about high-speed rail from Scotland to London to get people out of planes and into trains?

Mr. Alexander: With the greatest respect to the hon. Lady, it is about time the Liberal Democrats got serious. If she was serious about looking at high speed trains, she might recognise that there is a correlation between speed and energy consumption, and therefore that the easy assumption that in every circumstance a high speed train is the pro-environment choice does not bear scrutiny. These are serious matters. We are considering them in the Department and we will bring forward our recommendations at the time of the high level output specification in the summer.

Martin Linton (Battersea) (Lab): Will my right hon. Friend talk to his Treasury colleagues to ensure that the East London line extension is completed—not only phase 1 which is under construction, with the operator announced today, but phase 2 to Clapham Junction, which requires another £75 million under the comprehensive spending review?

Mr. Alexander: Many Ministers are keen to speak to the Treasury this week. I am happy to pass on the point that my hon. Friend makes.

Chris Grayling (Epsom and Ewell) (Con): I am sure the House is aware of the reports that this is likely to be the last occasion on which the Secretary of State stands at the Dispatch Box for Transport questions. May I offer him my thanks for a constructive relationship over the past few months and wish him well for the purges that we expect on the Government Benches next week. Can he tell the House, though, whether Britain's trains will be more or less overcrowded by 2015?

Mr. Alexander: First, I know that in the rail industry as in other walks of life, forecasting is an inherently challenging and difficult business. Clearly, the hon. Gentleman is in possession of information that I am certainly not aware of as we look ahead to the events of next week.

Let me deal with the substantive point, however. We have already recognised in the high level output specification discussions the centrality and importance of greater capacity on the railways. That is why I made it clear in March that as part of that statement this summer, 1,000 extra carriages will be provided for the country's railways. At the same time, we are looking at a range of measures on infrastructure, such as platform lengthening, for example. I can give the hon. Gentleman the assurance that capacity will be one of the central challenges that the high level output specification will address.

Chris Grayling: It is a shame that the 1,000 extra coaches will not be with us for another seven years.

The Government are receiving higher premium payments from train operators, because they in turn are passing on substantially increased fares to passengers—increases that are well above the rate of inflation. Will the Secretary of State give a commitment today that all the extra money raised from passengers in that way will be spent on tackling the overcrowding crisis on our railways?

Mr. Alexander: Let me address both the points that the hon. Gentleman has raised. First, he has suggested once again that the 1,000 extra carriages will not be available for a number of years. Let me correct that misapprehension, which I am sure is inadvertent, by confirming that carriages will be available on the network by the end of next year, which is 2008 rather than 2014.

Secondly, reflecting the earlier answer that I gave, we recognise that the premium payments that came in under the franchising system form part of the rail budget. I have already made it clear that one of key priorities for the rail budget in the years ahead will be capacity.

Bus Services

2. **Ms Angela C. Smith** (Sheffield, Hillsborough) (Lab): If he will take steps to improve the quality of bus services. [143381]

The Parliamentary Under-Secretary of State for Transport (Gillian Merron): Last month the Government published a draft Local Transport Bill for consultation. It includes proposals to provide the necessary powers for local authorities to improve bus services, as set out in "Putting Passengers First".

Ms Smith: The proposals have been broadly welcomed in south Yorkshire, even to the extent that last Friday, almost 100 bus users turned out on the wettest day for 35 years to discuss the measures with the Secretary of State. Does my hon. Friend agree with me and those bus users, however, that the measures in the Bill could be improved by giving local authorities the right to introduce the quality contract without having to go to an unaccountable body?

Gillian Merron: My hon. Friend is indeed an effective campaigner, as has been mentioned before. Indeed, I know from my right hon. Friend the Secretary of State that her work last week to promote a better deal for bus passengers by bringing them together with my right hon. Friend was extremely valuable. I congratulate Sheffield city council and the passenger transport executive on signing up to a voluntary quality partnership that will mean better bus services.

I can assure my hon. Friend that the draft Bill does indeed provide for better working partnerships between authorities and operators. It will give more powers to local authorities where needed, and it is important that where quality contracts are proposed, they are properly scrutinised, because they are for the benefit of all, and it is important that we ensure that they are in the public interest.

Mr. Alistair Carmichael (Orkney and Shetland) (LD): Does the Minister recall that on 21 May 1997, when the Prime Minister first answered Prime Minister's questions in this Chamber, he promised the House that the Deputy Prime Minister, who then had responsibility for transport, would be carrying out a review on the question of bus regulation? Since then, we have progressed as far as having a draft Bill. During that time, however, the cost of travelling by bus has increased by 15 per cent., while the cost of travelling by car has fallen by 9 per cent. Does the Minister think that the Prime Minister should be satisfied with the progress that her Department has made in the course of the past 10 years?

Gillian Merron: I am quite sure that the Prime Minister is very pleased that we now have the biggest shake-up of buses for some 20 years and that we have a balanced package of measures in the Bill, which is basically about ensuring better services for bus passengers. In particular, I want to draw the attention of the House to the fact that, just last week, provisional figures were published showing that there has been a rise of 85 million bus and light rail passenger journeys, and that 80 million of those additional journeys are made in the English non-metropolitan areas. That shows that bus patronage is on the rise, due in part to the concessionary travel provisions introduced by the Government.

Andrew Gwynne (Denton and Reddish) (Lab): If we are serious about tackling road congestion, there needs to be a meaningful role for park-and-ride, linked into strategic and key bus services. Given that fact, what discussion is my hon. Friend's Department having with the Greater Manchester passenger transport executive to ensure that that essential element is included in its transport innovation fund bid for Greater Manchester?

Gillian Merron: Discussions are under way on the TIF bid, which is to deal with congestion. I am sure that my hon. Friend and other hon. Members are aware that I recently had the honour of opening the new GMPTE offices in Manchester, and its commitment to improving bus services, tackling congestion and working for the people of Greater Manchester is commendable.

Mr. Philip Hollobone (Kettering) (Con): Will the Minister, or her successor, visit Kettering to discuss local bus services with local residents and to be briefed on the remarkable 23 per cent. increase in bus patronage in the past four years?

Gillian Merron: I am sure that I would be absolutely delighted to visit Kettering. Areas up and down the country have experienced great success in passenger growth. The Local Transport Bill is all about spreading good practice and making sure that the benefits are available, which my right hon. Friend the Secretary of State saw for himself in Oxford yesterday.

Jim Cousins (Newcastle upon Tyne, Central) (Lab): I urge my hon. Friend to make sure that the new powers in the Bill are coupled with the continuation of the Government's kick-start programme, which in Newcastle has given us a new, high-frequency bus corridor, the X47 in the north-west of the city, that has attracted thousands of new bus passengers. Sadly, however, the Liberal Democrat council in Newcastle failed for many months to carry out its part of the deal, which was highway improvements to support the scheme.

Gillian Merron: That is disappointing, if not unsurprising, news from my hon. Friend. The important point about kick-start funding is, as I am sure that the House is aware, that bus funding has almost doubled in real terms since 1997, which includes the kick-start programme. I cannot make a commitment today, but I assure my hon. Friend that we will put the matter under review.

Stephen Hammond (Wimbledon) (Con): The Government spend much of their time demonising the deregulatory provisions of the Transport Act 1985. If those provisions are so evil, why have the Government not included re-regulation in the draft Bill?

Gillian Merron: What an interesting question. We have had an apology from the Opposition about rail privatisation, but we have had no such apology about their action on buses. The draft Local Transport Bill, which I hope that the Opposition will support, will introduce a new regime that will put passengers first and deliver better punctuality. That will mean the further development of the community transport sector and the implementation of quality contract schemes through effective partnership working. The Bill is not about returning to the 1980s; it is about looking forward and providing bus travel not only for those who do not have a choice, but for those who do.

Mrs. Gwyneth Dunwoody (Crewe and Nantwich) (Lab): Since rail passengers have got an effective way of complaining if they do not get good service, is there a particular reason why bus passengers do not have the same provision?

Gillian Merron: I assure my hon. Friend that we are strengthening the role of the traffic commissioners, who are also being included in the assessment of quality contracts to use their expertise and time to best effect to improve bus services.

Rail Services

3. **Mr. Laurence Robertson** (Tewkesbury) (Con): What recent discussions he has had with Network Rail on improving the track between Kemble and Swindon. [143382]

The Parliamentary Under-Secretary of State for Transport (Mr. Tom Harris): I am aware that the Swindon to Kemble section is single track and that that limits the number of trains that the route can accommodate. Network Rail's business plan 2007 states:

"Redoubling the single track between Swindon and Kemble is being evaluated as the first phase of the Swindon-Gloucester-South Wales line upgrade for delivery in 2008/09".

However, that remains a matter for Network Rail to progress.

Mr. Robertson: I am grateful to the Minister for that response, but we need to hurry up that improvement. Some 220,000 people live in Cheltenham and Gloucester alone, and many more people in the area use the trains. There is a direct train only once every one hour 52 minutes; on many trains, people have to change if they want to go to London, a journey which can take as long as two hours 36 minutes; and an open return often costs £139. That is a very poor service between an important area of the country and London, so we need that improvement. Will the Minister redouble his efforts in persuading Network Rail to take on that project?

Mr. Harris: For every Conservative Back Bencher who complains about not enough money being spent on the rail network, their Front Benchers complain that we are spending too much. I understand the hon. Gentleman's concerns about the line but, as he will know, it is currently served by 18 trains in each direction every day—a level of service that would be envied in many other parts of the country. However, it is entirely up to Network Rail to decide if and when to spend money on the project, and how much.

Mr. David Drew (Stroud) (Lab/Co-op): As someone who has campaigned on this issue for 10 years, it is good to hear that it has now reached so-called GRIP 3, which will be known to my hon. Friend if to nobody else in the House. There is some optimism. However, I would like to know that there is a degree of transparency in the process. As the hon. Member for Tewkesbury (Mr. Robertson) says, this redoubling is greatly needed in Gloucestershire, and indeed in other parts of the region, so it would be nice to know that Network Rail will take advice from MPs and other interested parties to ensure that it gets a full view of the benefits that the upgrade could bring.

Mr. Harris: My hon. Friend is absolutely right to express concerns about the transparency of such decision making. Network Rail consults extensively throughout the industry. I would recommend that he visits its website to get the latest on the precise identity of the consultees on this particular business plan. If he wishes to write to me, I am happy to pass on his concerns to the chief executive of Network Rail.

Martin Horwood (Cheltenham) (LD): May I add my support to my colleagues from all parties in Gloucestershire on this important proposal? The redoubling of the line from Swindon to Kemble will deliver benefits in my constituency as well as those of my neighbours. Does the Minister agree that with passenger numbers on the railway network as a whole at their highest since the 1940s, such measures to increase capacity should be given the highest priority by Network Rail?

Mr. Harris: I am grateful for the hon. Gentleman's congratulations to the Government on their success in growing the network over the past 10 years. I would caution him and other hon. Members who have spoken on this issue by pointing out that the severe constraints on track capacity to the east of Swindon mean that although the work, if it goes ahead, will help to improve the reliability and performance of through services, it will be a much greater challenge to increase the number of services through to London.

Private Roads

4. **Natascha Engel** (North-East Derbyshire) (Lab): If he will take steps to encourage local authorities to bring private roads to adoptable standard. [143383]

The Minister of State, Department for Transport (Dr. Stephen Ladyman): Local authorities already have the power to bring unadopted roads up to the standard required for adoption. It is a matter of priorities for each individual authority to decide whether to do so, and there is no further role for central Government.

Natascha Engel: As my hon. Friend is aware, coalfield communities are disproportionately affected by unadopted roads, of which Derbyshire alone has 700. Will he agree to meet local authorities from coalfield communities to find finally some strategy to deal with that problem, which is not going away?

Dr. Ladyman: I certainly do know about the problem, because my hon. Friend has worked hard to ensure that Ministers are aware of it and of the specific issues. Of course, one of the ministerial team—these matters are usually dealt with by the Under-Secretary, my hon. Friend the Member for Lincoln (Gillian Merron)—will be delighted to meet her. Our ability to get involved in this is limited, but we can help to try to identify the various opportunities for funding such schemes of which my hon. Friend's constituency can take advantage.

Mike Penning (Hemel Hempstead) (Con): The Minister says that this is nothing to do with central Government. When the new town corporations handed over the overspill London new towns to local councils, many roads were not adopted, and local authorities simply do not have the money to put those roads into the state that they should be in for public use. As it was the Government's fault when those agencies did not do their job properly, can we look into the problem again to see whether there is any central money to solve it?

Dr. Ladyman: Local authorities might take advantage of various sources of funding for such schemes. The Department for Communities and Local Government offers several opportunities through regeneration funding. The local authority can use its own local transport plan funding, the integrated transport block and revenue support grant. It can even consider the possibility of using private finance initiatives and neighbourhood renewal funding. There are opportunities for local authorities to deal with this. If the hon. Gentleman would like to write to us, we will enumerate them and he can get his local authority working on an opportunity to put the problem right.

Mary Creagh (Wakefield) (Lab): Wakefield is a coalfield community with more than 200 unadopted roads. As my hon. Friend knows, the legislation that governs adoption is outmoded, requires unanimity from householders and is normally defeated because of apathy and the cost to those householders. They wish to resolve difficulties only when there are problems with sewage or street lighting. Will he liaise with Ministers in the Department for Communities and Local Government to ensure that, as we embark on a programme of house building, we do not allow any more unadopted roads to be built on private estates and that, if they are built, planning agreements cover the costs of maintaining them in perpetuity and their adoption?

Dr. Ladyman: I will pass on those views to my colleagues in the Department for Communities and Local Government. My hon. Friend makes a good point and any new housing developments should take such matters seriously and ensure that the problem does not get worse.

Mr. Barry Sheerman (Huddersfield) (Lab/Co-op): Will my hon. Friend take it from me that he cannot pass the buck in the way in which he appears to have done? It is his Department's responsibility that many people in my constituency and in Kirklees cannot get an unadopted road made up. May we have some leadership from him on the use of recyclable aggregate, which can often be used to make up the roads economically? His comments do not sit well when I have to face a Kirklees council that is run by the Tories with Liberal Democrat support, and it has to wait for a Labour Government to get its road done up.

Dr. Ladyman: I am sorry that my hon. Friend is cross with me, but there is little scope for central Government in the matter. It is for local authorities to decide how best to use their resources. We can make a variety of resources available to them, including regeneration funding and neighbourhood renewal funds. I am told that some local authorities have even used the home zone scheme as a way of moving matters forward. If the Liberal Democrat or Tory-controlled council to which my hon. Friend refers genuinely intends to resolve the problem, it has the mechanisms at its disposal.

Trains (Overcrowding)

5. **John Penrose** (Weston-super-Mare) (Con): What steps he is taking to reduce overcrowding on trains. [143384]

The Secretary of State for Transport (Mr. Douglas Alexander): We will work to increase capacity through the franchising process and in other ways. In particular, I announced on 14 March that the high level output specification, to be published in July, will include a commitment to 1,000 extra carriages. They will be targeted at the most congested routes on the network.

John Penrose: Does the Secretary of State agree that, in places such as my constituency, where junction 21 of the M5 is badly congested at peak hours, it is essential to have a high quality commuter rail scheme and that, for stations such as Worle, where there is bad overcrowding, we are moving in the wrong direction, with reduced rather than increased services? Will he make a commitment to people who wait for trains at Worle station and elsewhere in north Somerset that some of the resources that he mentioned will be targeted at the severe rail congestion there?

Mr. Alexander: Doughty though the hon. Gentleman is in defence of his constituents, I doubt whether he would expect me to preannounce such specific elements from the high level output specification, which will be before the House in only a few weeks.

Let me make the general point that there has been sustained investment in our railways in recent years, in contradiction to literally decades of under-investment that we previously experienced. Transport Ministers used to claim that we had the most efficient railway in Europe. I regret that, all too often, that was code for the fact that money was not spent on maintenance or capacity, and we are therefore trying to catch up. That is why there needs to be additional capacity in the fleet and why we have announced 1,000 extra carriages. That is why we want sustained investment in the network and why it is sensible to present all the proposals at the same time in July. That is exactly what we will do.

Martin Salter (Reading, West) (Lab): Does the Secretary of State recognise that an announcement of the funding for the Reading station upgrade in next month's high level specification output statement would contribute significantly to reducing train overcrowding on the Great Western main line?

Mr. Alexander: I know that my reply will disappoint my hon. Friend. I passed through Reading station only last night when travelling back from Oxford. Much as I would like to assure him that, on the basis of outrageous congestion that I experienced, I will make an immediate announcement, I fear that I will disappoint him because I cannot make such an announcement at this stage and the station was remarkably quiet when I passed through it.

In all seriousness, my hon. Friend has made clear to me the concerns of his constituents about the high level of usage of Reading station. He has brought a group to the House of Commons to present his concerns directly to me and I assure him that we are mindful of them as we prepare the high level output specification.

Mr. Simon Burns (West Chelmsford) (Con): Is the Secretary of State aware that Chelmsford has a significant commuting population and that railway journeys on One railway are unacceptable in respect of overcrowding during the rush hour? What specific and detailed advice can he give about how One railway can reduce the overcrowding and ensure that my constituents can travel to work as members of the human race rather than as cattle?

Mr. Alexander: Obviously, there are steps that individual train-operating companies can take, whether it be train lengthening, with additional capacity being provided by additional carriages, or platform lengthening to facilitate those additional carriages, but there are specific requirements on specific routes. I can assure the hon. Gentleman that it would not be the right response simultaneously to suggest that we can have lower fares, a higher level of investment and lower taxes. Ultimately, there are two sources of funding available for the network: one is the rail fare and the other is the taxpayer. That is why the Government have, over many years, seen sustained investment in our railway, but we recognise that more needs to be done on capacity, which will inform the high level output specifications published this summer.

Mr. Brian H. Donohoe (Central Ayrshire) (Lab): But surely my right hon. Friend—like me, he is a regular traveller—will understand that there are safety implications from the overcrowding of our trains. Is it not now possible in the modern age to restrict the numbers on trains, just as we restrict the numbers travelling in cars, planes and boats? We should restrict the numbers travelling on our trains because we are now reaching the point at which it is becoming unbearable. That problem really should be addressed by restricting the numbers that are allowed on our trains.

Mr. Alexander: Of course, safety on our railways is a matter that we keep under constant review and there are appropriate bodies to advise us on the technical requirements of improving the safety regime on our railways. As to my hon. Friend's point about what other steps can be taken, I made it clear back in March that we are making provision for an extra 1,000 carriages, which will go some way towards addressing some of his concerns.

Passenger Focus Report

6. **James Duddridge** (Rochford and Southend, East) (Con): If he will make a statement on the recent report by Passenger Focus on levels of rail passenger satisfaction. [143385]

The Parliamentary Under-Secretary of State for Transport (Mr. Tom Harris): The spring 2007 results from the national passenger survey show that there has been a small but disappointing decline of between 1 and 2 per cent. in rail passenger satisfaction in the last year. That needs to be viewed in the context of the steady improvement in rail passenger satisfaction experienced over recent years.

James Duddridge: I think that the Minister is being somewhat selective in looking at the Passenger Focus survey. What area of dissatisfaction is he most concerned about—dissatisfaction with delays, dissatisfaction with value for money or dissatisfaction with reliability?

Mr. Harris: The passenger survey was undertaken in the context of steadily improving performance on the rail network. The industry is committed to achieving 89.4 per cent. reliability by the end of March next year and 90 per cent. the year after. In that context, with record amounts of public money being invested in the railways, I hope that the hon. Gentleman will agree that investment and not tax cuts should be the priority for the travelling public.

Sir Peter Soulsby (Leicester, South) (Lab): Will the Minister join me in congratulating Midland Mainline on its high-quality service and on the very high levels of customer satisfaction that are recorded in the survey? Will he reassure me and others in the east midlands and south Yorkshire area who rely on Midland Mainline services that they will not be unduly disrupted and that the quality of service will not be lost as a result of the new East Midlands rail franchise?

Mr. Harris: It is, of course, the Department's aim to ensure that when any new franchise is introduced, passenger services continue as smoothly as possible. Inevitably, there will be timetable changes every December for every franchise. The new East Midlands franchise will be in place this summer and the new timetable for the new franchise will be introduced in December 2008. I expect service levels to be an improvement on what passengers currently receive.

Bob Spink (Castle Point) (Con): The Minister knows that rail passenger satisfaction has improved greatly on the C2C Fenchurch Street service over recent years, but it could be improved even more if uncertainty about the franchise renewal were removed, so that the line could get on with making more investment in rolling stock to tackle problems such as overcrowding. What is the Minister going to do to remove the uncertainty about the franchise?

Mr. Harris: There is an ongoing debate in the industry about the length of franchises; the hon. Gentleman is absolutely right to point that out. However, there is no consensus on how long a franchise should last. I am of the view that the present length of between seven and 10 years is appropriate, and that it does not serve as a disincentive to train operating companies in making the necessary investment. The idea of a 20-year franchise has been mooted, but that would not provide an incentive to improve performance, for example.

Richard Burden (Birmingham, Northfield) (Lab): Does my hon. Friend agree that modern well-equipped railway stations contribute to improving levels of rail passenger satisfaction? Perhaps he thought that he could get through an entire Question Time without anyone mentioning New Street station, but I must ask him when he thinks we in the west midlands might get some good news on this project, which is vital for the entire region?

Mr. Harris: My hon. Friend is correct to say that the travelling experience is greatly coloured by whether the facilities at a train station are good or bad. As far as Birmingham New Street is concerned, I would love to be able to give him some cheer, but I shall have to ask him to await the announcement on possible funding for the redevelopment of the station that will be made in due course.

Mr. John Gummer (Suffolk, Coastal) (Con): Did the Minister detect any customer satisfaction whatever on the state of the so-called Stansted Express? Seeing the state of our railways must be the most appalling introduction for foreigners coming to Britain. What are we going to do about that smelly, slow and unacceptable route?

Mr. Harris: The right hon. Gentleman understandably takes a close interest in these matters. His indignation would sound better, however, if he had not been complicit in the botched privatisation of the railways in 1993. The fact is that performance on our railways has gone up by 10 per cent. in the past five years, largely because of record investment by the Government in the railway network.

Cycling

7. **Mr. Fabian Hamilton** (Leeds, North-East) (Lab): What steps he is taking to encourage cycling. [143386]

The Parliamentary Under-Secretary of State for Transport (Mr. Tom Harris): The Government are committed to increasing cycling; it is a healthy, environmentally friendly transport mode. We doubled Cycling England's budget to £10 million last year and launched Bikeability cycle training earlier this year. The six cycling demonstration towns with which Cycling England is working have increased cycle trips by about 30 per cent. in just one year.

Mr. Hamilton: I thank the Minister for that answer. Does he agree that one thing that helps cycling is better cycle and rail integration—and that that is not helped by the attitude of some rail operators that do not encourage cycles on trains, and of some stations that prevent cyclists from bringing their bicycles into the ticket office?

Mr. Harris: I accept my hon. Friend's concerns. Since late 2004, the Government have funded about 2,500 new cycle parking spaces at stations. However, there will always be constraints on the ability to accommodate non-folding bikes on trains at peak times. I believe that the train operating companies are the best placed to know where and when pressure on services exists, and they must be free to impose restrictions when necessary.

Mr. Speaker: I call Rob Wallace. *[Interruption.]* I am sorry—I have a friend called Rob Wallace. I call Rob Wilson.

Mr. Rob Wilson (Reading, East) (Con): Thank you, Mr. Speaker. I am sure that we will become firm friends in a short space of time.

This week I shall participate in Reading's cycle week, but Reading has a very poor cycle network that is neither safe nor fully integrated. What central funds will the Minister provide to address that deplorable state of affairs in my constituency?

Mr. Harris: I congratulate the hon. Gentleman on trying to pin the blame for poor cycle routes on the Government. However, he will know that cycle facilities are entirely the responsibility of local government, using record levels of funds provided by this Government. I suggest that he engage with his local authority on this issue.

EU Emissions Trading Scheme

8. **Jim Sheridan** (Paisley and Renfrewshire, North) (Lab): What recent progress has been made in including aviation in the EU emissions trading scheme. [143387]

The Parliamentary Under-Secretary of State for Transport (Gillian Merron): We have led the debate in Europe on this issue, and welcomed the European Union's announcement on aviation's inclusion in the EU emissions trading scheme in 2011 and 2012. However, we continue to press for an earlier introduction.

Jim Sheridan: Assuming that introducing the measure would involve additional costs, may I ask the Minister to use her good offices to remind the major airline companies that they too have a responsibility to the environment, and that passing on any additional costs to the travelling public should not be an option at all, let alone the first option?

Gillian Merron: I understand my hon. Friend's point. I know that he has a particular interest in the subject because Glasgow airport is in his constituency. Although other measures, including the offsetting of costs, are part of the mix and need to be considered, emissions trading guarantees a specific outcome in ensuring that an environmental contribution is made. We therefore believe that it is the best way forward.

JUSTICE

The Minister of State was asked—

Prisoners

20. **Mr. Rob Wilson** (Reading, East) (Con): What steps she is taking to increase the period of time that prisoners spend on purposeful activity. [143365]

The Parliamentary Under-Secretary of State for Justice (Mr. Gerry Sutcliffe): Commissioners are continuing to strive for improvements in purposeful activity across the prison estate that are achievable with the resources provided.

Mr. Wilson: May I invite the Minister to join me on a visit to Reading prison, where blue-chip private sector companies are running extensive training programmes to guarantee jobs for young offenders when they complete their sentences? The programmes have cut reoffending rates from 70 per cent. to less than 7 per cent., turning lives around. Should the Government not be following that private sector-driven example of best practice, rather than allowing reoffending to cost the taxpayer up to £12 billion a year? Is that not a better idea than letting burglars and drug addicts out of prison early?

Mr. Sutcliffe: The hon. Gentleman will be pleased to learn that I visited Reading jail very recently, and saw the excellent work going on there. As he says, it is important to tackle reoffending and to ensure that as many providers as possible are available, whether they come from the voluntary, the private, or indeed the public sector. I hope he will support the Offender Management Bill, which his party is opposing as it goes through its paces in the House of Lords.

Ms Sally Keeble (Northampton, North) (Lab): In the context of, in particular, younger prisoners who are restrained from any kind of activity, may I ask what the thinking was behind the Government's proposal to change the rules on restraint, and whether and when we shall hear a full statement on that important proposal?

Mr. Sutcliffe: I know that my hon. Friend has taken a close interest in this issue. A statement will be made shortly, but I can say now that the purpose of the Secure Training Centre (Amendment) Rules 2007 was to prevent ambiguity. The primary legislation was very clear. We listened to what the coroner had to say to us, and changed the rules accordingly.

David T.C. Davies (Monmouth) (Con): Does the Minister agree that one of the major barriers to giving prisoners purposeful activity is the fact that the sentences served are often so short that by the time they have been assessed, there is no point in putting them on a programme? Will he assure us that he will end the Executive early release of prisoners, to ensure that more of them are given the excellent training described by my hon. Friend the Member for Reading, East (Mr. Wilson)?

Mr. Sutcliffe: There is no Executive early release of prisoners. As the hon. Gentleman says, what we must do is cut reoffending, and we can do that by providing the right programmes to tackle it. The Prison Service is doing what it is doing and the probation service is doing whatever it can do, but reoffending rates are still far too high. One way of reducing them is through the Offender Management Bill, which the hon. Gentleman's party is opposing.

Martin Salter (Reading, West) (Lab): Will the Minister join me in congratulating James Ewers and Pete Middleton, and all who took part in the Jail Guitar Doors campaign concert in Reading on Saturday? It raised more than

£2,000 for the drug rehabilitation charity Turning Point, and to purchase musical instruments for some of the inmates of Reading young offenders institution.

Mr. Sutcliffe: I am happy to congratulate those who took part in the event, and wish the organisers well. Turning Point is doing a tremendous job in trying to tackle reoffending, particularly among young people. It is important for us to use every available tool to reach young people through music or the arts to try to stop them from reoffending, and we will continue to do that. I hope the whole House will support the programmes that we want to introduce.

Mr. Oliver Heald (North-East Hertfordshire) (Con): Does the Minister not agree that although work and training, and the drugs-related programmes about which we have heard, are vital to stop criminals from reoffending, with the current overcrowding they are simply not available? If there is no purposeful activity and criminals are let out on to our streets with a "get out of jail free" card, will they not reoffend, committing crime after crime time after time?

Given the Chancellor's refusal to fund the extra places that everyone knew were necessary for so many years, and given that the Minister of State, Ministry of Justice, the right hon. Member for Delyn (Mr. Hanson), said only the other day that there were no extra funds, did it not take some brass neck for the Chancellor to stand up today and offer money for new places? How much confidence can the public really have that he will keep them safe?

Mr. Sutcliffe: We will take no lessons from the Opposition on prison funding. We have built 20,000 places since 1997, and last year we announced that there would be a further 8,000 places. We must tackle reoffending. We all agree that end-to-end offender management is the way forward, to stop people going into prison so that we do not need so many prison places. Let me ask the hon. Gentleman a question: why does he oppose the Offender Management Bill? We will build more prison places, and the Minister of State, Ministry of Justice, my right hon. Friend the Member for Delyn will make a statement shortly.

Prison Population

21. **Mr. Andrew Mackay** (Bracknell) (Con): What estimate she has made of the prison population on 1 July (a) 2008, (b) 2010, (c) 2012 and (d) 2014. [143366]

The Minister of State, Ministry of Justice (Mr. David Hanson): The Government recently published prison population projections up to July 2012. They are to be reviewed in August 2007 and are available on the Home Office and Ministry of Justice websites.

Mr. Mackay: Why does the Minister think that the Secretary of State said, when the Ministry of Justice was set up just a few weeks ago, that there would be no further early release schemes? What has gone wrong? What message does this give to those who are fighting crime?

Mr. Hanson: My right hon. Friend the Secretary of State has indicated that there will be no Executive early release schemes, and I shall mention that in my statement. What message on crime does the right hon. Gentleman wish me to give people? When his party was in office, the crime rate doubled, violent crime increased by 170 per cent., the chances of being a victim trebled, convictions fell by a third and police officer numbers were cut. That was the message from his Government. Our Government have a different message.

Julie Morgan (Cardiff, North) (Lab): I know that my right hon. Friend is aware that there are 45 fewer women in prison now than a year ago, but the number has still doubled over the past 10 years. What does he plan to do to bring down the number of women in prison, and does he plan to adopt Baroness Corston's proposals?

Mr. Hanson: My hon. Friend will know that Baroness Corston produced a report on the female prison population, and we are currently considering it. The Under-Secretary of State for Justice, my hon. and learned Friend the Member for Redcar (Vera Baird), will examine the recommendations, and we warmly welcome them. We want fewer women to be in prison, and I am confident that we will be able to respond to the report positively—by late autumn at the latest, I hope.

Mr. Speaker: I call Elfyn Llwyd.

Hon. Members: That's you!

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): I am sorry; I thought you had another friend with a Welsh name, Mr. Speaker.

Chris Bryant (Rhondda) (Lab): Oh, get on with it!

Mr. Llwyd: I will get on with it.

As the Minister will be aware, the prison population has doubled over the past 15 years. Does he believe that it will double again in the next 15 years—and if not, why not?

Mr. Hanson: As the hon. Gentleman knows, I will shortly make a statement on prison population projections and what steps we intend to take. I am confident that we can take a number of measures to protect the public and put serious offenders in jail, and also look at community-based sentences and work with sentencers to ensure that we manage the sentenced population effectively. We will need to build extra prison places, and we have plans to do so. I shall say more about that in my statement. I am confident that we can build extra places, manage the prison population effectively and make sure that we protect the public from serious and dangerous offenders.

David Taylor (North-West Leicestershire) (Lab/Co-op): When I was first campaigning to enter the House, in the run-up to the 1992 election, our party made a great deal of the fact that the number of prisoners had gone past the 40,000 mark, which at that time was the highest per capita in Europe, with the possible exception of Turkey. It has now gone past the 80,000 mark. Does

the Minister attribute that doubling to a heightened level of criminality in the British population, or to a response to evidence showing that prison works—that is unlikely—or, which is more likely, are we pandering to the middle-market tabloids of the *Daily Mail* and *Daily Express* variety, and trying to obtain yet more votes from that section of the population?

Mr. Hanson: I must tell my hon. Friend that if we are pandering to the *Daily Mail*, it is not working. The prison population has certainly risen. Overall, crime is down, convictions are up and the Labour Government are catching more criminals because of the greater numbers of police on the streets. Irrespective of that, I recognise the problems that my hon. Friend identifies. We want there to be better use of community sentences, and stronger community sentences. The Criminal Justice Act 2003 has given 12 orders which I hope will be utilised more effectively over the next three years than they have been, with a great deal of effort, over the past three years. I am confident that we can build extra prison places, manage the prison population in an effective and productive way to prevent reoffending, and build on community sentences to ensure that people do not return to jail or to offending once they have been through the criminal justice system.

Simon Hughes (North Southwark and Bermondsey) (LD): I hear what the Minister says, but given that there are now 16,000 extra prisoners in England and Wales why should anybody presume that if Labour were in power for another seven years, there would not be the same rate of increase? What is the answer to the problem that not only do we still have more prisoners per head of population than any other western European country, but we have half as many again as countries of the same size and type—Germany, France and Italy? Are the British more criminal, or has the policy failed?

Mr. Hanson: The hon. Gentleman will know from the statement made on 9 May that I have a great deal of sympathy with some of the points that he makes. We need to look into focusing more on community sentences, on drug treatment and alcohol orders, and on a range of measures such as—dare I say it?—home detention and tagging, because they can help to prevent reoffending as much as prison can. We have a rising prison population, and at 3.30 I shall announce some steps to deal with those matters, but I am confident that community sentences and guidance, and work with sentencers, will be among the key drivers in helping to reduce the prison population in due course.

Mr. Edward Garnier (Harborough) (Con): The Minister was asked a perfectly straight question by my right hon. Friend the Member for Bracknell (Mr. Mackay), and he has yet to answer it. He referred us to his website; I thought that we had questions and answers across the Dispatch Box, not via a website. Is the Minister not answering the question put to him because he knows very well that according to the projected figures, the prison population for the years in question will go way over 100,000 and towards 120,000, and he does not have any plans to cope with that sort of capacity?

Mr. Hanson: I am grateful to the hon. and learned Gentleman for pointing out the content of my website, and I am pleased that he views it. I referred the right hon. Member for Bracknell (Mr. Mackay) to it because it is an important way of looking at the facts and figures that we have. I am happy to provide the hon. and learned Gentleman with figures on these matters. The ones that he mentions are projections, and as I said, we are planning to review those projections in August. I will shortly announce steps to be taken on prison population issues with which I suspect that he, even if not his Front-Bench colleagues such as the right hon. Member for Haltemprice and Howden (David Davis), will have some sympathy. *[Interruption.]* If the hon. and learned Gentleman would care to contain himself, I will report on these matters at 3.30.

Machinery of Government

22. **Mr. David Amess** (Southend, West) (Con): If she will make a statement on the progress of her Department's working group with senior members of the judiciary on the recent machinery-of-government changes. [143367]

The Minister of State, Ministry of Justice (Ms Harriet Harman): Discussions between the judiciary, the Lord Chancellor and officials in the Ministry of Justice are ongoing.

Mr. Amess: We all know that this dreadful Labour Government have messed up the police service, and now they are about to do the same to the judiciary. Perhaps the Minister will tell the House whether, during those discussions with senior members of the judiciary, she has been able to reassure them that there is no constitutional problem, that their traditional independence will be preserved, and that they will not be compromised in terms of any sentencing?

Ms Harman: There will be no messing up of the judiciary. Its independence is in statute passed by this House, under the Constitutional Reform Act 2005, and nothing is going to change that.

Mr. Gordon Prentice (Pendle) (Lab): Was it not disgraceful that the Lord Chief Justice heard about the Ministry of Justice from the pages of *The Daily Telegraph*, and does my friend feel at all embarrassed that the judiciary were not properly consulted, as they should have been? Finally, has my friend read the report from the Public Administration—

Mr. Speaker: Order. We will keep it to one supplementary. The hon. Gentleman has had two.

Mr. Prentice: It was a short question, Mr. Speaker.

Mr. Speaker: It was short, but there was more than one supplementary—that is the point that I am trying to make. Try to use good manners; it is important. The hon. Gentleman will learn something after a few years.

Ms Harman: As soon as it was a serious proposal to go ahead with the Ministry of Justice, as my hon. Friend will know from looking at the evidence given by the Lord Chancellor to the Constitutional Affairs

Select Committee on 22 May, at that point arrangements were made to have a working group of the Lord Chief Justice, at which Department for Constitutional Affairs officials engaged in discussions in preparation for the Ministry of Justice. However, the most important thing is that section 1 of the Courts Act 2003 lays out the Lord Chancellor's responsibility to ensure that there is an "efficient and effective" courts service, and the Constitutional Reform Act 2005 ensures the independence of the judiciary. Moreover, a concordat sets out the agreement on relationships between Ministers and judges. I am sure that all those things will have the full support of this House.

Mr. Alan Beith (Berwick-upon-Tweed) (LD): As there is not even agreement with the judges on interim working arrangements, let alone a long-term solution to what the Lord Chief Justice sees as a serious constitutional problem, is the Minister prepared to allow a situation to continue in which there is a real divide between the judiciary and the Executive, even about the implementation of the concordat in the Act that she has described?

Ms Harman: There are interim working arrangements in place. The courts are working and the judges are ensuring that justice is done in the courts. The Lord Chancellor and the Ministry of Justice are ensuring that the court system is operating. Of course there are operational issues that the judiciary raised with the Lord Chancellor's Department and are now raising with our Department, and those are being considered. I have seen the evidence that was taken by the right hon. Gentleman's Select Committee, and obviously there will always be discussions between the judiciary and the Ministry of Justice, but I cannot see any point in adding to the situation through hyperbole.

Keith Vaz (Leicester, East) (Lab): I welcome, of course, the assurances given by the Minister of State about the importance of the independence of the judiciary, and it is, of course, protected by statute. Following the evidence given to the Select Committee, has the Lord Chancellor spoken to the Lord Chief Justice about this issue, because Committee members felt strongly that that personal contact between them would break this logjam?

Ms Harman: I can reassure my right hon. Friend and the House that the Lord Chancellor is in weekly, sometimes daily, contact with the Lord Chief Justice. They have regular discussions, and that will continue to be the case.

Robert Neill (Bromley and Chislehurst) (Con): The Lord Chief Justice and his colleagues also gave evidence to the Select Committee to the effect that if there were to be any meaningful assurance of judicial independence, there should at the very least be a ring-fenced courts budget. Can the Minister and her colleagues assure us that we will have that vital safeguard, as requested by the Lord Chief Justice?

Ms Harman: There are two separate issues here. One is the resourcing of the courts budget within the Ministry of Justice. The courts budget is some £1 billion, compared with the legal aid budget of £2 billion, to which is added the prison budget of some £2 billion. Obviously, it is the responsibility of the Lord Chancellor, under section 1 of the Courts Act, to ensure that there is an efficient and effective system to support the carrying out of the business of the courts, and that resources are dedicated to that. As for the independence of the judiciary, that too is enshrined in statute and underpinned by the concordat.

Prisoners

23. **Chris Bryant** (Rhondda) (Lab): How many prisoners left prison with a drug or alcohol dependency problem in the last 12 months. [143368]

The Parliamentary Under-Secretary of State for Justice (Mr. Gerry Sutcliffe): Defining and assessing dependency is not straightforward, and records are not kept on the numbers leaving prison with drug or alcohol dependency. A comprehensive treatment framework is in place to support prisoners with a drug problem, with a range of services available for those with an alcohol problem.

Chris Bryant: It is a shame that the Government are not able to provide those statistics, because one in five people going into prison have a drug dependency problem. Many of them then have treatment in prison—detox and rehab. They start their treatment regime and then, when they leave prison, they go to the back of the queue and lose out on all the benefits that they might have experienced if they had been able to continue their treatment. If we are to tackle recidivism, is it not important that we ensure continuity of treatment for those people?

Mr. Sutcliffe: My hon. Friend makes an important point, and I appreciate the work that he does in his community to try to tackle drug use. He will know that prisoner health care has been transferred to the national health service through the primary care trusts, and there are now end-to-end programmes for people with drug problems. We have also seen a 997 per cent. increase in spending on drug problems.

Mr. Humfrey Malins (Woking) (Con): May I make a helpful suggestion? Too many prisoners leave prison still addicted to class A drugs, and then reoffend. What about moving prisoners coming to the end of their time in prison into an established residential drug rehab centre for the balance of their sentences? That would save money and be much more effective. It would be cheaper than prison, and cost the country much less in the long term.

Mr. Sutcliffe: Again, I appreciate the work that the hon. Gentleman does in our courts and criminal justice system. It is important that we look at what works. As I said, there has been a 997 per cent. increase in spending on drug treatment. We are trying to find the best way to stop people taking drugs, and we believe that using the NHS is an appropriate way forward. We are also looking at what providers in the voluntary sector can do, and at what is best practice in this area, but I shall be happy to consider the suggestion that the hon. Gentleman has made.

Burial Facilities

24. **Rosie Cooper** (West Lancashire) (Lab): If she will assess the implications of the Government's recently announced policy on burial law reform for the provision of burial facilities for the people of West Lancashire and other areas where there is a lack of burial space. [143370]

The Minister of State, Ministry of Justice (Ms Harriet Harman): We understand the importance that many families attach to having a local cemetery. Our decision to enable the reuse of old burial grounds will provide local authorities with a further option when deciding how best to meet their communities' needs at an affordable cost.

Rosie Cooper: Does the Minister believe that West Lancashire district council should refund to its council tax payers the increased cost that they incur when burying their loved ones in cemeteries in neighbouring local authority areas? This is a tax on dying. It is being imposed on the council tax payers of West Lancashire with no regard to their ability to pay, while the local authority denies its responsibilities.

Ms Harman: I know that my hon. Friend represents the considerable strength of feeling in her constituency of West Lancashire about the fact that local people are unable to bury loved ones in their own area. They have to incur the expense of travel, and are obliged to pay a higher price when they get to a burial ground outside their area. I know that she will continue to put pressure on West Lancashire district council. Under provisions announced in my written statement earlier this month, councils have additional options available to them, but there really is no excuse for not providing the burial services needed by local people.

Prison Population

3.32 pm

The Minister of State, Ministry of Justice (Mr. David Hanson): I wish to repeat a statement made by the Lord Chancellor in another place.

The Ministry of Justice has been in existence for five weeks. I announced on 9 May my Department's approach to penal policy. I announced that we would continue to protect the public by providing prison places for those whom the courts determine need custody, and that that would include asking the Sentencing Guidelines Council to review its guidance. I also made it clear that we should make best use of the best community sentences where evidence says that they reduce reoffending and offer more effective punishment, and that we would continue to deliver in line with the recommendations of Lord Carter's 2003 review, including end-to-end offender management and public service reform.

Today, I wish to provide details to the House of how the Government will ensure that all those whom the courts send to prison can be accommodated. I will update the House on the detail of Lord Carter's inquiry into prisons, announce the building of further custodial places, and set out further measures to improve the functioning of our prisons and to reduce reoffending.

We have made public protection from the most dangerous criminals a priority. We are bringing more offenders to justice than ever before—25 per cent. more than when we came into office. Those who commit violent or sexual offences can now receive an indeterminate prison sentence. The length of time for which criminals are sent to prison has increased, with the average custodial sentence in Crown courts rising by 25 per cent. between 1995-2005. As the House will know, more people are being sent to prison than ever before. That means that, overall, there are 40 per cent. more serious and violent offenders in prison than in 1997. Since 1997, the prison population has increased from 61,467 to 81,016 today, a record high.

Nationally, crime is falling. There are 5.8 million fewer offences than in 1997, but we know we need to go further. We have been working intensively with 44 of our most deprived communities, where crime and disorder are highest, to reduce crime still further. Early indications show that the work is making an impressive impact and crime is falling at twice the rate in those areas than the national average. The Government are determined that the public be protected from dangerous offenders, and that court sentences and other orders be obeyed.

In addition to those measures, we have taken steps to increase the resources spent on community punishments and interventions designed to address the causes of crime among offenders. Tough community sentences have been developed, which have proved more than successful in reducing reoffending. As I announced to the House in May, we shall, therefore, extend and expand such schemes.

We have built more than 20,000 more prison places since 1997, and we have a commitment today to build 8,000 more by 2012. We have increased expenditure on probation by 70 per cent. in real terms over the last 10 years and, as an example of our commitment to addressing the causes of crime, we have increased expenditure on drug treatment programmes in prisons from £7.2 million in 1997 to £79 million in 2007-08.

To help accommodate the current pressures, I can announce today that my right hon. Friend the Chancellor of the Exchequer has made available new money to build an additional 1,500 places over and above the 8,000 already announced. We will be starting work immediately on 500 of those extra places and the first of the additional places will come on stream in January 2008.

As I announced on 9 May 2007, I have asked Lord Carter to look at the future of the estate and we will take decisions on the optimum timing and composition of the further 1,000 places announced today in the light of Lord Carter's final report. I am today publishing the terms of reference for his review. As the terms of reference make clear, Lord Carter will look at the long-term future of the prison estate and at both the supply and demand of prison places.

Those additional measures will bring on more prison places, which are much needed. Currently, as I mentioned, the prison estate is near to full. To ensure that we can accommodate all those sent to prison by the courts, we will continue to rely on police cells, as a temporary measure, and where necessary court cells. I am personally grateful to chief constables in England and Wales for making police cells available to us where necessary and to the Court Service for more than 100 court cells to date. The use of police cells may be necessary until the end of this year at the latest, pending the increase in capacity from some of the 8,000 prison places coming on stream and then, at the beginning of 2008, from the additional prison places I have announced today.

In addition to increased prison capacity, I have authorised the issuing of guidance to prison governors to allow them to make wider use of the prison rules provisions to authorise release on licence for offenders who are coming to the end of their sentence. [HON. MEMBERS: "Ah."] The guidance will authorise release on licence, in accordance with existing prison rules, up to 18 days before their release date, for those who have been sentenced to a determinate prison sentence of four years or less. This is a temporary measure.

Let me be clear for all those in the House who are concerned—*[Interruption.]*

Mr. Speaker: Order. Members must allow the Minister to make his statement; then we shall have questions.

Mr. Hanson: Let me be clear from the outset: release on licence is not the same as Executive release. Releasing people on licence means that their sentence continues. Release on licence will be granted only to those who meet the eligibility criteria set out in the guidance that I will place in the Library of the House today. The criteria specifically exclude offenders convicted of serious sexual or violent crimes, those who have broken the terms of temporary release in the past and foreign national prisoners who would be subject to deportation at the end of their sentence. Release on licence will apply only to those who are not released on home detention curfew and while on licence the

offender will remain subject to his sentence and will be liable to recall. The guidance comes into effect on 29 June and I will keep its operation under review.

In addition, yesterday saw the launch of the new bail accommodation and support service, which will enable courts to make greater use of bail in appropriate cases. The accommodation will also be available for prisoners who are eligible for home detention curfew if they have suitable accommodation.

The measures I have announced today are designed to ensure that the Government will be able to accommodate all those the courts send to prison. We will respect and give effect to the orders made by the courts and we will protect the public.

I commend the statement to the House.

Mr. Edward Garnier (Harborough) (Con): I begin by thanking the Minister for showing me his statement—20 minutes ago. Earlier this afternoon during questions, he was given the opportunity to tell us the projected prison population figures until 2014, but he did not—they would not have made good listening.

The Government have done nothing to plan for and provide adequate prison capacity. The Minister re-announces 1,500 new places, continued reliance on police and court cells, early release and greater use of bail. The Government know, on present rates, that there will be well over 100,000 prisoners by 2012. There are no indications that that figure is anything other than on the low side. There is no sign that the Government have done anything constructive—

Mr. Speaker: Order. I say to the hon. and learned Gentleman that he should not be making a statement; he should be questioning the Minister. If he puts his case in the form of questions, it is acceptable to me.

Mr. Garnier: You kindly, but not for the first time, anticipate me, Mr. Speaker. I am just about to ask the question. But let me just set that question in context.

The Minister says that the Government have built 20,000 new places, but several of these new prisons were contracted for prior to 1997, and does he really believe that the 20,000 new places will be sufficient to deal with the crisis of overcrowding? Will the Minister accept, not only that the current problem of prison overcrowding will continue, but that it has been both predictable and predicted by everyone who has thought about the issue for many years? His noble Friend Lord Carter, Anne Owers the prisons inspector, and even my right hon. Friend the shadow Home Secretary and I have warned the Government about this time after time. Did not the Home Office itself predict in 2001 that there would not be enough places for the expected numbers of offenders by the end of this decade?

Is it not clear that the only people who failed to react to what was happening and what was going to happen were the four Labour Home Secretaries and their Ministers, aided and abetted by the current Chancellor of the Exchequer, who on all the evidence, have done next to nothing? Why on earth did the Home Secretary claim last October in the House that my right hon. Friend the shadow Home Secretary

"has been making a dreadful, dreadful fuss because we are a couple of hundred short of maximum capacity"—[*Official Report*, 9 October 2006; Vol. 450, c. 38.]

instead of getting on with sorting out the mess?

What sort of Government demand that the courts send more offenders to prison, and for longer, but fail to provide the places to put them in? What sort of Government, after 10 years in office, look and sound surprised that the prison population has risen under their watch from under 60,000 to over 81,000, and that offenders are now having to be housed overnight in court cells, and for several nights in police station cells, and even kept in prison vans outside court while they wait for their cases to come on? And, Mr. Speaker, did you not hear this Minister say that he was pleased to announce that he was going to invite the police to do that until the end of the year?

There are prisons that have turned away prisoners because they have no more room. Why, if the Government thought it right to have 20,000 more inmates, did they not plan and build 20,000 more places?

The Home Secretary said last year that he would provide 8,000 more places by 2012. On the Government's own projections, that will not be enough. But the Chancellor, the next Prime Minister, has not signed the cheque. Where are these places going to be, what will they cost in terms of building and staffing costs and when will they be ready?

To provide temporary accommodation, why have the Government not found the prison ship that they sold at a loss not so long ago? Why have they not made any use of redundant military camps, former secure hospitals and other available accommodation? Why did they not do these things last year or the year before that?

Watching the Government's handling of this growing crisis has been like watching a train crash. Why have the Government been hapless bystanders and not taken decisive action? Is it because the Chancellor, driven by political rivalry, has refused successive Home Secretaries the resources needed to address the chronic lack of prison spaces? Is not the crisis that we now face a failure of design, for which the Chancellor bears responsibility? We heard today from Manchester that he will ensure extra fast-build prison places to address the problem. But why—if the Labour Chief Whip, the right hon. Member for Redditch (Jacqui Smith), would stop chattering—why, if the resources are available, were they not made available in time to prevent this predictable chaos? How much is the Chancellor providing? How many places will be built, and when will they be available? Are these not likely to be fast-fill prisons that will soon demonstrate the short-term nature of this Government's approach?

The Government briefed the press this morning that they will release prisoners early. The Minister confirms that. Why then did the Lord Chancellor say quite the opposite over lunchtime on Sky television? The Government did that before, with tragic consequences for far too many innocent victims. In previous years, as they released inmates early from open prisons, they transferred unsuitable offenders from the secure to the open estate. Will the Minister undertake to the House in terms that he will do no such thing again?

We know that the police and the probation service, which are already overstretched, cannot keep their eyes on more released offenders. Every probation officer is already supervising between 20 and 80 offenders. Are not the public entitled to conclude that the Government's strategic and day-to-day management of our prisons has been not just stupid, reckless and incompetent, but

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shamefully irresponsible? Do they not see an exhausted Government, who, as a direct result of their failure to plan and act, have increased reoffending, reduced public safety and wasted huge sums of taxpayers' money? What do the Government offer but yet another review? Are there no limits to the Government's inadequacies—

Mr. Speaker: Order. I am sorry to interrupt the hon. and learned Gentleman, but I laid down a rule that there would be five minutes for questions and he is reaching six minutes. So, I think we will cut his comments short and let the Minister reply.

Mr. Garnier: I think the Minister has got my point.

Mr. Hanson: I am grateful to the hon. and learned Member for Harborough (Mr. Garnier) for raising some issues. May I put him straight on one thing? He said that I am reannouncing 1,500 prison places, but I am not: I am announcing new money—£80 million—from the Chancellor of the Exchequer for 1,500 prison places. That is over and above the 8,000 places we have already committed to for this period. *[Interruption.]* The hon. Member for North-East Hertfordshire (Mr. Heald) can chunter all he likes, but that is money that the Government have voted for, raised taxes for and will spend. I challenge him and the hon. and learned Member for Harborough to say where that money would come from in the context of tax cuts for the future.

The hon. and learned Gentleman is quite accurate to say that there are projections that show an increase in the prison population. I accept that. I have already indicated to him in questions that we intend to review the figure in August 2007. We have a building programme for 8,000 places already and 1,500 places have been announced today. We are committed to raising the number of prison places, but we are also committed to things that I know that—deep down, secretly—he supports, such as looking at better community sentences, ensuring that we get people out of prison by reducing reoffending, and looking at people who have under 12 months to serve to see whether we can make sure that they do not reoffend in the future. I know that he believes in that, although the right hon. Member for Haltemprice and Howden (David Davis) takes a different view. I hope that the hon. and learned Member for Harborough will support us, not just in building the necessary prison places now, but in looking at the issues related to preventing reoffending in the long term.

The hon. and learned Gentleman helpfully suggested we consider prison ships or redundant Army camps—as if they were things that the Government had never thought of, examined and tried to do. The issues are difficult. We have looked at the ideas and they are not practicable in the short or long term. What is practicable is building proper prison places, putting in, in effect, extra prison resources, and looking at sentencing and community-based sentences.

The hon. and learned Gentleman mentioned the Lord Chancellor. The Lord Chancellor has ruled out early release; he has ruled out Executive early release. Pressure has been put on us to take that step, but we are not undertaking Executive early release. Early release is letting people out. They are not under licence and we do not have control over them. For a small number of people, we have put in temporary transitional licence arrangements to bring them home in the last few days of their sentences. Those people do not include serious and dangerous offenders. I hope that the hon. and learned Gentleman will support that.

Can the hon. and learned Gentleman recall May 2005, when his party fought an election on a manifesto committed to the James review, which contained £35 billion of spending cuts? That was not a question of resources going to deal with issues in our communities. He needs to remember that.

Mr. John Denham (Southampton, Itchen) (Lab): Given the pressures on the prison population, the measures that my right hon. Friend has announced are clearly a sensible and balanced package, but we need to look at the longer term. He spoke about the 25 per cent. increase in the length of sentences passed by the courts over the last few years—often against the wishes of Home Secretaries and Lord Chief Justices. In many cases, those sentences are for crimes where there is no evidence that the increase produces better public protection or a bigger reduction in offending. What discussions are taking place with the Sentencing Guidelines Council to make sure that judges are using the punishment of imprisonment correctly and, secondly, that we make greater use of restorative justice—

Mr. Speaker: Order. I am sorry to interrupt the right hon. Gentleman, but I have told another hon. Member that one supplementary question is enough.

Mr. Hanson: My right hon. Friend makes several important points. As he will know, my right hon. Friend the Lord Chancellor has already written to the Sentencing Guidelines Council to ask it to examine several matters relating to long-term sentencing. We certainly need to examine how we can mange supply and demand in the longer term through sentencing policy. Such a complicated and difficult issue requires serious consideration. We are willing and able to undertake that with the judiciary in due course.

My right hon. Friend mentioned restorative justice, and the Ministry of Justice has already undertaken several pilot projects. I know from my experience in my previous job in Northern Ireland that that can have a significant impact on reducing reoffending. One of the Ministry of Justice's purposes is to examine sentencing across the board and the variety of penalties that might arise from other Departments' legislation. We are acutely aware that extra legislation can often put pressure on prison places. We will continue to look at that and I hope that we are making progress.

Simon Hughes (North Southwark and Bermondsey) (LD): I thank the Minister for his statement. He will know that several of his announcements for the future are welcome, but as a new Minister in a newly created Department, does he accept that today's announcement was the absolutely predictable end to a sorry story of failed policy over the past 10 years, that the situation is an embarrassment to the departing Prime Minister and undermines the criminal justice system, and that the announcement will do nothing of itself to prevent

reoffending, or to reduce the number of offenders? Does he accept that each of the four Home Secretaries saw this coming, but clearly did not take adequate action to prevent it?

Does the Minister agree that we need to address now the categories of people who are in prison, but should not be there? Is the number of foreign prisoners going down quickly, either at the end of sentence, or by agreement? Will we have secure places for the mentally ill—not just the 1,500 places that exist in mental hospitals—in which people will be treated for a mental illness instead of being locked up in a prison that does nothing? Will he implement Jean Corston's proposals on women who do not need to be in prison so that such women can be placed somewhere they can support families and be rehabilitated? Will there be a speedy increase in the number of places for people with drug problems who would do better in secure rehabilitation centres instead of crowding our prisons? Given that we know that the numbers are approaching record levels, will we have from today a change to the crazy policy that has seen prison numbers and reoffending going through the roof and a realisation that unless we bring prison numbers down, rather than building more prisons, we will not be giving the public what they want: less crime and, above all, less reoffending?

Mr. Hanson: I am grateful to the hon. Gentleman, who has a thoughtful approach to such issues. One of the Ministry of Justice's prime jobs is to try to prevent reoffending. We need to examine several long-term solutions, such as how we can have an impact on drugs and alcohol treatment, how we can work in the community, and how we can invest more in giving additional treatment to people in prison. However, I cannot get away from the fact that the public need to be protected from the growing number of serious and dangerous offenders. We are examining how we can build extra prison places. Our strategy involves building prison places and examining the wider issues of community sentencing and the way in which to prevent reoffending.

There is work to do on foreign national prisoners, whom the hon. Gentleman mentioned. There are still people in prison who need to be deported back to their home countries, or transferred to the immigration estate. The Ministry of Justice needs to work with its colleagues in the Foreign Office and other Departments to make progress because the small yet significant issue needs to be addressed.

The hon. Gentleman mentioned the report by my right hon. Friend Baroness Corston. I said during Justice questions that my right hon. Friend the Lord Chancellor and I welcome the Corston report, which we intend to examine in detail. The Lord Chancellor has tasked the Under-Secretary of State for Justice, my hon. and learned Friend the Member for Redcar (Vera Baird), with looking at the details of the report to determine not how to reject the recommendations, but how and when we can implement them. It is our objective that there should be fewer women in prison. With the benefit of that report, we can achieve that over time, with difficulty, with resources and by examining the prison estate as a whole as part of Lord Carter's review. I have already said that I expect the Government to respond to that report by late autumn at the latest, and I very much hope that we can do that.

Finally, in the Criminal Justice Act 2003 we put in place drug treatment orders and alcohol orders, which we need to examine more imaginatively and use again in the future.

The only area in which our views do not chime with those of the hon. Gentleman are his views about my right hon. Friends who have previously held positions in the Home Office. They were faced with difficult issues and had to make difficult decisions in respect of not only the prison estate, but terrorism and other matters. They did the best job they could in difficult circumstances. As the Ministry of Justice, we have assessed those issues, targeted a way forward and got the resources from the current Prime Minister and the future Prime Minister to see those proposals through, and I commend them to the House.

Mr. Chris Mullin (Sunderland, South) (Lab): My right hon. Friend says that the issue of foreign prisoners is small but significant, but may I suggest that it is quite large? Will he confirm that about one in seven of the prison population is of foreign origin? Cannot more be done to arrange for them to serve their sentences in their countries of origin?

Mr. Hanson: I accept what my hon. Friend says. In answer to the hon. Member for North Southwark and Bermondsey (Simon Hughes), I was referring to foreign prisoners who have served their sentence and are awaiting deportation. There are a small but significant number of those. I fully accept what my hon. Friend says in relation to the number of foreign prisoners in jails in England and Wales. We need to look imaginatively at how we can get those people to serve sentences in their home countries, and we need to take action on that to reduce that number of individuals. I have been in post five weeks. We have looked at a number of key significant issues, and that is one to which we need to return. I am sure that my hon. Friend's contribution to that debate will be of great help.

Mr. Michael Howard (Folkestone and Hythe) (Con): As the crisis was both foreseeable and foreseen, can the Minister confirm that each of the past four Home Secretaries to whom he has just paid tribute asked the Chancellor of the Exchequer for the money required to provide the additional prison places that were necessary, but that the Chancellor of the Exchequer turned a deaf ear to those requests and refused to make the money available?

Mr. Hanson: There are continuing demands on public expenditure, as the right hon. and learned Gentleman will recognise. My right hon. Friend the Chancellor of the Exchequer has already committed to a building programme for an additional 8,000 places. He has committed today to a further 1,500 places, 500 by January. We have dramatically increased the resource spent on the probation service. Since the right hon. and learned Gentleman was Home Secretary we have increased the resource spent on drug treatment, alcohol treatment, young people's offending and other issues in the community. It is brass cheek for the right hon. and learned Gentleman, who went into an election committed to a manifesto to cut spending on the Home Office and put it into education and health through the James review, to come to the House and tell me to spend more money on prisons and

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prison services. While we are speaking of the right hon. and learned Gentleman, in his last year in office, 1,100 people absconded from prison—

Mr. Speaker: Order. The Minister is in order to speak about the history of a Government Department. He was not in order when he was talking about a manifesto. Does he want to continue?

Mr. Hanson: No, Mr. Speaker.

Mrs. Ann Cryer (Keighley) (Lab): Will my right hon. Friend go into a little more detail on his comments about extending and expanding tough community sentences and their success in reducing offending?

Mr. Hanson: As my hon. Friend knows, under the 2003 Act there are 12 community-based sentences that we can use, including alcohol treatment, home detention curfews, measures related to drug treatment and other sentences. I need to ensure that we expand the public understanding of the benefit of those schemes. They are tough schemes that prevent reoffending, often much more effectively than does prison. As I am trying to do, I need to visit the probation service, sentencers and the Prison Service and promote the idea that community sentencing has a value. In many cases, particularly for low sentences, it is much better at reducing reoffending and it makes community pay-back visible to people in the community. I want to ensure that we promote the benefits of community sentences both to the offender and to the community, for the simple reason that they prevent reoffending. That means, ultimately, that somebody's garden shed will not have been broken into; somebody will not have been robbed on the street or mugged; and that some event will not have happened that would have caused crime to rise. I support the general drift of the approach that I think my hon. Friend would wish me to take.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): The Minister mentioned this matter in his statement. The hon. Member for Sunderland, South (Mr. Mullin) said that one in seven prisoners were of foreign origin, and it is estimated that up to 25 per cent. of prisoners currently being held should not be there—low-level repeat offenders, people with medical problems, dysfunctional people and people who are not a danger to the community. Will the Minister's Department undertake an urgent audit to see what kind of numbers can safely be released on to the street?

Mr. Hanson: We are very aware of the foreign prisoner issue, which my hon. Friend the Member for Sunderland, South (Mr. Mullin) mentioned. We have an ongoing review that is trying to get people repatriated to their country of origin. The over-stayers issue is equally important; it is a small but significant issue that I mentioned earlier. I certainly want greater emphasis on the point that the hon. Gentleman has made. We need to look at people on sentences of less than 12 months. Although prison can work, for some people who serve two, four, six, eight or 10 weeks, the level of intervention that can take place in prison cannot particularly help in getting on to the path of reduced reoffending. What we can often do through community sentences is bring people face to face with their crime and its consequences, and give community payback, which is also proved to have greater success in reducing reoffending in due course. I hope that the hon. Gentleman will support us in pursuing those objectives.

Martin Salter (Reading, West) (Lab): Has the Minister had an opportunity to read the written evidence given by no fewer than 43 different organisations to the inquiry of the Select Committee on Home Affairs, entitled "Towards Effective Sentencing", much of which argued that there is a range of sensible, workable alternatives to prison that will not put the public in danger?

Mr. Hanson: My hon. Friend raises a very important point. I appeared before the Committee—two weeks ago, I think—to give evidence on behalf of the Government, and I am returning at the end of the inquiry to give further evidence. One of the matters on which I gave evidence was the need to put in prison people who are dangerous, violent or sexual offenders, so that the public can be protected from them. Equally, I emphasised the need for an examination of strong community sentences. We already have in place a very large number of community sentences. I think that we should increase that number if we possibly can and encourage sentencers to do so, not because such sentences reduce the prison population, although being honest, they do, but because they reduce reoffending, which is the most important consideration in bringing forward those ideas.

Mr. Iain Duncan Smith (Chingford and Woodford Green) (Con): The Prison Service is full of young men, three quarters of whom have serious alcohol and drug addiction problems; about 60 per cent. of whom come from broken homes; and many of whom have the reading age and numeracy age of a child of 11. What this is really all about is the fact that the Government have known all along that that pool of people has been getting bigger and bigger, and it is therefore no surprise that the prison population has been rocketing, because the Government have done nothing about mending that.

Mr. Hanson: I respect the right hon. Gentleman very much, and I respect his contribution to the debate on tackling some of the causes of crime, such as poverty, social exclusion and dysfunctionality, which very often are contributors to crime issues, but I have to say that I disagree as to how we should approach the matter. I happen to believe that public investment in tackling some of those issues is key and should be increased and looked at in the round. I happen to believe—we can debate this to the ninth degree—that ultimately the Conservative party will continue to reduce public expenditure, which will have a knock-on effect in dealing with some of those issues and in tackling crime.

I understand where the right hon. Gentleman is coming from. He and I know that we need to tackle dysfunctionality, social exclusion and long-term drug issues in particular. We can do that outside the criminal justice system in social policy, and we can do it, in my view effectively, in the criminal justice system through prison. Particularly, we can do it through some of the 2003 criminal justice orders, which will help in the community.

David Taylor (North-West Leicestershire) (Lab/Co-op): With prisons bursting at the seams and a new Department in charge, this is a watershed at which certain fundamental principles can be re-evaluated. Will the Minister say whether he intends to examine the key performance indicators within which the Prison Service is required to operate, because in the past organisations such as the Prison Reform Trust have criticised the KPIs, arguing that they do not measure whether the needs of the prison population are being met in respect of the distance that prisoners are kept from home and time spent out of cells? Will he revisit that matter, which will respond to sensitive involvement by the new ministerial team?

Mr. Hanson: As my hon. Friend will know, I have been in post for five weeks. I need to examine a number of issues with the Under-Secretary of State for Justice, my hon. Friend the Member for Bradford, South (Mr. Sutcliffe), who has done a good job in the past year. We will examine the performance of the Prison Service with Phil Wheatley and the Prison Service and the National Offender Management Service. The Prison Service is doing a good job of meeting the objectives set by the key performance indicators. We need to keep the matter under review, and I will certainly consider some of the issues that my hon. Friend has mentioned.

Mr. Kenneth Clarke (Rushcliffe) (Con): Does the Minister accept that in the past 10 years four Home Secretaries have responded to media pressure by taking away discretion on sentencing from the courts and putting them under pressure, which has dramatically increased the prison population to almost double what it was when I was Home Secretary, without paying the slightest heed to the inevitable moment when they would hit the buffers and there was no accommodation? Although I do not know what the new Ministry of Justice is for, except perhaps to make the Minister an innocent victim—he has made a statement about a fiasco for which he is plainly not responsible—will the new Department produce a change of culture in which the platitudes about community sentences and making prison only for those who need it are turned into reality by returning proper discretion to the courts and ensuring that prisons are used only for violent, dangerous and recidivist criminals in conditions in which there is some hope that some of them will be rehabilitated?

Mr. Hanson: I am grateful for the right hon. and learned Gentleman's concern for my innocent victimhood. I do not regard those ideas as platitudes. I believe in community sentencing and considering how we can prevent reoffending in the long term. We are doing a considerable amount of work and putting extra resources into drug treatment orders, which is much more than what happened when the right hon. and learned Gentleman was in office. There is a big problem with drugs in the United Kingdom today, and we need to examine imaginative ways to deal with it. Drug treatment orders are important.

We are doing a great deal of work on the type of person who is likely to become an offender. When people enter the criminal justice system, they have often gone too far down the line to get them out of it. Perhaps we can achieve a cross-party consensus on some of those issues, and I hope that the right hon. and learned Gentleman uses his influence on the liberal tendency in his party to make that happen. We can make a difference, and I hope that we will.

Stephen Pound (Ealing, North) (Lab): As one who does not read the *Daily Mail* and who views the prospect of 100,000 of my fellow citizens being incarcerated more as a source of national regret than a symbol of political virility, may I compliment my right hon. Friend on having discussed the alternatives? May I draw his attention to the problem of secure accommodation and bail hostels, particularly in west London, where there are no vacant places today. I appreciate that the Minister launched a programme yesterday, but what hope can he give to those justices of the peace who want to place people in bail hostels but who are unable to do so?

Mr. Hanson: My hon. Friend has raised an important point. As he has mentioned, yesterday the Under-Secretary of State for Justice, my hon. Friend the Member for Bradford, South, announced an increase in the number of bail hostels in the course of this year. The bail hostel places programme will provide approximately 1,000 extra places in the course of this year, and I hope that we can examine the pressures in areas such as west London and make that figure a reality. Those 1,000 places are not cheap, and they are paid for through taxation. We make that our priority; other parties may not.

Dr. Vincent Cable (Twickenham) (LD): Is the Minister aware of the contribution to prison overcrowding made by the growing length of time spent in prison by unconvicted remand prisoners? In particular, there has been a big growth in the population of young offenders institutions since 2001. The issue is not more prison places, but more efficient courts.

Mr. Hanson: There is a range of issues. I accept that many people are held on remand, in some cases for very long periods. Again, I cannot generalise. Some people are held on remand because they may ultimately be convicted of serious violent and sexual offences, and the public need that element of protection during the course of the trial process, which can be very long. I hope that in many cases the Ministry of Justice can serve an important function in considering the criminal justice system in terms of the supply side of prisons and community sentences, and in the efficient management of the Courts Service, so that we help to reduce some of the delays that mean that people spend a long time on remand before their conviction or acquittal.

Mr. Andrew Robathan (Blaby) (Con): Last week, my constituent, Kenneth Milburn of Enderby, was jailed for five years for illegal possession of handguns. The judge said that the crime did not merit a jail sentence and that he jailed him with "great sadness". That was the result of poor legislation passed by this House. Mr. Milburn threatened or harmed nobody, and he is unlikely to reoffend. Will the Minister look at that case so that perhaps we can free up a place in prison for a burglar and let out Mr. Milburn, who is unlikely to harm anybody, and who is deaf, 63 and in ill health?

Mr. Hanson: I hope that the hon. Gentleman will accept that I am unable to comment on individual cases that he may bring up. I do not know the details of the case or the circumstances in which the judge considered it. However, the gun legislation is in place for a positive reason—to help to reduce gun crime and its impact. If the hon. Gentleman wishes to write to me with the details of the case, I will look at them and respond as positively as I can.

Mr. Christopher Chope (Christchurch) (Con): Does the Minister agree with staff at Dorchester prison, which I recently visited, whose assessment is that one of the main points of entry into prisons of illegal drugs and other contraband is through abuse of the release on licence system? In effect, what happens is that somebody who is released on licence loads themselves up with drugs in every available orifice, commits another offence, and then goes back into the prison having been used as a camel so that the drug material gets in there. I was told that that is the main means by which drugs are now getting into Dorchester prison. In that case, why is the Minister extending the system?

Mr. Hanson: I accept the hon. Gentleman's point. We need to tackle drug trafficking into prisons, perhaps through a range of measures given the variety of means whereby those drugs get in. Under the current system, 405,259 releases on temporary licence took place in 2005, of which only 339 are failures. The modest extension of the scheme that I announced today will involve about 1,400 individuals. I take the hon. Gentleman's point very seriously. We need to tackle drugs in prison, and there is a range of ways in which we can undertake that. The Under-Secretary, my hon. Friend the Member for Bradford, South, is working hard with the Prison Service to do so. If the hon. Gentleman wishes me to, I will certainly look at some of the evidence regarding the prison in his constituency.

John Bercow (Buckingham) (Con): Given that more than 60 per cent. of the 12,000-plus people in our young offenders institutions suffer from speech, language and communication problems that prevent them from accessing education courses, and that the reoffending rate in that category is approximately 80 per cent., will the Minister display real courage and vision in agreeing that every such institution in the country should employ a speech and language therapist so that we can tackle the problem whereby people go into and come out of prison uncommunicative, uneducated, untrained, unqualified, unreformed and unemployed?

Mr. Hanson: The hon. Gentleman makes an exceptional point. A large element among the people who are in prison today face the problems that he mentions. Through his all-party group on speech and language difficulties, he is doing significant work to raise those issues in Parliament. My hon. Friend the Under-Secretary and I have given him a commitment to consider the matter in detail. It is important that we raise the basic literacy and numeracy levels of people entering prison. We need to create, as I hope we will, greater employability for them on their release, because employability, confidence, literacy and numeracy are the keys to preventing reoffending.

Mr. James Clappison (Hertsmere) (Con): Is this not yet one more blow to honesty in sentencing—the relationship between the nominal sentence and the time spent in prison? For example, how long will someone who receives a sentence of six months' imprisonment spend in prison if they are released either under the provisions that the Minister announced or home detention curfew?

Mr. Hanson: Again, I cannot go into the details. The reply depends on many factors, including a risk assessment that the prison governor undertakes and the crime that the individual committed. The statement made it clear that serious and dangerous offenders and a range of others will not qualify for any scheme. We will ensure that, when possible, individuals who are reaching the end of their sentence and can return home earlier under licence can also, if recalled in the event of any breaches, be helped to reintegrate into the community at the end of their sentence to help with some of the pressures that we face in the Prison Service and that they face in their daily lives. I cannot comment on the particulars but, if the hon. Gentleman examines the scheme in detail, he will realise that it is effective, operates already and will not pose the danger to the public that many people believe.

Iran (Detention of Naval Personnel)

4.16 pm

The Secretary of State for Defence (Des Browne): On 16 April I announced that the Chief of the Defence Staff had appointed Lieutenant-General Sir Rob Fulton of the Royal Marines, currently the Governor and Commander-in-Chief of Gibraltar, to lead an inquiry into the operational circumstances surrounding the seizure of 15 of our personnel on 23 March. I also announced an independent review of the media handling of the incident and its aftermath, and subsequently confirmed that it would be led by Mr. Tony Hall, chief executive of the Royal Opera house and formerly the BBC's director of news and current affairs. I am grateful to General Fulton and Tony Hall, who have both completed their respective reports to tight deadlines with all the professionalism and candour that was expected of them. I am now informing the House of their findings, as I undertook to do.

I begin by stressing that the two reports are very different in nature and therefore require different handling. Mr. Hall's review is a public document, which is today placed in the Library of the House and published on the MOD website. As I made clear in April, General Fulton's report is classified, because it addresses operational and tactical issues, which cannot be discussed in public without increasing the risks to our forces. Nevertheless, those events and the issues that they raise are legitimate subjects of parliamentary and public concern. To balance those factors, I decided that I would give a broad outline of General Fulton's findings to the House, but that the full report would be given to the Defence Committee. That has been done; I leave it to the Chairman and members of that Committee to comment today as they see fit.

General Fulton highlights the complex and dynamic nature of the northern Gulf as an operating environment. We are there as part of a coalition maritime force carrying out a variety of demanding tasks against a backdrop of wider and rapidly evolving international issues. His report is impressively thorough. It has looked at every aspect of the incident, and others that may hold valuable lessons. To complete the report, he has carried out lengthy interviews with all the people involved and at every level of the chain of command.

Hon. Members urged that specific matters should be considered, and I would like to tackle some of those points to the extent that I can do that, consistent with the constraints of operational security that I mentioned.

First, General Fulton considered the events on the Shatt al-Arab waterway in June 2004. He concluded that, although there were some broad similarities in the circumstances, the events were different, and that the requisite lessons of the time were learned and applied. Secondly, he considered the rules of engagement and confirmed that they were entirely appropriate for the task and remain so today. Thirdly, his report is clear that the event was not the result of equipment or resource issues, including helicopter availability, the size and suitability of the Cornwall or the size and armament of the boarding party's boats. The coalition force commander in the Gulf has reiterated that he is content with the capabilities deployed by the UK but, as ever, we keep that under review. Finally, General Fulton confirmed that the presence of the BBC on HMS Cornwall was not a factor in any of the operational decisions taken on 23 March.

General Fulton has, however, identified some shortcomings. This was a coalition operation—hon. Members will not need me to spell out the merits of that—but clearly there is a cost in terms of added complexity. Despite that, it is vital that the procedures that we all share can adapt rapidly to change in such a complex strategic environment. General Fulton's report has identified some faults in that respect, and we are addressing them with our coalition partners.

General Fulton has also identified some specific national shortcomings. The central lesson is that we must improve our ability to identify and assess the risks that this complex environment generates, and to train and posture our forces accordingly. He noted the need for improvements in a range of areas: in the handling of intelligence, in communications, in doctrine and in training—both individual and collective.

On training in particular General Fulton notes—and this is worth repeating—that the Royal Navy's generic training for operations remains world class. By the time a Royal Navy ship deploys on operations, it is well prepared for a wide range of potential roles. However, the report does identify a need to improve some training specific to particular tasks, including boarding. Furthermore, it recommends that in future we deploy specialist rather than composite teams for boarding operations—a recommendation that we have already acted on. General Fulton also recommends that we ensure that we learn quickly from the experience of other nations operating in the area and get better at sharing information with them.

Above all, General Fulton's report concludes that the events of 23 March were not the result of a single gross failing or individual human error, but of the coming together of a series of vulnerabilities, many relatively small when viewed in isolation, which together placed our personnel in a position that could be exploited by Iran. His conclusions suggest that there is no case for disciplinary action against any of the individuals involved—*[Interruption.]*—but his report emphasises that many of those individuals could have done more to prevent what happened. In that respect, it identifies some failings, both collective and individual, which the Royal Navy's chain of command will consider and deal with.

General Fulton recommends a range of actions to address the shortcomings that he has identified. An action plan has been drawn up and a number of measures have already been taken, allowing us to recommence boarding operations in April, and further measures are under way. The Select Committee on Defence has been briefed on the action plan, but as I indicated at the start, there is a limit to how much I can say to the House. I can say that I, together with the chiefs of staff, are content that General Fulton's report and the resulting action plan will ensure that our people are properly prepared for future operations.

I turn to the Hall review, and let me say at the outset that we accept all of its recommendations. In my statement to the House on 16 April, I made it clear that the intention of the review was not to embark on a witch

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hunt focused on apportioning blame for the decision to allow media payments to the returning detainees. Like the Fulton report, the Hall review confirms that it would be wrong and counter-productive to focus on finding individuals to blame for these events. What was needed was a calm and dispassionate assessment of what happened in order to learn the lessons and to improve the ability of the MOD and the services to handle similar events in future.

Tony Hall makes it plain that on the question of whether payment should have been made for individual stories, there was a

"collective failure of judgement or an abstention of judgement"

within the department allowing that to happen. In my earlier statement to Parliament, I accepted that failing as my responsibility and apologised to the House.

I welcome the report's clear recommendation that media payments to serving military or civilian personnel for talking about their work should simply not be allowed. That confirms my announcement on 9 April of an interim ban on acceptance of media payments. Work is now under way to make detailed amendments to service and MOD regulations and guidance to reflect that conclusion. The report further identifies that work is needed to establish a clearer policy on the naming of individuals and their families in such cases. That work, too, is already under way.

The report also identifies some broader themes. Perhaps most crucial is the huge change over the past 25 years in the context in which media coverage of operations takes place. Media access has increased significantly and the agenda has changed. The focus on the individual, for example, inevitably clashes with the service ethos of group first, and the desire to present instantaneous news from the heart of the action can conflict with the need for operational security. That means that, although it is clearly in the interests of the MOD and the media to co-operate, tensions exist. We need to manage those tensions better, and we need to rebuild confidence between the MOD and the media. The report also makes it clear that we need to help the media to develop a better understanding of defence issues so that they can be set in context.

The report recommends that, for the future, the lead for the media handling of such episodes should lie clearly with the MOD, rather than with a front-line command or a single service. It also recommends some strengthening of what the report notes is a relatively small central press office. The report also makes clear a number of recommendations on the need for clearer decision-making processes. I accept those entirely. Unequivocal understanding of who should sanction what is essential. The recent capability review, published in March, also highlights that, and in response we have already been looking at how we can clarify responsibilities and improve accountability within the Department.

I hope that it is clear that we have sought, wherever possible, to learn the lessons from this difficult episode, both operationally and in terms of media handling, and to be open and accountable in so doing. We have had two reviews: one independently led, and today put into the public domain; the second, of necessity, classified, but shared with the Defence Committee to ensure proper parliamentary accountability. Both are very thorough and professional. Both offer clear, detailed recommendations, all of which we accept, and many of which are already well in hand. Both are focused on the future, determined to help ensure that we do not make these mistakes again. The Chief of the Defence Staff and my permanent secretary will take the lead in implementing the recommendations. I expect the great majority to be implemented by the end of this year, and many of them sooner than that.

I will end by saying that I know that we have the best armed forces in the world. They are respected everywhere for their bravery, their professionalism and their ability to get results. Some have argued that this incident has dented their hard-won reputation, but I do not believe that to be true. Their reputation is more durable than that. These reports will help us to maintain and enhance that reputation, and I intend to ensure that we succeed.

Dr. Liam Fox (Woodspring) (Con): I am grateful to the Secretary of State for his statement. He will be aware that I returned from the Falklands with the Minister of State, the right hon. Member for East Kilbride, Strathaven and Lesmahagow (Mr. Ingram), at lunchtime, and that I have therefore been unable to see a copy of the report or to have a full briefing on it. I am grateful to the Minister of State, however, for his oral briefing in the middle of last night somewhere over the Atlantic. If I stray into operational elements covered in the report, I hope that the Secretary of State will understand that that is utterly unintentional.

The seizure of our naval personnel caused great anger across the country, not least because of their subsequent treatment at the hands of the Iranians. We are not seeking to name scapegoats today, however; that would be in no one's interests, least of all those of our forces on deployment. However, the House must know that Ministers have asked all the relevant questions and that all remedies have been undertaken to minimise the risk of such an event happening again. It is also important to avoid giving the impression that no one is to blame for what was a national embarrassment. I am sure that the Select Committee will want to consider the report in great detail in the months ahead. Over the past few days, I have had the chance to speak to a large number of Royal Navy personnel, many of whose views concurred closely with those expressed in the Fulton report.

I would like to raise a number of specific issues with the Secretary of State. It is clear that the frequency of successful and unresisted boardings produced a diminished sense of danger, so that the equipment used on the occasion that we are discussing was deemed suitable. Is he satisfied that, in an increased state of alert, we have sufficient alternative and additional equipment available? Is he convinced that the helicopter cover is now sufficient, both in platform numbers and hours allocated, for the task of boarding? On intelligence, is he satisfied that information from UK and other sources is sufficient to warn of an increased risk of attack, above and beyond a necessarily high base line, given the approach and activities of the Revolutionary Guard? He also mentioned training. Will he tell the House more about where in naval training the failures have occurred? We are pleased that, in future, specialist teams will be used for boarding. It is, after all, dangerous work, not work experience.

There is an issue that I think the whole House needs to discuss, that of embedded media. Can the Secretary of State tell us, as a matter of fact, whether the BBC crew was still on board HMS Cornwall when the seizure took place? The authors of the report clearly do not believe that the presence or otherwise of BBC personnel was a factor in our operational decisions, but what about the other side? What about the Iranians? Does not the presence of live television crews in a place where we know the Iranians are constantly considering attacks provide a potential incentive for them in the knowledge that they have a ready media audience in attendance? Does that not deserve far more attention in the future?

The whole report is scathing about the Government's approach to media handling. The Ministry of Defence did not take control, therefore the media set the agenda. It would have been sensible to involve the Press Complaints Commission, but the Government refused the offer. There was a collective failure of judgment. Many people could have said no to the sale of individual stories, but no one did so. Ultimately, that is the Secretary of State's job.

One final issue needs to be raised—Labour's handling of MOD press since 1997. There are 229 people in the Government's communications department at the MOD. This Government abolished uniformed single-service press officers in their attempt to control and politicise MOD press, and it is clear that they could not even do that competently. The Conservatives believe that the abolition of uniformed single-service press officers was a mistake, and an incoming Conservative Government will reverse it.

As I have said, I believe that the Government's handling of the whole crisis, especially the media aspect, made a national embarrassment incomparably worse. The Secretary of State has already apologised to the House for his role in the media handling, and naturally the House accepts that; but the whole House will expect it not to be repeated. Our forces are the best in the world, and they certainly deserve better.

Des Browne: I think that I can deal with all the points raised by the hon. Gentleman. I do not think that any of them transgressed the border between what we can discuss in the House and what cannot be discussed for reasons of operational security.

Let me say at the outset that mistakes were made—of that there is no doubt—and I have accepted full responsibility. There are matters that must be put right, which is why I was determined that we would conduct the two reviews whose results I have announced today. I asked for the faults to be exposed and for recommendations to be made on how they could be corrected, and I believe that both General Fulton and Tony Hall have done that for us. I intend to see this through, and will see through the operational side with the supervision of the Select Committee.

The hon. Gentleman raised the issue of resources. That was addressed in the report. As I said in my statement, the report makes it clear that the incident did not result from equipment or resource issues. Indeed, the coalition maritime commander has explicitly said he is content that he has the resources required for the tasks that he is given; but, as ever, we keep resources under review. I have said many times that we will always seek to give commanders the resources they need for the job that we ask of them, and we will keep those resources under consideration as part of our continuing review.

There has been a great deal of speculation about helicopters, but the bottom line is that if the helicopter had been asked to stay at the scene, it could have done so. There is sufficient helicopter support for these operations. That issue, however, comes within the broader continuing review of resources.

Was there an intelligence failure? General Fulton's inquiry centred on exactly that sort of question. Clearly, any failings in this regard would be operationally sensitive, but I can tell the House that there were shortcomings, which will be addressed through a plan overseen by the chiefs of staff. The Select Committee has been briefed in detail, and I do not intend to go into any further details.

The generic training given to the Navy through FOST—flag officer sea training—was considered to be world class against the test of the review, but a shortcoming was identified in relation to the need to train for specific tasks, particularly boarding. That is exactly what has been addressed, as well as the issue of there being specifically nominated boarding parties instead of the way in which they were previously put together.

The BBC was present on HMS Cornwall at the time. General Fulton's reputation goes before him, and I am sure that all who know him know that he has done a thorough and professional job. He has come to the view that the BBC's presence had no operational effect.

I shall now turn to the Hall report and the media—

Dr. Fox: Intelligence?

Des Browne: The hon. Gentleman asks about intelligence; I have already addressed that issue. There were shortcomings in respect of intelligence, which have been dealt with, but I shall not go into the detail of them in public for obvious reasons.

I realise that my reply is lengthy, but a series of questions were asked to which I should respond. At the heart of the Hall report is the judgment that the MOD, as opposed to the single service, should have taken responsibility for the media and for the media handling of the captives when they were returned. I accept that recommendation and that analysis. However, although that judgment is correct, it does have the benefit of hindsight. It was the view of those planning to receive the released captives that they should be received back into a military environment. The same analysis informs a lot of calls for us to receive injured servicemen back into a military environment, in order to enable them to recover from the trauma that they have been through. The view was taken, which I agreed with at the time, that it was right to bring these people back into a service environment. However, as the Hall report makes clear, there was at the time a media storm, and the level of media demand outstripped the ability of that environment to cope. I accept that, and I also accept that we need to make sure that that never happens again.

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An offer from the PCC came on the day of the captives' release. The Hall report recommends that there should be engagement with the PCC in developing the ability of our media shielders to support people through the early stages of such a process. I also accept that recommendation. It is entirely different from what was offered to the MOD, and which it did not respond to. The Hall report does not conclude that single-service press officers should be reinstated, but it does say that there should be more engagement of a higher level of military personnel in the MOD press centre and the communications operation. We will act on that recommendation.

Nick Harvey (North Devon) (LD): I am grateful to the Secretary of State for his statement and for his briefing to colleagues last night. We should also be grateful to Tony Hall for giving us this report on the media handling. However, I still hold the view that I have held throughout: the media handling is something of a red herring.

The Secretary of State has taken responsibility, which is right because permission for the revelations could only have been given by him or in his name. I simply seek a reassurance from him that among the lessons that are learned will not be a temptation to gag military officers from talking to the press in the course of their ordinary duties. Some of them have intimated to me that they occasionally feel that that is the case.

The Secretary of State has told us that the Fulton inquiry was thorough; I have no reason to doubt that, and I entirely understand why it cannot be published. However, there are a number of unanswered questions. We gather from the statement that there was not a problem to do with equipment or lack of helicopters, that there was not a major intelligence failure and that there was not any particular serious error anywhere in the line of command. In that case, what exactly did go wrong? Did the Royal Navy simply fail to comprehend the level of threat that the Iranians posed? If so, that was in stark contrast to our land forces in Basra and on the border, who understood only too well what the threat was—and, indeed, that has been discussed many times in this House.

The Secretary of State says that lessons must be learned quickly from the experiences of our partners. Do the other nations involved in this work use constant air cover? It remains to me unfathomable that these dangerous operations could be taking place in contested waterways without a greater degree of air cover than seemed to be available within the coalition at the time.

This report seems to conclude that everyone was to blame a bit but no one was to blame a lot. Mercifully, this turned out in the end only to be a national embarrassment; it could have been a complete disaster. Who exactly will step up to the plate and accept responsibility for what happened?

Des Browne: I will step up to that plate, and have done. I take responsibility for what happened—that is my job and my responsibility. I do not think that we will serve any purpose by seeking to identify other individuals to blame, when a perfectly professional report, carried out by a man of integrity, has said that this set of circumstances came about because of a combination of factors.

The hon. Gentleman is absolutely right to say that the situation could have been much worse, but the fact is that it did not develop into something much worse. There is some credit to be given to those who secured the return of these 15 young people much more quickly than many informed commentators said could be done, in a situation in which the Iranians did not get the public apology that they so craved for their own propaganda purposes, and in which their own behaviour and illegal activities, exposed across the region, diminished their standing in the region among those countries whom they most tried to impress by these actions.

The hon. Gentleman asked a number of questions that I will seek to answer quickly. It is not our intention to gag the armed forces; however, they are in a difficult position. We need to find a balance between openness and risk to security. The overriding ethos of the services is the putting of the interests of the whole above those of the individual. Every single individual in the services who seeks to engage with the media takes on that challenge, which is why there is a clear and unequivocal rule that if a member of the services wishes to engage with the media, he or she requires permission so to do. Some are barred by contract from so doing, as the report reveals. This is all very sensible, but a significant degree of communication goes on between members of the armed services, the media and the public. We are not going to move back from that openness, but we will have to manage it against the various challenges, particularly those to security.

On air cover, I cannot give the hon. Gentleman details on the operating procedures of every country that operates in the Gulf, but I can tell him that they do not always board with air cover. It largely depends on where they are in the operational area, and I am not going to go into the details of that.

Several hon. Members *rose—*

Madam Deputy Speaker (Sylvia Heal): Order. Because of timetabled business that will follow, may I please ask that Back Benchers now ask just a single question? A brief response from the Secretary of State might ensure that more Members are called.

Linda Gilroy (Plymouth, Sutton) (Lab/Co-op): I thank my right hon. Friend for setting out the report before us today. As a member of the Defence Select Committee, I concur with the view that it is a thorough and professional report, to which is attached an action plan. Can he tell the House whether and how he will report on the fulfilling of the important milestones attached to that report?

Des Browne: I thank my hon. Friend, who is in a privileged position in the House in having had access to the Fulton report, and the other members of her Committee for taking on the responsibility of being the arm of parliamentary accountability in this unique process—unique, at least, in my experience. Exactly how we will proceed from where we are to the point of completion, at which we can draw a line underneath this issue, will be a matter for discussion between me, as the Secretary

of State, and her Select Committee. However, I fully expect that the Committee will continue to play a role in ensuring that we see through the action plan that we have shared with it.

Mr. James Arbuthnot (North-East Hampshire) (Con): I am particularly grateful to the Secretary of State for giving me advance sight of the statement, and the Defence Committee is grateful to him for showing us in confidence the full report by General Fulton. We will need to consider that report and the Secretary of State's statement today very carefully indeed. If we are to be able to assure the House that the lessons learned from this incident have been fully implemented, it places a great responsibility on us and on the Government. Will the Secretary of State, on behalf of the Ministry of Defence and of the Government, pledge to work with us and to give us—in confidence if need be—all the material that, in our judgment, we shall need in order to be able to give the House that assurance?

Des Browne: I am grateful to the right hon. Gentleman and to his Committee for taking on that onerous task, and I recognise that there will need to be a continuing relationship. He and his Committee know that where I can share information with the Committee across the range of my responsibilities, I have done so. They have always respected the confidence that the Department and I have placed in them and I welcome that relationship. I will have to consider the very specific question that the right hon. Gentleman has asked me, just as he will have to consider the terms of my statement and the report before deciding further. However, he may rest assured that that would be my aim, and if it is possible for me to do that while at the same time preserving the security of those on operations, I will see it through.

Mr. Don Touhig (Islwyn) (Lab/Co-op): I have no doubt that the media handling of this matter was a failure and an embarrassment, but it is of secondary importance to the operational effectiveness of our forces and the security of our serving men and women in the Gulf. I welcome my right hon. Friend's decision to share the Fulton report with the Defence Committee. There has been much speculation that there were two areas of failure, with first, the lack of appreciation of the threat that the Iranians posed and, secondly, a failure of communications. My right hon. Friend alluded to both in his statement. Can he assure the House that the lessons learned from this will be part of the training regime for all those who are now to be deployed in the Gulf?

Des Browne: I can give my right hon. Friend an unequivocal assurance on that point, and I thank him for his support.

Peter Viggers (Gosport) (Con): Is the Secretary of State aware that the armed forces personnel clearly needed training and instruction that they did not have, and that the rules of engagement were clearly wrong? Is he aware that this feeble and evasive statement cannot be the end of the matter? I, for one, as a former Chairman of the Committee that considered what became the Armed Forces Act 2006 and a member of the Defence Committee, prefer not to be excluded from consideration of this issue and intend to find ways to pursue the matter elsewhere.

Des Browne: I of course respect the hon. Gentleman's position as a Member of this House. In handling this report in this way, I sought to square the issue of confidentiality and the secrecy that was necessary to protect operational security with parliamentary accountability, but I recognise that I do not have the last word in relation to that. I agree with the hon. Gentleman about training, but I fundamentally disagree with him about the rules of engagement. The Fulton report contains no criticism of the rules of engagement, nor does it suggest that they were inappropriate for the operation that was being carried out. In fact, it says the contrary.

Ann Clwyd (Cynon Valley) (Lab): I believe that it is important to remind people that nobody died and that 15 young people came back alive. The Secretary of State has acknowledged, as he has on previous occasions, that there were mistakes and shortcomings. Surely what we need now is to draw a line under this and to implement the recommendations. Can my right hon. Friend refute the suggestion, made by an Opposition Member from a sedentary position, that we have a Mickey Mouse navy? We have nothing of the sort and that view is not shared on this side of the House.

Des Browne: I have no hesitation in accepting my right hon. Friend's invitation to confirm the view—which almost every hon. Member and many across the world share—that the Royal Navy rightly enjoys a world class reputation. No matter how much damage anybody thinks that this one incident has done, I do not think they believe that it has changed that reputation.

Mr. Nicholas Soames (Mid-Sussex) (Con): The Secretary of State must agree that this incident was a very serious operational failure indeed. If the captain of one of Her Majesty's ships were to run it aground on a sand bank, he would be arraigned before a court martial. It seems astonishing to me that the right hon. Gentleman can come to the House with a report by General Fulton—which clearly has been staffed to death by the Royal Navy—and say that the affair is over and that we should draw a line under it. Does he accept that that shows a woeful and shameful lack of leadership and grip on his part and on the part of his Department? Will he tell the CDS that he has better things to do than take part in ill judged public relations stunts that involved welcoming back from the disaster a crew who should have spent two days at home and then been sent straight back to their ships?

Des Browne: I have no doubt that the hon. Gentleman's words will be heard by the CDS and others, and no doubt either that his plan is that they should be. I have complete faith in General Fulton's integrity—

Mr. Soames: So do we.

Des Browne: With respect to the hon. Gentleman, it did not sound like it. I have complete faith in General Fulton's integrity. He prepared and owns the report, and no one else sought to influence or shape it. It comes to the honest conclusion that a combination of factors led to the unfortunate and terrible circumstances of an event that I accept ought to have been avoided. We should look forward to make sure that it never happens

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again, but the House must accept that, for decades and generations, we have been asking young people to do very dangerous things in very dangerous and difficult circumstances, and that sometimes things go wrong.

Alison Seabeck (Plymouth, Devonport) (Lab): The families of the hostages from Plymouth were very appreciative of the welfare and emotional support that they received during the crisis, but there was a view that the people offering that support did not have the necessary media training. If a similar event were to happen, will my right hon. Friend ensure that family members and others are shielded from the media by people who understand the media? My constituents are also grateful for the offer from the PCC.

Des Browne: We will consider the PCC training recommendation with a view to acting on it, but I know from the reports about the families that have come back to me how grateful they were for the support that they received during the crisis. When their family members were returned, many said unequivocally that they had been well supported by the generic help that the MOD had been able to offer in facilitating help from the services. The report reveals that, when it came to helping the families, we sought to have in place an officer representing the service and a person acting as a media shield. It may be that both should operate in the same chain of command, and be given support with their media skills. That seems to be the recommendation made by Hall, and I intend to see it through.

Mr. Iain Duncan Smith (Chingford and Woodford Green) (Con): When I used to serve, a long time ago, the operational chain of command was always clear. I hope that it is still clear now, as it meant that people in command took responsibility when something went wrong. With respect to the Secretary of State, I maintain that we cannot move on until the people who made the mistakes in this instance are seen to take responsibility for them. I urge the right hon. Gentleman not to pretend that he can defend them. The people in the operational chain of command know what they were up against. If they have failed, they should take the responsibility for doing so.

Des Browne: Those in the operational chain of command know their responsibilities, but I am sure that they will take on board the rehearsal of those responsibilities by the right hon. Gentleman.

Stephen Pound (Ealing, North) (Lab): My right hon. Friend has made a calm, dignified and comprehensive statement to the House. Rightly, it was apologetic in parts, and I think that all reasonable people will thank him for that. However, when the smoke has cleared and we have moved on from issues to do with matelots and iPods, some questions will remain. Is my right hon. Friend entirely convinced in his own mind that the information that we had at the time about the map co-ordinates was correct, and that the Coventry's landing craft were not operating in Iranian waters?

Hon. Members: It was HMS Cornwall.

Stephen Pound: Cornwall—I beg the House's pardon.

Des Browne: I thank my hon. Friend for his support. There is no doubt that HMS Cornwall was operating in Iraqi waters and that the incident itself took place in Iraqi waters. Indeed, people will recollect that in the early days the Iranians provided us with a set of co-ordinates, and asserted that was where the event took place, but when we told them the co-ordinates were in Iraqi waters they changed that set and found one in their own waters. I do not think that even they sustain the position that the incident took place anywhere other than in Iraqi waters.

Dr. Andrew Murrison (Westbury) (Con): The Secretary of State rightly pointed out that the Navy is renowned for generic training and multi-skilling, which, of course, underpins the lean manning of warships. Does he accept that the headlong rush towards lean manning of warships is in part responsible for the lack of specialist skills that General Fulton identified?

Des Browne: With respect to the hon. Gentleman, I do not accept that. Boarding parties have always been made up of people with other specialist skills, specifically trained for that job. If there is a failure of training, it was in the specific training of nominated people for boarding, who would in any event have had other specialist skills. I know of no Navy in the world that carries boarding parties who are specialists only in that; I do not think they exist.

John Robertson (Glasgow, North-West) (Lab): I commend my right hon. Friend for the "buck stops here" attitude he has shown. Will he assure me that the witch hunt sought by some Members will not happen and that our servicemen and women will be supported not only by him but by the MOD in ensuring that their jobs are safe and that they can get on with the job they are being paid for—putting their lives on the line for their country, as they do? They should be commended for everything they do.

Des Browne: I thank my hon. Friend for his comments. Because the CDS instructed the report from General Fulton in operational terms, I did not seek to put any qualification on that. In relation to the media-handling side, I was adamant to the House that I was not instructing a review that was intended to be a witch hunt. It was intended to identify what happened, the lessons that needed to be learned and how we could move forward, which is exactly what I intend to do. It is a coincidence that the Fulton report comes to a similar conclusion in that regard, but General Fulton supports the conclusion in his report with an analysis of the facts.

Anne Snelgrove (South Swindon) (Lab): I welcome the fact that there was no equipment failure, the commitment to learning from mistakes and my right hon. Friend's assertion that the rules of engagement were right for the task. I spent several years in the nuclear industry, in a communications department, where I witnessed press officers working in difficult circumstances. The best press officers have media experience and a media background, as I hope my right hon. Friend will

agree, so will he assure me that he will consider people with a press background when looking for media support in the future?

Des Browne: I welcome my hon. Friend's advice but, with respect, I do not think it would be appropriate for me to give her that assurance from the Dispatch Box, or we may end up before an industrial tribunal in future in relation to applicants for other jobs.

There are different ways of getting experience in dealing with the media. Given the society we live in, people who never thought the media would intrude in their way of life find increasingly that they need the skills to deal with the media. As I understand it, in relation to augmenting the press part of our Department, the principal lesson from the Hall report suggests that we need people with a degree of service experience and I intend to act on that.

Willie Rennie (Dunfermline and West Fife) (LD): Does the Secretary of State believe that the report has implications and lessons for our coalition partners, and will he ensure that they are fully briefed with the details of the report?

Des Browne: One of the interesting aspects of the operational report—the Fulton report—is its recognition that it is important always to bear in mind the fact that we are operating as part of a coalition. It is our intention to share the lessons with our coalition partners and, indeed, we have already taken steps to do so at CDS level.

Ann Winterton (Congleton) (Con): The poor training and discipline of the boarding party have been admitted—this work is to be undertaken in future by expert teams—but by stepping up to the line, the Secretary of State has done no service to the Navy. It is frankly unbelievable that he has not told the House who was responsible for that poor training, what rank they held and whether they are serving at home or abroad. Will he now give us that information?

Des Browne: I know that the hon. Lady is an assiduous student of issues in relation to defence, and particularly the security of our operations and the safety of our armed forces. I commend her for the work that she does in that regard, but she may well have misunderstood the information that I have given the House.

On training, the recommendation is that we continue to do the world-class generic training that we do for the crew of ships as we deploy them, on the basis that ships are deployed for nine months, that they are quite often diverted to do quite diverse things when they are on deployment, and that the generic training has served us well for a long period. However, that ought to be augmented by some specific training, particularly in relation to boarding, if that is likely to be part of the function of a ship when it is deployed. There is no question of chasing responsibility for someone not having done that in the past.

I do not accept that there was a failure of discipline. I am not going to sit here on these green Benches or stand here at this Dispatch Box and judge these young people on their behaviour in circumstances that I have not experienced. The last time I came to the Dispatch Box, I said that experts in interrogation assured me that their behaviour was well within the bounds of what was permissible and acceptable in relation to their responsibilities. I can do no more than repeat that to the House.

Robert Key (Salisbury) (Con): Will the Secretary of State take it from me that those of us on the Defence Committee will not be party to a whitewash, that we have heard the anger in the House, and that we are aware of the mockery to which the Royal Navy has been subjected by sea shanties being updated? Will he undertake to ensure that there will be no attempt by the MOD to prevent senior serving officers from appearing before our Committee?

Des Browne: I assure the hon. Gentleman that there will be no attempt by my Department to prevent the Select Committee from carrying out the task which they have agreed to accept, and to a degree which I have charged them with.

Points of Order

5.2 pm

Mr. Paul Goodman (Wycombe) (Con): On a point of order, Madam Deputy Speaker. You may have seen that Mr. Ijaz-ul-Haq, the religious affairs Minister of Pakistan, is reported to have said the following about the award of a knighthood to Salman Rushdie:

"If someone exploded a bomb on his body he would be right to do so, unless the British Government...withdraws the 'sir' title."

The Minister then went on to praise suicide bombing.

The House will of course be mindful of the horror of the loss of life experienced on 7/7. Mr. Ijaz-ul-Haq's remarks can reasonably be read—

Madam Deputy Speaker (Sylvia Heal): I am wondering where the point of order is in the hon. Member's comments to which I can respond.

Mr. Goodman: The point of order is this, Madam Deputy Speaker. Those remarks can reasonably be read as incitement to terrorism in Britain. Have you had any notice that Ministers are prepared to come before the House to say whether they have demanded that the Government of Pakistan disassociate themselves from Mr. Ijaz-ul-Haq's pro-terror remarks, and have condemned them unreservedly?

Madam Deputy Speaker: I have had no such notice and the matter raised is not a point of order for the Chair.

Mr. Christopher Chope (Christchurch) (Con): On a point of order, Madam Deputy Speaker, about ministerial accountability to Parliament. On 15 May, the Minister for Employment and Welfare Reform sent me a letter stating that he proposed to close the Christchurch Jobcentre Plus office, to enable his Department to provide a "better service" to the residents of Christchurch than it had been able to provide up to now. I then tabled a priority written question for answer on 23 May, asking the Minister to explain how closing the jobcentre would provide a better service. I received a holding reply. I was concerned about the delay in getting a substantive response. My office phoned the Minister's office and was told that the answer had been on the Minister's desk and that he had sent it back so that a fuller and more helpful response could be given. That response is now available, but it does not answer the question one iota.

The Minister told me in a letter that closing my local jobcentre will improve life for my constituents, but, when I asked him, he said that this was a matter for the chief executive of Jobcentre Plus and that he does not accept any ministerial responsibility. How can we hold such a Minister to account in the House?

Madam Deputy Speaker: The occupant of the Chair has many responsibilities in the House, but Ministers' responses to Back Benchers are not one of them. If the hon. Gentleman, who is experienced, is having some difficulty, I suggest he go to the Table Office to get advice from the staff there.

Mike Penning (Hemel Hempstead) (Con): On a point of order, Madam Deputy Speaker. I know that staff in the Speaker's Office and other officials in the House have for some time been trying to address the blight of the encampment outside Carriage Gates. I shall not address that situation directly, but it has been put to me that, on several occasions, megaphones have been used outside Carriages Gates to broadcast foul and abusive language when young children have been present. I have asked the police in the Palace whether they wish to take action and I have been informed that they have asked the Metropolitan police from outside the House to attend—*[Interruption.]* This is a very serious issue. These people are addressing young people—whom we want to encourage to visit the House—using foul and abusive language and the police have refused to attend to deal with the situation. I wonder whether the House can make a representation to the Metropolitan police to ensure that, if people break the law outside the House, all action is taken against them.

Madam Deputy Speaker: I suggest that the hon. Gentleman put his criticisms and comments in writing to Mr. Speaker, who will no doubt investigate the matter further.

Council Housing (Direct Investment)

5.6 pm

David Taylor (North-West Leicestershire) (Lab/Co-op): I beg to move,

That leave be given to bring in a Bill to promote the improvement of all council homes and estates; to provide for the building of new council housing; to promote equal financial treatment between local authorities and registered social landlords in the provision of affordable housing; to reserve certain rents and capital receipts for direct investment in council housing; to provide for the protection of rights to life-long secure tenancies and of tenants from involuntary changes of ownership and management; to further regulate and make requirements of registered social landlords; and for connected purposes.

Next Wednesday, the present Chancellor of the Exchequer will take over as our new party and national leader. He told the Amicus conference yesterday that he plans to review housing policies, and I hope that my modest measure will help to inform that process. Our nation faces growing housing problems that can be met only by building new, and improving existing, council housing, and by having a fair financial balance between local authorities and housing associations in the provision of affordable housing.

Since 1997, fewer than 1,800 council houses have been built in total—in contrast to an average figure of well over 180,000 each year in the decades following the election of the Attlee Government. Despite a great cost to the taxpayer and an enormous loss of accountability, the private sector, including registered social landlords, has built at an annual rate of only 15,000 homes in the past 10 years. It has proved to be incapable of dealing with the increasing overcrowding and homelessness in many parts of our land; only a renaissance in public sector construction can do that.

There is a strong national consensus on the matter. Some 3 million tenants, 1.6 million households on waiting lists, trade unions and councillors of all parties are agreed. The six candidates for the Labour party deputy leadership have said that we must have a new housing policy and three successive party conferences have voted to encourage and finance direct investment in council housing—the fourth option. It is the purpose of the Bill to provide a legal framework for that fourth option so that it can be an addition to, or a replacement for, the current three options, which are all seriously defective.

The option promoted most enthusiastically is stock transfer to a registered social landlord, which, in law and practice, is privatisation disguised under the thinnest of veneers. Legally, housing associations are private companies and they borrow directly from the private market. RSL board members are often paid, banks are in the driving seat, and executives are on inflated pay scales, funded by soaring rents from hard-pressed tenants. Councils that are trying to coerce or bully their tenants into stock transfer will claim that the Government's rent convergence formula ensures that rents will increase by the same amount whether tenants transfer or not, but in reality that formula is worthless. New tenants can be pitchforked up to the target rent immediately, service charges are not included and the valuation method can and will be manipulated to generate much higher rents.

My Bill would aim to protect tenants' rights to lifelong secure tenancies, which are sacrificed following a stock transfer. The assured tenancy on offer is not the same thing at all because a promise by a new registered social landlord not to use its greater powers in law, for example on eviction, is nothing like comparable to the statutory rights that secure tenants have at the moment. Although we are told that transfers will be made to "community based" organisations, that often does not last because landlords can get into a financial mess and be taken over by remote businesses, or can become caught up in the merger mania that is fuelled by the Housing Corporation's drive for mega RSL groupings. We should not forget that tenants have no vote on such takeovers and mergers and that the new owners of the housing have no obligation to deliver on old promises made by others.

The Bill would protect tenants from the scandals that we see when unscrupulous and uncaring councils use large-scale funding that comes from the pockets of local taxpayers to run misleading and unbalanced campaigns to frighten tenants into voting for stock transfers. Together with so-called independent consultants and advisers, they produce dubious glossy propaganda booklets that, in essence, say to tenants, "You have no alternative but to vote yes to transfer." That is an outrage. We need no crystal ball to point to the cracks and stains on the rosy pictures painted by those who are hellbent on flogging off, at a knock-down price, public assets that were built by and for successive generations of tenants and taxpayers.

The track record of stock transfers is often pretty dreadful. Shelter found that homelessness worsened in areas with stock transfers, while the National Audit Office said that it cost thousands more to improve each home after transfer than would be the case if councils were just given the money to do the work themselves, which the Bill proposes. Any genuine consultation on the future of publicly owned housing must, as a minimum, ensure that tenants hear all the arguments, that there is equal access to public funds for both sides of the case to be put, and that there is a formal ballot on any change. As that is just what the Bill spells out, I urge a moratorium on any further ballots until the new Prime Minister's housing policy becomes clearer.

May I turn to my Bill's proposals to ring-fence rents and capital receipts for direct investment and to require equal financial treatment in the provision of affordable homes for local authorities, and for housing associations and other RSLs? The argument of the ancien régime about to leave office is that we simply cannot afford the level of investment in publicly owned housing that is brought in by private finance. There are two fatal fundamental flaws in that approach: first, the theory that there is no cost to the taxpayer in the options for privatisation when there most definitely is; and, secondly, the theory that there is a huge increase in public expenditure with direct investment when there most certainly is not. Tenants are right to demand a level building site for councils on which the fourth option can be constructed, as opposed to the three privatisation options. The same amount of public funds spent on subsidising stock transfers, arm's length management organisations and the private finance initiative should be available in the growing number of cases when council housing is retained.

[David Taylor]

The Joseph Rowntree Foundation estimates that right to buy sales have yielded almost £50 billion, but that just a quarter has been recycled into improving public housing. The moonlight robbery campaign points out that tenants pay an average of £800 per year more in rents than they get back in management, maintenance and major repairs. That represents a national annual total of more than £1.5 billion. It is unacceptable that money is being leeched from council housing and council tenants in such huge volumes to subsidise private developers who are building houses that are still priced way out of the reach of ordinary, hard-working families.

The unequal financial treatment between unaccountable and often remote housing associations and democratically elected local housing authorities defies belief. For example, making debt write-off conditional on stock transfer is a form of blackmail, and my Bill would bring that to an end. The Auditor General has stated that that form of debt repayment has no net effect on the Exchequer, so why is it denied to local housing authorities, but doled out to RSLs?

Rental income must be ring-fenced in the national housing revenue account and the pooling of local rents for national distribution needs an overhaul. Housing support for hard-up areas should come from the taxpayer, not the tenant. The rigging of write-offs and gap-funding subsidies to make RSL business plans stack up is a stitch-up. A fresh approach that is rooted in real, unforced choice for tenants, and fair financial deals for councils, with the availability of debt write-off and gap funding, would benefit millions of people throughout the land. Waiting lists will shorten, overcrowding will lessen and living conditions will improve. Council estates can again be the stable and mixed communities in which many in the House, like me, have lived. I was proud to stand in the 2005 election on a manifesto that stated:

"By 2010 we will ensure that all social tenants benefit from a decent, warm home with modern facilities."

We have three years to make good on that pledge.

In the Government's response to Kate Barker's review of the supply of housing was a promise, as part of the 2007 comprehensive spending review, to respond "with an ambitious plan for increasing social housing supply, with new investment alongside further efficiencies and innovation in provision". Option 4 is indeed a policy whose time has come.

We must defend and extend council housing. No wonder so many people are putting up their hands for it. There is a strong business case for direct investment. There is a powerful social case for constructing council housing to tackle the affordable housing crisis, and there will be a political dividend from reaffirming a core value that council housing is not some obsolete policy from a bygone era, but a key economic activity that adds to our national wealth, promotes social inclusion and is a robust, high value and sustainable solution for one of the most pressing problems that face a new Administration planning their priorities for the next three years.

I am sure that that Administration will recognise that council housing is cheaper to build, manage and maintain than all the alternatives and, most importantly, is more accountable. I hope sincerely that this Bill is a suitable foundation for an overdue and much needed new direction in affordable housing both in theory and in practice, and I commend it to the House.

Question put and agreed to.

Bill ordered to be brought in by David Taylor, Mr. Jim Cunningham, Frank Dobson, Paul Flynn, Dr. Ian Gibson, Kelvin Hopkins, Dr. Brian Iddon, Lynne Jones, Andrew Mackinlay, Paul Rowen, Bob Russell and Mr. Phil Willis.

COUNCIL HOUSING (DIRECT INVESTMENT)

David Taylor accordingly presented a Bill to promote the improvement of all council homes and estates; to provide for the building of new council housing; to promote equal financial treatment between local authorities and registered social landlords in the provision of affordable housing; to reserve certain rents and capital receipts for direct investment in council housing; to provide for the protection of rights to life-long secure tenancies and of tenants from involuntary changes of ownership and management; to further regulate and make requirements of registered social landlords; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 19 October, and to be printed [Bill 127].

Orders of the Day

Mental Health Bill [*Lords*]

[2ND ALLOTTED DAY]

As amended in the Public Bill Committee, further considered.

Clause 7

CHANGE IN DEFINITION OF "MEDICAL TREATMENT"

5.18 pm

Chris Bryant (Rhondda) (Lab): I beg to move amendment No. 1, page 4, line 16, leave out

'In section 145(1) of the 1983 Act (interpretation)'

and insert—

'(1) Section 145 of the 1983 Act (interpretation) is amended as follows.

(2) In subsection (1)'.

Madam Deputy Speaker (Sylvia Heal): With this it will be convenient to discuss the following amendments:

No. 2, page 4, line 18, after 'care' insert—

'(but see also subsection (4) below)'.

No. 3, page 4, line 18, at end insert—

'(3) After subsection (3) insert—

"(4) Any reference in this Act to medical treatment, in relation to mental disorder, shall be construed as a reference to medical treatment the purpose of which is to alleviate, or prevent a worsening of, the disorder or one or more of its symptoms or manifestations."'.

Chris Bryant: The amendments are in my name and that of all the Back-Bench Labour members of the Committee—I hope the Minister is aware of that—and some Conservative and Liberal Democrat Members. The three amendments tie together rather oddly, so for clarity I should explain that they would have the effect of rendering section 145(1) of the Mental Health Act 1983 as:

"'medical treatment' includes nursing, psychological intervention, and specialist mental health habilitation, rehabilitation and care (but see also subsection (4) below).

(4) Any reference in this Act to medical treatment, in relation to mental disorder, shall be construed as a reference to medical treatment the purpose of which is to alleviate, or prevent a worsening of, the disorder or one or more of its symptoms or manifestations."

The British Medical Association has written to all Members of the House, I think, to say:

"This is the central clinical and ethical issue in relation to the legislation...the BMA strongly advocates the inclusion of a requirement that the use of the legislation must provide therapeutic benefit and could support the amendment subject to firm assurances that 'manifestations' referred to are clearly linked to underlying clinical conditions."

The BMA is not the only organisation that is urging the Government to accept the amendment. Mind, the mental health charity, for which I ran the marathon earlier this year, has written to say:

"We also welcome the amendment tabled by Chris Bryant MP and other Members

"which would re-introduce a requirement to the 1983 Act that compulsory treatment must be of therapeutic benefit."

Likewise, Hafal, the mental charity in Wales, has also supported the three amendments. The Mental Health Coalition, the new combination of organisations including Unite, which is my trade union, Unison, the Royal College of Nursing, the College of Occupational Therapists, the British Psychological Society and the British Association of Occupational Therapists, has also written to say:

"We are supportive of this amendment and have made this clear to the Minister, we are urging her to accept it and would encourage MPs to support the amendment."

Finally, the Mental Health Alliance has written to say that it welcomes the amendment, although it has some concerns about the concept of manifestations and would want ministerial assurances that what it refers to is clearly part of the mental disorder.

It is perhaps important to stress some of the context in which the amendment comes before us. Ever since 1324, we have had in statute some provision to detain people solely by virtue of their mental ill health, although I apologise for the terms in which the legislation was couched in 1324, when the royal prerogative asserted that the king had jurisdiction over the persons and property of "idiots" and those who happened to "fail of" their "Wit". Obviously, legislation moved substantially, and in the Vagrancy Act 1714, we had the first articulation of how we should be able to detain somebody purely by virtue of their mental ill health. That subsequently translated into the Mental Health Act 1959 and then the 1983 Act, which made clear the requirement for a therapeutic environment.

The principles that I feel are important in this issue are pretty straightforward. First, no psychiatric unit can be a prison by another name; it must be a therapeutic environment. Secondly, any person, whatever their mental condition, whether or not it is a condition that we currently believe is curable, must have the right to appropriate treatment and we cannot simply wash our hands of them.

Ann Coffey (Stockport) (Lab): Will my hon. Friend confirm that the amendment would certainly enable people with personality disorders to be treated in a therapeutic environment? My concern is that people with such disorders have in the past been refused treatment on the grounds that they are untreatable according to a very rigid interpretation of the terms "alleviate", "likely to alleviate" or "not worsening" symptoms.

Chris Bryant: I believe that there have been instances since 1983, and that there were certainly instances before, in which people believed that the treatability test was actually a curability test, and that because one could not cure somebody of a personality disorder, one should not therefore bother to treat them. That view is certainly not held now among most psychiatrists, most consultants working in hospitals and most of those working in mental health services today. I hope that, in future, as science advances in this area, we will be able to provide many more treatments. Who knows? Perhaps in the distant future, we will be able to get closer to curing some of these personality disorders.

Meg Hillier (Hackney, South and Shoreditch) (Lab/Co-op): Will my hon. Friend comment on the situation of one of my constituents, who murdered a man? The murderer, my constituent, had been in and out of Homerton hospital in my constituency for two years to be treated for schizophrenia prior to the day release on which the murder took place. He was sent immediately to Broadmoor, where he spent 10 months being assessed. At the point of conviction, in trial, the judge was told that he could not send the man to Broadmoor under sentence and could send him only to a mainstream prison, because under current mental health legislation, he could not be treated. Does my hon. Friend believe that the amendment will capture such situations, and will he join me in urging the Government to take note of what is being laid down today?

Chris Bryant: I am grateful to my hon. Friend, who has made a valid point. We should consider not only people who might commit a homicide, but, far more significantly, those who might be considering suicide. As last year's report on avoidable deaths by the university of Manchester pointed out, some 1,300 people who had been through mental health services committed suicide last year in the United Kingdom compared with some 30 homicides. It may be that when some people's minds are very disturbed, the dividing line between homicide and suicide is not as clear as it might be for others. We should consider the rights and needs of the patient, which is an important principle.

Dr. Evan Harris (Oxford, West and Abingdon) (LD): I am a little concerned by something that the hon. Gentleman has said. Will he accept—I declare an interest as a member of the BMA medical ethics committee—that treatment is more than just intervention? Treatment is something that has a chance and that has been shown to be effective in having a chance, although not in every case, of alleviating the condition in some way. That is different from intervening or placing someone in a therapeutic environment. If the concern is to protect the public, it should not be done under a notion of treatability when it simply involves intervention or detention. Will the hon. Gentleman give me that assurance about his amendment?

Chris Bryant: I return to the first principle that I articulated, namely that no psychiatric unit should be a prison by another name. However pleasantly it might be arranged, we cannot detain people just for the purpose of detaining them, and there must be some kind of therapeutic benefit. That is the purpose of the amendment.

We also need to adhere to two other important principles. First, the public have a right to protection. Historically, mental health legislation has always allowed for the protection of the public. Originally, the legislation addressed the protection of the King, but it was subsequently extended to cover all members of the public.

I know from personal experience in my family that families, friends and carers of those who have significant mental health problems sometimes want mental health services to have the right to detain and sometimes feel that mental health services were too hesitant in detaining somebody, because they consequently saw that person travel further and further down the route towards significant mental ill health in a way that they think is irretrievable.

Having said that, it is important to bear in mind that I do not believe that the Bill will balance the rights of the patient, the rights of the public and the rights of families and friends on the security of society and the rights and freedoms of the individual without some kind of treatability test. The treatability test in section 3(2)(b) of the 1983 Act specifies that

"in the case of psychopathic disorder or mental impairment, such treatment is likely to alleviate or prevent a deterioration of his condition".

That is clear, but it refers only to those with a psychopathic disorder or mental impairment and not to those with other mental disorders. Because of the way in which we are changing the 1983 Act, any treatability test that we introduce tonight will apply to not only the historical definition of "psychopathic disorder", but anybody who might be detained for any mental disorder.

As I am sure that all hon. Members know, the Lords insisted that there should be a treatability test and inserted one almost identical to that in the 1983 Act, before the Commons Committee—I see that most of its members are here this afternoon—removed it. However, I believe that there is a need to insert a form of treatability test if we are to get the balance right. The Lords version of the treatability test sets too high a hurdle because it insists on the word "likely ", as in a treatment being

"likely to alleviate or prevent a deterioration in his condition."

Likelihood is a very high hurdle. Is it more than 50 per cent. likely—that is what "likely" means in most dictionary definitions—that the treatment will produce one of those two outcomes? That is difficult to argue. It is also difficult to argue at the beginning of an individual's treatment under detention that their condition will be alleviated or will not deteriorate further, because the process of detention or of starting treatment may itself bring about a deterioration in the condition.

5.30 pm

On top of that, most medical treatment is not subject to a "likelihood" clause—that is not the hurdle that we set. Many treatments are provided where there is only a one in four or a one in three chance of alleviating the condition. That is why we should move towards the purpose of the treatment being the most important element.

Dr. Evan Harris: I support the general direction in which the hon. Gentleman is going but remain a little concerned. Sometimes people are treated with a small chance of success because they are consenting autonomously and are not being forced into it. Moreover, they are able to carry out a risk-benefit calculation that may well fall on the side of benefit even if the treatment is not likely to be effective. In this case, we are talking about depriving someone of their liberty, so there is good reason for the hurdle to be high. I hope that the hon. Gentleman accepts that, and I am interested to hear him develop his point.

Chris Bryant: I will go on to articulate more about why the concept of purpose embodies an element of likelihood. It would be wrong to say that we should

provide treatment where we know that there is no likelihood of any alleviation or prevention of deterioration in the condition; that would be unethical, wrong and counter-logical. However, the Lords phrased the amendment in such a way as to create a very high hurdle.

Mr. Tim Boswell (Daventry) (Con): The hon. Gentleman is making a powerful case. Does he agree—I think that this is helpful to his argument—that the concept of purpose in relation to medical procedures was imported at a late stage into the Mental Capacity Bill in the context of making it clear that euthanasia was not acceptable, and that that was done for precisely the reason that he is adducing—as part of the scope of the doctor's considerations in making the intervention?

Chris Bryant: As is so often the case, the hon. Gentleman is absolutely right. It is a simple matter of logic that if someone says that they intend or propose to do something, and then set about doing it in a way that one could reasonably expect to have no likelihood of success, they cannot genuinely have intended or proposed to do it. Therefore, if the purpose of the treatment is

"to alleviate or prevent a deterioration in his condition"

one must believe that there is some likelihood of success. That is why I suggest to the hon. Member for Oxford, West and Abingdon (Dr. Harris) that the hurdle is not as low as he may fear.

During the debate in the House of Lords, Earl Howe spoke against a compromise amendment that was remarkably similar to the one that I proposed but spoke of symptoms and effects instead of symptoms and manifestations. He said:

"The effect of someone's mental disorder may consist of alarm or affront on the part of the public because his behaviour has been violent and disruptive. Treatment that has the purpose of alleviating that effect—and no more than that—could consist of nothing more than locking the person up in a therapeutic surrounding away from the public view."—[*Official Report, House of Lords*, 19 February 2007; Vol. 689, c. 928.]

I believe that he was stretching a point and deliberately misconstruing what the word "effect" might mean, but let us be generous to him and say that there was some ambiguity in the word. Clearly, it is not right to detain somebody solely to prevent somebody else from being fearful of that person's mental condition. I do not believe that that is what "effect" meant, and that it referred to the condition itself. However, that is why I have suggested "manifestation" instead of "effect".

I also believe that Lord Carlile was wrong when he said in the debate in the House of Lords that somebody could be detained purely to treat that person's Tourette's syndrome. He appeared to ignore the fact that not only one but three tests must be fulfilled to detain someone because of their mental disorder. We should add a fourth, namely the availability of treatment. It is important that detention cannot happen unless the person is suffering from a mental disorder of a nature or to an extent that warrants that. On top of that, he should be detained in the interests of his health and safety or with a view to the protection of other persons. Given that all those tests must be met, Lord Carlile's concerns about detention to treat Tourette's syndrome are not valid arguments.

I have insisted on the phrase "symptoms and manifestations" in amendment No. 3 because I believe that the manifestation of an element of a mental disorder must have a direct relationship with that disorder. The relationship cannot be indirect; the manifestation must, by definition, be an element of the condition. The reason for the word "manifestation" is that it has a direct route into the mental disorder. Let me give an example. Somebody who is schizophrenic might suffer and be extremely angry because he has just split up with his partner. He might be furious with her. However, we should not be allowed to detain somebody solely to treat that anger unless the perhaps violent anger is a direct manifestation of the mental disorder from which he suffers. That is important.

Sandra Gidley (Romsey) (LD): Why did the hon. Gentleman use "manifestation" instead of "sign", which is commonly used in the medical field?

Chris Bryant: I am grateful to the hon. Lady because she has enticed me into my next paragraph. I know that many clinicians say that it is standard clinical practice to differentiate symptoms and signs. Using that term in the Bill therefore appears nice and clear. A symptom is something that patients can articulate or feel to be part of the condition. A sign is what the clinician can objectively perceive. Those definitions are generally accepted, although some clinicians use "sign" differently, to mean either what a clinician can perceive through understanding of the clinical condition or what any person could perceive. That introduces an element of ambiguity.

More significantly, the word "sign" may have a clinical meaning but it has no clear legal meaning and consequently confuses the issue. The word "manifestation", which has no clinical meaning, provides much greater clarity in the Bill because there must be a direct relationship between the manifestation and the condition.

On that basis, I hope that my right hon. Friend the Minister will share my understanding of "manifestation" and make that clear. All the organisations that have written to me and to her, asked for meetings with her and lobbied her as ferociously as me—our last meeting was this afternoon; I hope that we never have to discuss the Bill again after today, much as I like her—support that. I hope that she can put on record her precise understanding of "manifestation" and that she will say that the Government are prepared—perhaps uniquely—to accept an amendment from a Government Back Bencher.

I end by saying that we cannot always prevent suicide. I know from my own family and my constituents that there are cases in which it feels like suicide is likely to be the almost inevitable outcome of someone's mental disorder. However, we should not wash our hands of people in that situation. Neither should we encourage the culture of blame, which all too often attends mental health services when somebody takes either their own or somebody else's life. All too often when that happens, the newspapers will demand, "Let's find the psychiatrist who let this person out." We cannot completely eliminate risk and we have to be cautious about both detaining and releasing people. Furthermore, we should not give up seeking treatment for those who have personality disorders just because we have believed that the treatment was not very effective in the past.

[Chris Bryant]

A compromise is available here—a compromise between the extremely high hurdle that the Lords insisted on, which made no reference to symptoms or manifestations of the condition and stressed the likelihood of the treatment having a particular effect, and the version that the Government originally wanted. It is undoubtedly a compromise, but when the Minister rises to her feet, I hope that she will not just accept the amendment grudgingly. I hope that she will not feel that she is simply backing down. I hope, rather, that she will ardently embrace the amendment, because it will leave her with a better Bill.

Tim Loughton (East Worthing and Shoreham) (Con): I will speak briefly, because I want the Minister to have the opportunity of explaining why she is backing the amendment—ungrudgingly, as I am sure she will. We are very pleased, as are the vast majority of those who served on the Committee, to support the amendments tabled by the hon. Member for Rhondda (Chris Bryant). He made a forceful, intelligent and well balanced case this evening, as he did in Committee, which is why we said we were strangely endeared to his proposals. We thought then that they had a scintilla—or chinchilla, as I believe he reinterpreted it in Committee—of therapeutic benefit, which we believe is so crucial to the whole Bill and the whole principle of mental health. Throughout the Bill's stages in the Lords and in this House we have tried to reinsert such a provision. Without it, a mental health Bill becomes a mental disorder Bill, as it threatened to do.

I shall repeat again the comments of those who were responsible for the Mental Health Act 1983: at its core was the point that it was essential that people should not be admitted to detention for treatment in hospital if their condition was not treatable. To do so, as the hon. Member for Rhondda said, is to make hospitals prisons by another name. We know that the number of people who have been subject to sectioning has gone up considerably, so there does not appear to be a problem under the treatability test at the moment. We need to retain some form of that treatability test. To remove the treatability requirement, whatever the Government's intentions, is to permit indefinite preventive detention and to change the law from a health measure to one of social control, of which we have been fearful all along.

Mr. Boswell: Does my hon. Friend agree that ensuring the adequacy and attention of therapeutic treatments and intervention is, in fact, the best way of securing the safety of the public in almost all cases, and that the approach should be grounded in that and not focused at the control end of the spectrum?

Tim Loughton: Absolutely. Various members of the Committee have acknowledged time and again that the relationship between a mental health practitioner and a patient is a particularly sensitive one, which relies on trust perhaps more than in any other part of the national health service where people seek treatment.

If the Government back the amendment, as I hope they will, they will have moved substantially towards reintroducing a form of the therapeutic benefit treatability test, which is to be greatly welcomed. I very much welcome the language used by the hon. Member for Rhondda. I entirely agree with him that a treatability test is not a curability test; it is about being able to provide some therapeutic benefit, some alleviation of conditions or whatever for the person concerned. The hon. Gentleman made that quite clear when he first proposed a version of the amendment in Committee. We wholeheartedly support the amendment.

5.45 pm

I have a few questions for the Minister, and I would like her to give the House some assurances. We query the use of the word "manifestations". I gather that the parliamentary draftsmen had a problem with the term "signs". I think that we have reached a suitable compromise on the semantics of the definitions, but it would be useful if the Minister confirmed that the word "manifestations" is intended to cover the same ground, and no more, than the term "signs", which was the term that we originally suggested. "Signs" is a medical term used in connection with symptoms, meaning the evidence about the patient's condition that is elicited by observation of the patient by the doctor. The symptoms are what the patient complains of. Will the Minister tell us what would be covered by the term "manifestations" that would not be covered by "signs"? The code of practice refers to symptoms, manifestations and behaviours arising from the disorder. I assume that behaviours are now not covered, and that the code of practice will be amended accordingly.

As the amendment relates to the definition clause, will the Minister make it clear—if she is going to accept it—that it will operate as a criterion for compulsion? In other words, will she confirm that a person may not be detained unless there is medical treatment available to him, the purpose of which is to alleviate, or prevent a worsening of, the disorder?

A point that I raised in Committee was that the purpose needs to have an evidence base; it should not be simply the subjective view of the clinician. We have now exchanged the term "likelihood" for "purpose", and the purpose to treat someone has to be based on evidence that the treatment should achieve the purpose, and therefore has a more than 50 per cent. likelihood of success, as the hon. Member for Rhondda has said.

Chris Bryant: The hon. Gentleman might recall that, in Committee, I originally suggested that we use the word "intent" rather than "purpose". As I understand it, in law, the word "purpose" is much stronger in insisting on an element of likelihood than "intent" would have been, which is why I used it.

Tim Loughton: I follow the hon. Gentleman's argument about a more than 50 per cent. likelihood. I simply want the Minister to acknowledge at the Dispatch Box that this is the right understanding of the wording. On that basis, we shall be happy to add our support to the amendment. I hope that the Minister will, ungrudgingly, say that this is a sensible compromise and congratulate the hon. Member for Rhondda on introducing it into this important part of the Bill. This is an important principle underlying mental health law.

Dr. John Pugh (Southport) (LD): The House owes the hon. Member for Rhondda (Chris Bryant) a deep debt of gratitude for providing a solution to the core

problem of the Bill. It is an ethical principle of medicine that its objective is to benefit patients, although it does not always do so. Detention by the NHS, as opposed to detention by Her Majesty's prisons, has—save in rare cases of epidemic control—the goal of doing some real good to the patient. Indeed, the 1983 Act allows for the detention of seriously ill and at-risk patients, provided that there is a treatment likely to alleviate or prevent deterioration of their condition. That is the treatability test that, as the hon. Gentleman pointed out, applied to no one other than psychopaths and the mentally impaired. The treatability test left us with the problem of those with an untreatable personality disorder, which was dealt with without conclusion by the Joint Committee, and for which our Committee did not find a solution either. Some said that such people should be released, and I think that the hon. Member for Daventry (Mr. Boswell) said that they should be interned.

In Committee, the Government made some entirely reasonable points. One was that existing legislation could be used to ignore and duck hard-to-treat personality disorder cases. I accept that that is a problem. They also pointed out that a consistent and deliberate refusal of treatment by an aggressive psychopath, for example, could engineer his dismissal by establishing, quite reasonably, that he was not treatable. The Government therefore initially favoured the definition of treatability that stated that appropriate medical treatment was available. They pointed out, quite reasonably, that not all medical treatment goes beyond palliative treatment, and that chronic conditions are often dealt with by the management of symptoms rather than by an outright cure. The Lords, fearing that the proposals involved simple imprisonment under another name, defined "appropriate available treatment" in the old way, as treatment that was likely to alleviate or prevent deterioration of the condition, and we were back to square one.

The Rhondda amendment, if I can call it that, is an attempt to bridge the gap. It removes the word "likely", and defines "medical treatment" as having the purpose of alleviating, or preventing the worsening of, mental disorder and its manifestations. It recognises that psychiatry is a relatively young science, and that remedies are not sureties or even always probabilities.

Even if it will not always prove successful, detaining desperately and seriously ill people who are at risk—which, as the hon. Member for Rhondda explained, is what we are talking about—with a therapeutic purpose seems to me to be generally justifiable, subject to the normal rules on advocacy, appeals, tribunals and so on. I believe that the amendment can and should be supported, provided that the Government and those who tabled it make it clear that by "manifestation" they mean symptoms rather than the public impact made by a person's behaviour. Mental provision should not be about hiding people away and ignoring their conditions.

Dr. Richard Taylor (Wyre Forest) (Ind): I rise only to express my delight and amazement that the impassioned speech I had prepared to support this vital amendment is not necessary, and to try to allay the anxiety about the word "sign". The full description is "physical sign", meaning that which is found on physical examination of the patient. I am afraid I know very few psychiatrists who still possess stethoscopes, and I rather doubt that many of them actually examine patients. I entirely agree that "manifestation" is far the most sensible word.

The Minister of State, Department of Health (Ms Rosie Winterton): I congratulate my hon. Friend the Member for Rhondda (Chris Bryant) on assembling such a powerful coalition against me. There is not a grudge in sight.

My hon. Friend set out very clearly all the ways in which he had tried to address this difficult issue. Let me remind the House what the Government hoped to achieve by removing the treatability test in the 1983 Act and replacing it with an "appropriate medical treatment" test. I am sure that Members, especially those who served on the Committee, will know that—as I think everyone has now acknowledged—the treatability test did more harm than good. As my hon. Friend said, it required clinicians to predict that treatment would be likely to work before certain patients could be detained. As he also said, on occasion it has been misinterpreted as meaning that patients could be detained only if they could be cured, rather than treated. That led to a culture in which, too often, patients with personality disorders were turned away from services on the grounds that they were supposedly untreatable. My hon. Friend the Member for Hackney, South and Shoreditch (Meg Hillier) gave the example of a particularly disturbing incident in her constituency.

That culture was bad not only for public safety reasons but because of the trauma that it caused to patients, their families and their carers. It also held back the development of services for people with personality disorders, despite the clinical advances being made. I believe that as a result of our removal of the treatability test, such development will be enabled rather than frustrated by legislation.

The wording of the test has given some patients a perverse incentive to refuse to engage with treatment, in the hope of arguing that they cannot be detained because the treatment is not likely to work. I have been told of disturbing cases in high-security hospitals where patients have been advised by lawyers not to engage with treatment because it would lead to release. I know that all members of the Committee were concerned about that.

The new "appropriate medical treatment" test requires a patient's medical treatment to be

"appropriate in his case, taking into account the nature and degree of the mental disorder from which he is suffering and all other circumstances of his case."

That is much more than the treatability test currently requires. Nothing in that test requires medical treatment to be appropriate to the patient as an individual, and, unlike the treatability test, this test applies regardless of diagnosis.

Accusations were made that the new test would require detention without proper treatment. That is not the case, and is not what was intended. As my hon. Friend said, an amendment made in the other place would effectively have reinstated the treatability test, and in some cases would have made it worse by extending it to all areas of mental disorder. We removed that amendment in Committee because of the problems that it would have created.

I accept that there have been doubts and concerns about the effect of the new test. Genuine worries have been expressed by a number of organisations. That was raised by my hon. Friend when he tabled his amendment

[Ms Rosie Winterton]

in Committee. I agreed to consider it then, but in the meantime my hon. Friend discussed it with a number of organisations, clinicians and others.

The amendment that we are discussing today has considerable support from Members in all parts of the House. I have given it serious consideration, and have met representatives of several organisations. I recently met members of the British Medical Association, who urged me to support the amendment provided that it was clear that "manifestations" were linked to an underlying mental disorder. My hon. Friend rightly explained that manifestations of a mental disorder were the way in which the disorder was manifested. Clearly a disorder can manifest itself only in the thoughts and actions of the person who has the disorder, not in the reactions of others. The crucial difference is that this amendment describes the purpose of the medical treatment; it does not turn on the likelihood of treatments achieving that purpose.

The hon. Member for East Worthing and Shoreham (Tim Loughton) asked about the difference between signs and manifestations, as did the hon. Members for Southport (Dr. Pugh) and for Wyre Forest (Dr. Taylor). We believe that "manifestations" is better than "signs" because the latter can be interpreted more restrictively as only the things that clinicians observe in a clinical setting. The hon. Member for Wyre Forest was getting at that with his stethoscope point. Some clinicians use "signs" to mean only what a clinician can observe through examination at a specific time, which would exclude, for example, reports by third parties of self-harm or suicide attempts. The examination would, therefore, be confined to what was happening there and then. That is why we believe that "manifestations" is a better word to use than "signs".

6 pm

My hon. Friend the Member for Rhondda, with the support of Committee members, and latterly of the Opposition parties, has certainly—*[Interruption.]* I carefully looked at the signatories to the amendment, and I am glad that the Opposition parties support it; I do not wish to give the impression that I begrudge that. My hon. Friend and the Opposition parties have proposed this measure and it is a good compromise. I assume that the Opposition parties had discussions with my hon. Friend, and I am glad that they wish to support his amendment. In light of everything that he has said—and of our meeting this morning when we discussed the "manifestations" issue and the fact that many organisations have backed his amendment—I am glad to say that the Government will agree to the amendment.

Amendment agreed to.

Amendments made: No. 2, page 4, line 18, after 'care' insert—

'(but see also subsection (4) below)'.

No. 3, page 4, line 18, at end insert—

'(3) After subsection (3) insert—

"(4) Any reference in this Act to medical treatment, in relation to mental disorder, shall be construed as a reference to medical treatment the purpose of which is to alleviate, or prevent a worsening of, the disorder or one or more of its symptoms or manifestations."'.—*[Chris Bryant.]*

New Clause 12

IMPAIRED DECISION MAKING

'( ) The 1983 Act is amended as follows.

( ) In section 3 (admission for treatment) after subsection 2(a) insert

"(aa) that because of his mental disorder, his ability to make decisions about the provision of medical treatment is significantly impaired."'.—*[Tim Loughton.]*

Brought up, and read the First time.

Tim Loughton: I beg to move, That the clause be read a Second time.

My speech will take a little longer than the Minister just took in eventually forcing herself to say that she supported the last amendment we discussed. I hope that she will take a little less time to reach the same denouement on new clause 12. It should come as no surprise to her, as it mirrors amendments tabled in the Lords which she promptly savaged in Committee on very poor grounds. I hope that she has reconsidered and consulted experts, and will admit the error of her ways by now agreeing to restore this rightful amendment to the Bill, whose provisions were originally added to it in the Lords.

New clause 12 represents a basic principle of mental health law: that patients should be involved in, and informed about, their treatment. People with mental illness are unpredictable. That is not something that just happens and goes away; it can come back, and people might live with many episodes of mental illness over many years. As a result, many people with mental illness develop a great knowledge of what works best for them when the illness flairs up; they develop coping mechanisms. They will therefore have their own views on the long-term use of what are powerful and potentially harmful drugs. Such drugs might be deeply unpalatable for some; we have addressed side effects in the past, such as weight gain, diabetes and disabling, embarrassing and at times painful movement disorders.

It is essential that patients are involved in, and informed about, their treatment, and where they retain capacity, as many do, their wishes should be respected. The principle that compulsion should be the last resort underlies our approach to the Bill. For people with a mental illness, the best forms of therapy involve the trust of the clinician, who has the power to prescribe powerful—mind-altering or physical feature-altering—drugs. More than for any physical illness, it is essential that there is a position of trust between the patient and the clinician.

We must respect the autonomy, personal integrity and personal responsibility of the patient. That is a basic human right. In the Bill in its current form—without the impaired decision-making amendments, as added in the Lords—there are inconsistencies compared with how we treat physical illness. The Bill is also still stigmatising, so we have reinserted the amendment that gives an impaired decision-making test, acknowledging that if someone suffers from a mental disorder, it does not automatically mean that they are not fully able to make decisions. That should help to reduce stigma and enhance personal autonomy and responsibility. I would hope that the Minister—along with all the other people and organisations who are interested in mental health—supports that.

The addition of the impaired decision-making provision also makes the grounds for non-consensual medical interventions for people with a mental disorder similar to those for people with a physical disorder, thereby helping to reduce stigma and discrimination. I think that all Members agree that far too much stigma is still attached to mental illness. We have a lot more to do to reach a position where somebody going for treatment for a mental illness is viewed no differently from somebody going to a hospital for treatment for an illness such as cancer or heart disease. We are still a long way from achieving that. At the basis of our perceptions on this subject and how we can change them is the way we configure our laws on how people with mental illness are treated. That is why an impaired decision-making test is essential.

Ann Coffey: There is something I do not understand. We are talking about a situation in which two clinicians have already established that a person is suffering from a mental disorder and needs to be compulsorily admitted for treatment. Part and parcel of such a mental disorder is some degree of thought disorder—in a sense, that is the manifestation of the disorder. How does the hon. Gentleman's extra condition of judgment being "significantly impaired" help the clinician who has already made the judgment that that person has a serious mental disorder?

Tim Loughton: The hon. Lady debated that with us in Committee, and I shall respond to her points later. However, it is important to recognise that many people with mental illness retain capacity and should therefore have the right to influence their treatment.

Angela Browning (Tiverton and Honiton) (Con): Does my hon. Friend agree that when we think about people who are detained, we may forget the spectrum of conditions for which people are sectioned? Some are voluntary admissions but many are in crisis, and it is often the sections made under crisis that we think about. However, I have known many cases in which people being sectioned were calm and rational through the admission process, so there is a spectrum of conditions.

Tim Loughton: That is absolutely right and reflects the point that I was making. It is an unpredictable process, and people go through highs and lows. Of the 47,000 sections last year, some 20,000 occurred after voluntary admission. Surely we want to encourage more people to engage with mental health services as early as possible, so that their condition is treated before it becomes more extreme and they have to have more extreme treatment, and might then be subject to compulsory sectioning. We are trying to encourage best practice and trust in the clinician, and to encourage people voluntarily to engage with mental health services.

Dr. Evan Harris: I congratulate the hon. Gentleman on the point that he is making and the way in which he is making it. Does he accept that part of the stigma associated with mental illness is the presumption—the caricature, almost—that it inevitably involves total and enduring lack of capacity? That is simply not the case. It is a far more mixed bag, and I point out through the hon. Gentleman to the hon. Member for Stockport (Ann Coffey) that it is not inevitable that lack of capacity occurs, as recent case law confirms.

Tim Loughton: The hon. Gentleman, who has great experience of these matters through his own medical background, is right. We need to appreciate, respect and publicise, as part of the image and stigma problems—

Ann Coffey: Will the hon. Gentleman give way?

Tim Loughton: Hold on. I am trying to answer the hon. Member for Oxford, West and Abingdon (Dr. Harris). Of course I will give way generously, as I always try to do, to the hon. Lady, if I may first finish my sentence—which I have now forgotten, so I give way.

Ann Coffey: I thank the hon. Gentleman very much. I was simply going to point something out, through him, to the hon. Member for Oxford, West and Abingdon (Dr. Harris). He is talking about capacity, but my point is, what will the phrase "significantly impaired" add to a clinician's judgment? "Capacity" is a readily understandable term.

Tim Loughton: In order to make some progress, perhaps the hon. Lady and the hon. Member for Oxford, West and Abingdon would like to go outside and talk about this issue, or both contribute to this debate—if there is any time left after I have made my opening comments—rather than our holding this three-way conversation.

It is important to remember that if a patient with depression has a potentially fatal physical illness such as heart disease or cancer, they may be treated for it only if they give capacitor's consent, or if they lack capacity and such treatment is in their best interests. In other words, the law permits that patient, if they retain decision-making capacity, to refuse treatment for an illness such as heart disease, but not for an illness such as depression. That is surely inconsistent and wholly illogical, and we are trying to achieve some consistency in the way that this legislation is framed. I make no apologies for returning to this very important principle in the Bill.

The General Medical Council said the following in response to the Government's criticisms of our approach:

"We do not share the Government's concerns that people who pose a risk to themselves or others could be excluded from the provisions of the Act because of this amendment. In determining whether a person is able to make a decision about medical treatment for their mental disorder, doctors would need to follow a process which assesses whether:

a. the person is able to understand that they have a mental disorder, what treatment is proposed and why the doctor believes it is necessary

b. they can retain and weigh up this information and make a reasoned decision whether to accept or refuse the treatment

c. their understanding or reasoning is distorted or impaired by their mental disorder.

We envisage that following this process would lead, in practice, to the conclusion that although a person who is suicidal or poses a risk to others may still have some capacity to make decisions, their ability to make decisions about medical treatment for their mental disorder is impaired and they are, therefore, able to be detained under the Mental Health Act, provided the other conditions under the Act are met."

[Tim Loughton]

That counters the point that the Minister has made before in arguing that our proposals would in some way put at risk a large body of people.

Angela Browning: Does not the Mental Health (Care and Treatment) (Scotland) Act 2003 include a proposal such as this new clause, which applies to assessment as well as treatment? There have been no reports so far from clinicians or social workers that the measure is not working within that Act.

6.15 pm

Tim Loughton: My hon. Friend is right on both counts, and I will touch on that issue briefly in a minute. As the Minister is always keen to refer to that Act when it suits her, perhaps she will acknowledge that point now—when it suits us, for a change—so that we can draw on that experience, limited in time scale though it is so far.

Genevra Richardson's expert committee on the 1983 Act recommended an approach to compulsion based on capacity. In her submission to the Public Bill Committee, she said:

"Patients should not be subjected to compulsory treatment against their capable wishes simply in the interests of their own health or for the avoidance of annoyance to others. To do so would be to discriminate unjustifiably against mental, as opposed to physical, ill health...I would therefore urge the retention of clause 4"

on impaired decision making, which we are trying to restore—

"in its amended form. The presence of impaired decision making as a condition for the use of compulsory powers is essential if we are to apply the recognised principles of health care equally across mental and physical disorder. It will help significantly to reduce both the discrimination reflected in the Mental Health Act 1983 and the stigma which feeds on it. In the years since the publication of our Report our understanding of the nature and extent of the stigma attaching to those with mental disorder has greatly improved...and it is clear that the retention of the impaired decision making amendment would mark a significant step in the battle to combat it. Far from seeking to deny treatment to those who need it, the impaired decision making condition would place mental and physical disorder on an equal footing and would begin to break down those barriers which deter people from seeking the help they need."

Dr. Brian Iddon (Bolton, South-East) (Lab): The hon. Gentleman is arguing a fine line. The plain fact remains that many families have lost loved ones who committed suicide; they clearly needed to be treated, but were turned away and did not get that treatment. If the new clause is accepted, the number of such people might increase, and I cannot vote for the hon. Gentleman's new clause knowing that that might be the case. What does he have to say to the families who have lost loved ones through suicide who did not get the mental health service treatment that they should have received?

Tim Loughton: I would say to them that it is a tragedy, and that if suitable services had been available for their loved ones, some of those suicides—never all—might have been avoided. I would also say that is not the job of legislation to make up for the poor availability of services or for inappropriate services. Moreover, there is no evidence that the inclusion of an impaired decision-making clause would reduce or increase the number of people under compulsory treatment in any case. The hon. Gentleman must also consider how the legislation is currently framed, and the fear that patients who retain some capacity might have in presenting to services if they think that they are then much more likely to be subject to sectioning and to have their own wishes, knowledge and experience overridden. They might not present to those services at all, and would therefore not get any help from them. Their condition might fester under the clinical radar and, as a result, they could be even more likely to commit suicide or to commit some harm against members of the public.

The hon. Gentleman has no evidence to back up the prognosis he is putting forward—*[Interruption]*—just as I have no evidence otherwise, as the Minister rightly says. It is a fine line, but surely the point is that it is better to encourage and entice people to engage with those services. Offering a framework that respects their integrity and their wishes when they retain the capacity to have sensible wishes is surely more desirable than saying that their wishes will be overridden, simply because the legislation does not accommodate them.

Dr. Iddon: Will the hon. Gentleman also accept that it is all very well to say that the person should engage with the services on a voluntary basis, but the trouble is that in practice the services are often not available at the moment of crisis, such as in the middle of the night or at the weekend?

Tim Loughton: If the services are not available at the moment of crisis, having a piece of legislation that says that the person's wishes can be overridden will not make any difference. It is the services that make the difference, and the person may think that it is not worth engaging with the services, or they may be deterred from or frightened of doing so—perhaps because they have had long experience of mental health services or bad reactions to drugs that were forced on them against their better judgment. They might decide that they would rather suffer than run the risk of being dictated to by a psychiatrist who might be acting in their best interests, but who overrides their wishes even if they retain their capacity. The danger of those people slipping under the clinical radar is as dangerous, if not more dangerous, than the scenario the hon. Gentleman suggests.

Angela Browning: If the scenario is a crisis in the middle of the night, at which point help is being sought from the medical profession, the chances are that the decision making of the person involved is impaired.

Tim Loughton: That is the point that I have tried to make. If somebody has reached such a traumatic point in their life that they are contemplating suicide, they will, in most cases, have impaired decision-making capability and, therefore, the system and the legislation could pick them up. We covered that point in Committee, and if the hon. Member for Bolton, South-East (Dr. Iddon) will not acknowledge that, we will have to agree to disagree. He does not have empirical evidence for his view, as I do not, so I am siding with giving some credence to the decision-making capacity of the patient.

Dr. Iddon *rose—*

Tim Loughton: If the hon. Gentleman will forgive me, I wish to make some progress. We could get very hung up on this point, and it has taken some time already.

There is clear recognition of the importance of an impaired judgment standard in statements from the Joint Committee on Human Rights, whose Chairman is not in his place at the moment, although I am sure he will join us later, and in international standards. They include statements by the World Psychiatric Association, the World Health Organisation, the European Committee for the Prevention of Torture and Inhuman or Degrading Treatment or Punishment and the UN General Assembly.

The Joint Scrutiny Committee, of which I was a member, said in its report:

"A large proportion of the evidence received by our Committee favoured a capacity-based approach as the starting point for a new Act, although some proposals were more radical than others. We believe that compulsory powers should only ever be used as a last resort when people are very seriously ill, and we do not agree that a person will become too seriously ill before an impaired decision-making criterion is met."

Many professional bodies in the alliance have publicly supported that test, including the British Psychological Society, which the Minister has been praying in aid more than any other organisation to try to counter arguments being made in Committee. As has been said, the mental health legislation in Scotland has the same criteria as this new clause, albeit for the assessment stage as well as the treatment order. Anecdotal evidence from psychiatrists and social workers in Scotland suggests that it is not causing dilemmas for clinicians. The principle has been recommended for Northern Ireland, and it is a criterion for admission in other jurisdictions, including Ireland, New South Wales, North Carolina—where the famous Dr. Swartz hails from—Israel and Saskatchewan.

Lynne Jones (Birmingham, Selly Oak) (Lab): As the hon. Gentleman knows, I have much sympathy with the amendment and I agree with the argument that he is making. How would the new clause deal with the problem of fluctuating capacity?

Tim Loughton: That is a fair point, because people's conditions do fluctuate. That point was addressed in Committee and in some of the submissions made to it. The new clause would not remove the discretion of clinicians to make a judgment on how someone's condition varies.

The General Medical Council also said:

"The requirement that a person's decision-making ability must be significantly impaired before they can be detained and treated without their consent is consistent with the guidance the GMC issues to doctors, in which we make clear that doctors are expected to respect the wishes of patients who have capacity to make their own decision about treatment or care or disclosures of confidential information, and to act in the best interests of patients who lack such capacity. Those are fundamental principles of good medical practice which we would expect to see applied to decisions involving patients with mental disorders in the same way as those suffering from physical disorders."

This is not some hare-brained scheme plucked out of the air. This principle, wording and concept are used in other countries and jurisdictions and are backed by a raft of respectable medical professional bodies.

James Duddridge (Rochford and Southend, East) (Con): My hon. Friend has not yet referred to the Disability Rights Commission. Has he met representatives of that organisation? It supports new clause 12 because it says that if the new clause is not accepted, the Bill will be highly discriminatory. If the Minister is unwise and does not accept the new clause, does my hon. Friend feel that that decision will be subject to legal challenge?

Tim Loughton: I have not met the commission recently, but I have read its submission. Its members have every reason to be concerned if the new clause is not accepted, because they feel that if their views are overridden—

Ann Coffey: Will the hon. Gentleman give way?

Tim Loughton: The hon. Lady is very keen. I will give way to her in a moment, when I have finished replying to the previous intervention. The commission's members are concerned that if their judgment and decisions are overridden, they will be deterred from engaging with mental health services in the first place.

Ann Coffey: The hon. Gentleman still has not addressed the point that I made earlier. Other parts of the Bill refer to the "capacity" of patients to make decisions. The new clause talks about the ability to make decisions being "significantly impaired". I have asked him to explain how that extra test will add to the ability of the clinician to make a judgment about whether someone should be compulsorily detained. Is he applying a different test to mental capacity? If so, is it a higher test that the mental capacity test or a lower one? *[Interruption.]* If it is the same test, why does he not talk about capacity, instead of significant impairment of judgment? He has said that it is not our job to make clinicians' decisions, but it is our job to put comprehensible legislation on the statute book.

Tim Loughton: Game show like, my colleagues shout, "Lower", because it is a lower test— *[Interruption.]* You don't get anything for a pair on this show, either. That is the answer—*[Interruption.]* Well, the civil servants are usually in the Box—

Madam Deputy Speaker: Order. I remind hon. Members that there should be no reference to Strangers in any of the Galleries.

Tim Loughton: Thank you, Madam Deputy Speaker. I have lost my place, but I will try to plough on.

Angela Browning: I hope to be helpful to my hon. Friend by pointing out that within the context of mental health legislation, clinicians regularly work with two tests that are interrelated. For example, they regularly work with the concept of capacity to consent to treatment as well as notions of insight into illness. That is not unusual, and that is probably what the hon. Member for Stockport (Ann Coffey) is alluding to when she says that there are two tests. That is true, and it is not unique.

6.30 pm

Tim Loughton: I am grateful to my hon. Friend. Rather than going through that conversation again, I shall give way to my hon. Friend the Member for Rochford and Southend, East (James Duddridge).

James Duddridge: The proposed test is a lower one, but my understanding is that the word "capacity" is used to refer to brain damage, which can be physical as well as mental. In contrast, an "impairment" is purely mental. Does my hon. Friend agree that the word "capacity" extends to people who have suffered a physical disruption to the brain in road traffic accidents?

Tim Loughton: That could be part of it, but the matter is not so straightforward.

Dr. Evan Harris: I am trying to understand the point made by the hon. Member for Stockport (Ann Coffey). I was not a member of the Committee, although I accept that she was and that she has explored the matter in detail. She said that the existing legislation contains a clear capacity test, but I do not think that it does. Essentially, a doctor or an appropriate clinician judges that a person is suffering from a mental disorder and should be detained. That is not a blatant capacity test, so it is appropriate to introduce an impaired judgment test to capture the point that the hon. Member for East Worthing and Shoreham (Tim Loughton) has made.

Several hon. Members *rose—*

Tim Loughton: I shall not give way for a while, as several conversations seem to be going on at the same time. Those hon. Members who want to make a contribution to the debate should do so before the Minister accepts the new clause.

The breadth of the law as its stands contrasts with the provisions in most countries, where the seriousness of a condition, or the harm that might be caused, are essential criteria for detention. We consider that the criterion of impaired decision making provides a preferable alternative to the seriousness criterion in the 2004 Bill, because it is more specific and directs the clinician to the correct issue of patient choice and autonomy.

The vast majority of people with a mental illness, like those with a physical illness, retain in full their ability to make their own decisions throughout. They are treated by GPs or psychiatrists without being detained. Of those who are detained under the Mental Health Act 1983 some, as I have said, will also retain their capacity. A recent study found that 15 per cent. of detained patients, especially those who had been detained on a previous occasion, retained their capacity.

The authors of that report also found that a capacity test worked with a high level of reliability, which answers part of the point raised by the hon. Member for Stockport (Ann Coffey). The IDM test imposes a lower threshold, and does not apply to section 2 patients. If it were passed into law, I believe it would lower the percentage of detained patients who retain their capacity.

What are the consequences of failing to take account of decisions taken by a person who has insight into his condition and is fully capable of making a choice? I think that there are four. First, patients with full capacity come to resent their psychiatrists. As I said earlier, they tend to avoid their services for fear of being forced to have treatment that they do not want and which they believe may be harmful to them physically. That in turn can lead to them becoming more ill, with some slipping below the clinical radar or being deterred from presenting in the first place.

Secondly, patient outcomes may be damaged if personal decisions are not taken into account. Thirdly, patients may be harmed by treatment that may be unnecessary, and fourthly—and most importantly—stigma is increased. Failing to take account of vulnerable people's decisions can, and does, destroy their trust in the medical profession, on whose members they rely for mental and physical health.

Inevitably, detention in hospital is a major disruption to a person's life. In the context of the blame culture, in which every tragedy caused by a patient can potentially be attributed to misjudgments by a psychiatrist, psychiatrists often feel required to section patients against their better judgement or the best interests of those patients.

The predictable consequence of the present law is that people with full capacity can stay away from the psychiatrist because they can justify an irrational fear of being detained. In that sense, the law is totally counter-productive: as I have said before, we need patients to engage early.

Tony Zigmond, vice-president of the Royal College of Psychiatrists, has followed our proceedings very closely and I am sure that he is doing so at the moment. He has said:

"Enabling people to feel able to seek help early, to talk about their fears and difficulties, without fearing scorn, humiliation or loss of status, freedom, job and friends is the best way to bring about improvement in their health".

As in other areas of medicine, the best outcomes are achieved when patients engage early, take a full and active role in their treatment and have trust in their psychiatrist or other professional. In that connection, the NICE guidelines on anxiety state:

"involving individuals in an effective partnership with healthcare professionals, with all decision making being shared, improves outcomes".

Another aspect of the problem is the stigma felt by members of the black and minority ethnic community. They strongly support the new clause, and feel deeply stigmatised by the present law. The figures for the disproportionate detention and sectioning of people from the BME community bear out those fears.

Lynne Jones: Will the hon. Gentleman give way?

Tim Loughton: If the hon. Lady does not mind, I was going to end there. I wanted to make a number of other points but am conscious of the time, and I am also aware that she wants to make some comments of her own in support of the new clause. To ensure that she is not squeezed out, I shall finish my remarks now, save to say that the new clause should be added to the Bill as it is fundamental to our view of mental health legislation and to the need to respect people with a mental illness who retain capacity. I very much hope that the Minister will have a last-minute conversion and accept it.

Ann Coffey: I want to expand a little on the point I was making earlier, as I do not think I got a very satisfactory response.

Tim Loughton: I did not get a chance.

Ann Coffey: I gave the hon. Gentleman every chance: he just did not manage a satisfactory response.

The second set of provisions in chapter 3 is entitled "Consent to treatment". Clause 27 deals with electroconvulsive therapy, for example, which can be administered only if an "approved clinician" has

"certified in writing...that the patient is not capable of understanding the nature, purpose and likely effects of the treatment".

It is important that the same tests are applied in all parts of the Bill. The new clause would insert the new test

"that because of his"—

that is, the patient's—

"mental disorder, his ability to make decisions about the provision of medical treatment is significantly impaired."

That is different from the test used elsewhere in the Bill, which is based on the phrase "capable of understanding". When challenged about whether the new test was the same or different, higher or lower, the hon. Member for East Worthing and Shoreham (Tim Loughton)—having being prompted by his colleagues in the Gallery—explained that it was a lower test.

That is not very satisfactory. The proposed additional test would be applied at a very important and significant moment in a patient's life, and in the lives of his friends and carers. As a result of it, the patient would be compulsorily admitted to hospital for treatment of an underlying mental disorder that might be putting him or others at risk. It is not satisfactory for the hon. Member for East Worthing and Shoreham to be unable to say whether the test was higher or lower—

Tim Loughton: I said it was lower.

Ann Coffey: I am sorry, the hon. Gentleman did say that the test was lower. Will he say, then, by how much it is lower? How is it different from the test used elsewhere in the Bill? It is no use him looking at the Gallery, as I do not think that the people there will help.

Lynne Jones: Perhaps I can help my hon. Friend. The proposed test is different, as the term "capacity" relates to cognitive ability. The Scottish legislation deals with the matter adequately, holding that the concept of impaired decision making is separate from incapacity. The further factors that should be taken into account are set out in the Scottish provisions, with a patient's impairment being measured, for example, by his ability to retain information concerning care and treatment, and to make decisions accordingly.

Ann Coffey: I thank my hon. Friend for that intervention, but the Scottish provisions are as yet untested. When the hon. Member for East Worthing and Shoreham introduced his proposal, he said that he had no evidence about whether it would work. Parliament has a responsibility to put good legislation on to the statute book, so I simply point out that his proposal is messy because there is no satisfactory explanation to show that it would operate any differently from tests in other parts of the mental health legislation.

Tim Loughton: In that case, why did the hon. Lady support community treatment orders yesterday? There is no evidence for their efficacy. She needs to be consistent.

Ann Coffey: The hon. Gentleman is proposing the new clause so it is his responsibility to explain what it means, instead of referring to some other aspect of the legislation.

Tim Loughton: I pointed out that a number of states already have an impaired decision-making test that has worked perfectly satisfactorily. There is no evidence that a capacity criterion would reduce the number of people under compulsory treatment, as the Minister claims it would. The Government object that the new clause might leave out people who need treatment. That might be true, but it is alarming to think that the state has reached the point that everyone deemed to need treatment should be detained if they disagree, which is what the Minister is trying to say.

Ann Coffey: I am sorry, but other countries have other mental health legislation; I am talking about the hon. Gentleman's new clause. He has given no explanation of exactly what the test is and how it differs from the capability test in other parts of the legislation. Why should we adopt one test to judge whether a patient is capable of understanding the nature and purpose of the likely effects of electroconvulsive therapy, but an entirely different one when they are to be admitted to hospital under a compulsory order? It is the hon. Gentleman's responsibility to explain that but he has not done so satisfactorily, so he does not deserve support for the new clause.

James Duddridge: Unlike the hon. Member for Stockport (Ann Coffey), I support new clause 12, which is well reasoned. In previous debates in Committee, I would have been minded to support the Minister's arguments if mental health problems were indeed static for a period of time. I know that the Minister holds in great respect Patrick Geoghegan, the chief executive of my local mental health partnership. He told me about a schizophrenic patient who could hold a rational discussion at one meeting but at the next would be kicking and screaming and making a mess of the office. It was deemed that the patient could make decisions about her future treatment and she voluntarily accepted treatment. As it was recognised that she had capacity to make decisions because she allowed herself to be admitted to hospital for treatment, logically she should be allowed to decide which treatment she did not want. She might know her own needs and her own body—for example, that a drug did not work well—much better than the clinician.

Ms Rosie Winterton: That is exactly the point. The patient the hon. Gentleman describes had allowed herself to be admitted to hospital. She had decision-making capacity even though she was very ill, and she entered hospital voluntarily. The problem would be if a

[Ms Rosie Winterton]

person with the same medical condition, who had retained capacity and decided that they did not want to be treated, posed a danger to themselves or other people. Under the proposal the hon. Gentleman supports, that person could not receive treatment.

James Duddridge: I understand the Minister's point, but if a mental health patient has a different view about the effects of treatment and says that they do not want ECT or a particular type of drug—even if at a later stage a doctor or a second doctor says they should have such treatment—they should be treated exactly the same as someone with a more medical problem.

Ms Winterton: The hon. Gentleman needs to differentiate a patient's ability to contribute towards decisions about their treatment, which they can still do under compulsion. We have made it clear that we want the Act to work in that way, but in the case he describes the person could not be detained under the Act and receive treatment because they would have retained their decision-making ability. They would not have impaired judgment, so they could not be detained under the Act to receive treatment. That is exactly the problem.

6.45 pm

James Duddridge: If the patient subsequently lost the ability to make a judgment, would doctors have to take their original decisions—made when they had full capacity—into account, even if they did not feel the decisions were in the patient's best interests? Perhaps the Minister will clarify that point in her comments.

In an intervention on my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton) I mentioned the Disability Rights Commission, which strongly supports the new clause and believes that if it is not accepted the Bill will be "highly discriminatory". Has the Minister taken advice about the likelihood of legal challenges that the Bill is discriminatory?

Ms Winterton: We are talking about the status quo. Does the hon. Gentleman know of any cases brought by the DRC against existing legislation?

James Duddridge: I was not able to meet the commission, which is why I asked other Members whether they had done so, and I do not have that information. However, the DRC says that the Bill is highly discriminatory. Those are strong words, which concern me, and I shall be further concerned if the Minister has not taken legal advice or discussed whether there is likely to be a legal challenge.

Finally, the British Psychological Society's code of ethics and conduct requires psychologists to respect people's right to self-determination. What will happen if the legislation requires health professionals to override the valid choice of a person with capacity? There is clearly a conflict of interest between the BPS code and the law we are trying to enact.

Lynne Jones: This is a serious issue. My hon. Friend the Member for Stockport (Ann Coffey) is concerned that we should have good legislation, but all the professionals who will have to implement the measure support the new clause. In fact, they would go further. The proposal applies only to section 3, not section 2, which covers initial admission for assessment. To some extent, I would prefer that the new clause applied to both sections.

All the professionals are familiar with the concepts involved, including fluctuation. Dr. George Szmukler's memorandum to the Committee refers to the sustained resumption of capacity. One could envisage a scenario where someone who may have lost decision-making ability is admitted to hospital, gets well and recovers a degree of capacity. All those things can be taken into account, but the state of impaired decision making must not fluctuate. Similar provisions are in the Scottish measure, so I see no reason why they cannot work perfectly well, although I realise that there are issues relating to suicide, patient safety and public protection, which I shall address later in my speech.

Ann Coffey: Does my hon. Friend agree with the hon. Member for East Worthing and Shoreham (Tim Loughton) that this is a lower test than the test that is in the consent to treatment?

Lynne Jones: In one sense it is different, because if a person lacks capacity, it is a more or less permanent condition—such as in the case of a person with learning difficulties—whereas a person who may have a mental health condition can fluctuate between having impaired judgment to understanding and full capacity. It will be for medical professionals to make that judgment. They are well able to do so, and are willing and want to be able to apply this test.

Ann Coffey: I have listened to the explanations given by my hon. Friend and the hon. Member for East Worthing and Shoreham (Tim Loughton), and I am still very confused about the differences between the test of capability and this new test of impaired decision making. Even having heard my hon. Friend, I am still unsure. Does she agree that there would be quite a lot of confusion if two different tests were introduced, which might be tested in courts of law?

Lynne Jones: The professionals involved do not think that there is confusion, and there are briefings that explain it perfectly reasonably. I cannot find the exact page; I suppose I could read it out, but my hon. Friend has access to the briefings from the professionals involved, and I think that they are right. They are very comfortable with the new clause and the consequences that would flow from it.

As I am sure the Minister will argue in rejecting the new clause, if this test is introduced many of the people who are at risk of harming themselves or others may not receive the treatments they need. The original proposal came from the expert group, chaired by Genevra Richardson. We have her evidence to the Public Bill Committee, which the hon. Member for East Worthing and Shoreham read out. All this arose because the expert committee recommended a much wider definition of mental disorder, which we shall discuss later. One quid pro quo was that, while we had a wide definition, it would be narrowed in terms of invoking the concept of capacity—the concept of impaired decision making.

That was the basis of Genevra Richardson's recommendation. It was a fundamental principle that was crucial in relation to the stigmatisation of people with mental health problems, so before I return to the issue of protection of the individual or the public, I want to spend a few moments considering that.

Stigma against people with mental health problems is so endemic in our society that people are ashamed of admitting that they might have a mental health problem. I have recently been involved with the all-party group on ME, and people will bend over backwards to avoid any idea that they could have a condition that might have a psychiatric element, because of the stigma associated with it. The social exclusion unit pointed out that six out of 10 employers would not employ someone who had a mental health problem.

The stigma is endemic in our society. I know, because my father suffered from schizophrenia, and when I was growing up it was something that one was ashamed of. I could never tell my friends that my father had schizophrenia. I could not take people home, because of his behaviour. People will not talk about mental illness. The situation is getting better, but the stigma is still endemic in our society.

We have been talking about public protection, and about preventing people from committing suicide. The most important thing that could be done to help us achieve public protection and protection of the individual would be to remove the stigma associated with mental ill health, which prevents people from coming forward because they do not want to admit their feeling that they may have a mental health problem. That, to me, is a crucial aspect of the Bill. A lot of the discrimination that would appear to be in the system, and the greater use of compulsion for people from black minority ethnic backgrounds, can be attributed to the fact that the stigma is even greater in some of our ethnic communities. In fact, when relatives do eventually refer a family member for help, they usually refer them to the police rather than to mental health services, such is the stigma associated with mental ill health. Genevra Richardson put it much more effectively than I can when she explained why she recommended that a judgment should be made about impaired decision making.

The Minister has given examples where she thinks that people who are suicidal may be deemed not to have impaired judgment, and therefore may not receive the compulsory treatment that they need—for example, if they are very seriously depressed. There is some difference amongst clinicians. Some clinicians say that as a result of the impaired decision-making requirement a very few people may not receive treatment; but the General Medical Council says that although a person who is suicidal may have capacity to make decisions, their ability to make decisions about medical treatment for their mental disorder is impaired because of their express desire to commit suicide, or the concern that they may do so.

I have to disagree with my right hon. Friend the Minister. In my opinion, someone who is suicidal because of a mental health problem—not perhaps someone who wants to commit suicide because they are terminally ill; I would distinguish between the two—does display seriously impaired judgment, and I believe that most clinicians would take the view that such a person had impaired judgment and would require them to have treatment.

The expert committee recommended that an exception be made for people who may be a danger to the community. The Minister correctly points out that that situation is not catered for in the new clause, but I say to her, so crucial is this in relation to the need to combat stigma that I hope she will accept the amendment as currently worded, but seek to make appropriate modifications in another place that could take into account the recommendation of the expert committee.

In most of the cases where homicides have been committed by people with a mental health problem, the issue of impaired judgment would not have made any difference. Some were already subject to treatment; I cannot recall specific names, but there were people who were already under restriction orders, and their risk was inadequately assessed when they were released. The question did not relate to capacity; they were known to be dangerous. In many other cases, the failure of mental health services and the lack of co-ordination between different teams, and between social and health services, in providing for those patients led to the tragedies.

7 pm

The acceptance of the new clause will not mean that the public are less protected or that there is likely to be a greater risk of suicide among people with mental health problems. On the contrary, if we can combat stigma—and this is part of the necessary process involved—we could have much better mental health services and people could be much more willing to receive treatment, because they know that when their judgment is not impaired, they will be listened to.

There are many other measures in the Bill—particularly now that amendments have been made—that improve the current legislation. That is particularly true of advanced statements. Under the code of practice, practitioners will have to have regard to a patient's wishes when the patient does not have impaired judgment. However, if my right hon. Friend the Minister accepts the new clause and, if necessary, introduces any further refinements to take on board the recommendations of the expert committee, the Bill will be even better.

Dr. Pugh: I am going to try to simplify things. The Mental Health Act 1983 laid down two conditions for detention: severe mental illness, and being a danger to oneself or others. Severe mental illness was defined as "illness severe enough to require hospital treatment".

That is a slightly unsatisfactory definition because it is culturally relative and in 1983 there were not the same alternatives to hospital treatment as there are now. None the less, the common law understanding and interpretation for more than 34 years has been that sectioning or detention requires a person to be severely mentally ill—no one can seriously doubt that. The second requirement is that one is a risk to oneself—the obvious example is suicide—or a risk to others, up to and including homicide. There is no doubt about that either.

The new clause—following the amendment in the Lords—adds a further criterion: impaired judgment. Initially, that sounds attractive, on the sound legal

[Dr. John Pugh]

principle that people without impaired judgment ought not to be detained against their will unless they have done some provable wrong. However, that leaves us with the crunch question: what happens to people who are severely mentally ill, suicidal or homicidal, but who have unimpaired judgment? Several answers have been given. One answer given repeatedly is that there are no such people; it is a null class. Mentally ill people who are suicidal or homicidal necessarily have impaired judgment. That is a good answer, but it renders the new clause entirely redundant, because anyone who meets the original criteria for detention—someone who has a severe mental illness and suicidal or homicidal tendencies—meets the impaired judgment test as well. The new clause would therefore be logically superfluous, if cosmetically attractive.

Dr. Evan Harris: Is my hon. Friend certain that the criterion is that someone is suicidal or homicidal? He is using shorthand. The threshold is somewhat less than that. He should not presume that all cases will use that criterion, rather than some lesser criterion of potential risk to oneself through neglect, for example.

Dr. Pugh: Yes, but nobody would get sectioned because they did not wash themselves well or something like that. People normally get sectioned only when they face a serious emergency and the physician feels that action must be taken.

I have come to the conclusion that for the case for the new clause to be maintained, we must believe that there are some severely mentally ill people who are a risk to themselves or others, but who have completely unimpaired judgment, or, at any rate, do not have significantly impaired judgment. It might be asked: who are they, how many of them are there, and how easy are they to single out given the lack of a universal or legal understanding of the impaired judgment criterion? Nothing I have heard today has satisfied me that we are using a particularly clear criterion or that we have a general agreement about it.

It also might be reasonably argued that letting people who are suicidal commit suicide if we think that they have unimpaired judgment is a fair price to pay for allowing them to retain the civil rights that we allow to all people who have unimpaired judgment. I call that the heroic civil liberties argument. That argument has been put and I respect and understand it, although I do not share it.

Further reflection has led me in a different direction. While I was trying to figure out who was in the category of mentally disordered, potentially suicidal people with unimpaired judgment, it was suggested to me by one of the measure's proponents outside the Chamber that a mentally ill person might be suicidal because of unconnected things such as bankruptcy or terminal illness—the kind of things that would make a rational person consider suicide. However, we are talking about people who have a severe mental illness—an illness that haunts the mind, infects every mood, for most people permeates every waking moment, and spreads its dark shadow over all their actions. We are talking about people who are, in general, being ripped apart by their emotions. That is why they get themselves sectioned in the first place. I simply asked myself whether such a person could dispassionately and rationally evaluate the state of their finances or their health prognosis—or anything of that major nature—uncoloured and unimpaired by, and immune from, the emotional storms within them.

To believe in such people seems almost to ignore the depths of suffering and confusion found among people who get themselves sectioned. It fails to recognise what those people are dealing with. Catholics such as me are supposed to believe six impossible things before breakfast, according to Chesterton, but I cannot summon up sufficient credulity to believe in this state of affairs. It defies my imagination and exceeds my current grasp. Even if we accept that a seriously mentally ill person who is a danger to themselves and has unimpaired judgment is a logical possibility, their existence is highly improbable and we are very unlikely to meet any such person.

I thus conclude—this may be a charitable conclusion that pleases everybody—the same thing that Baroness Murphy concluded in the Lords: whether the new clause is passed or rejected will make no real difference to the practice of psychiatry. We can relax.

Angela Browning: In supporting the new clause, and following on from the hon. Gentleman's question about who the people who retain capacity are, I want to put on the record that a study published in *The British Journal of Psychiatry* in 2005 identified that 15 per cent. of patients detained under the Mental Health Act retained their capacity. That was particularly true of those who had been detained previously. Ignoring that group of people has real consequences. One of them was identified by the hon. Member for Birmingham, Selly Oak (Lynne Jones), who has great expertise in this subject. Stigma will be increased. There is also an effect on the relationship between the patient and clinician. Patients' outcomes are damaged. All that would be addressed by the new clause.

I want to come on to some of the issues raised by the hon. Member for Stockport (Ann Coffey) a little later. I had real concerns about this aspect of the Bill right at the beginning, not least because of some of the examples that the Minister used on Second Reading and other occasions, and the consequences that have been touched on by other Members tonight, particularly in respect of those who might be potentially suicidal or a danger to others. I was particularly concerned about those who fall into the category of potentially suicidal, because, at one point, the argument appeared to be that, if they had capacity and it was their decision not to be treated, they should be told to go on their way, with the obvious catastrophic consequences. However, I have to tell the Minister that having made a particular effort to satisfy myself on this point, I now believe that that would not be the case because I do not think that any clinician would stand by and allow a person to commit suicide or to be a danger to others. A person's wish to die would be a consequence of a mental disorder, so in such circumstances, the clinician—

Ms Rosie Winterton *indicated dissent.*

Angela Browning: The Minister shakes her head, but surely clinicians must make such decisions every day when dealing with potential suicides. Of course, potential

suicides are not only people who are crying out that they wish to end their lives. People who are deadly earnest about taking their lives—I am not putting people who choose to end their lives because of a terminal illness in this category—and are determined to do so often deploy all sorts of devices to try to conceal the decision that they have made. Clinicians have to make judgments today about whether such complicated people are intent on taking their lives. I see no reason to go along with the Minister's suggestion that new clause 12 would deny clinicians the ability to make a judgment. If a person was considered to be a danger to others because he or she wished to kill someone else, that intent would be a symptom that the person was seriously unwell. The medical profession makes clinical judgments about such matters today, so I do not understand why new clause 12 would affect the situation.

When the Minister objected to such a measure in the past, she prayed in aid the example of an anorexic patient. However, clinicians tell us that someone with anorexia who believes that she is fat clearly has disordered thinking and thus has an impaired decision-making ability. I am satisfied that the concerns about the consequences of such a measure that the Minister outlined on Second Reading have been addressed. Patients in the situations that she described would be sufficiently protected.

This is a difficult area, especially with regard to the terminology used. We have discussed the difference between significantly impaired decision making and capacity or incapacity. The hon. Member for Birmingham, Selly Oak said that that had been outlined succinctly and thus denied herself the opportunity of sharing it with the House. I hope that you will indulge me, Mr. Deputy Speaker, if I share with the House the Scottish Executive's code of practice on the Mental Health (Care and Treatment) (Scotland) Act 2003, which deals with this exact point. That Act is already in force and is being used every day.

The code of practice states that the concept of "significantly impaired decision-making" is

"separate to that of 'incapacity'...However, when assessing a person's decision-making ability, it is likely that similar factors will be considered to those taken into account when assessing incapacity. Such factors could involve consideration of the extent to which the person's mental disorder might adversely affect their ability to believe, understand and retain information concerning their care and treatment, to make decisions based on that information, and to communicate those decisions to others...One difference between incapacity and significantly impaired decision-making ability"—

the subject of new clause 12—

"arguably is that the latter is primarily a disorder of the mind in which a decision is made...on the basis of reasoning coloured by a mental disorder. Incapacity, by contrast, broadly involves a disorder of brain and cognition which implies actual impairments or deficits which prevent or disrupt the decision-making process",

which is something that the hon. Member for Birmingham, Selly Oak referred to. These are nuances—some might say that this is dancing on the head of the pin—but I think that the Scottish code of practice sets things out clearly.

7.15 pm

Ann Coffey: Does not the hon. Lady agree that it would be better if the same terminology was used throughout the Bill? She has gone to a lot of trouble to try to explain slight differences between what phrases might mean. However, confusion would be created by accepting a new clause that used an entirely different phrase. That would be important, given that the Bill will be interpreted by the courts.

Angela Browning: This is my fifth year of studying the reform of the Mental Health Act 1983. I served on the scrutiny Committee and, like the hon. Lady, on the Public Bill Committee. I and many others have urged the Minister to use the Scottish Act as a blueprint for the legislation for England and Wales. If she had done so, we might not be dealing with such differences today. We could simply have lifted a lot from the Scottish Act and put it into our legislation, including the principles in the Bill. However, for an extraordinary reason that I still do not understand, the Minister and her team rejected that proposal, and the Bill is the poorer for it.

Dr. Evan Harris: I will take only a few minutes because I understand that the Minister will want time to respond to the debate. However, I want to deal with a couple of points that were raised. I realise that I was not a member of the Public Bill Committee. Many hon. Members who have participated in the debate have taken a great deal of interest in the Bill and have spoken about its details with knowledge. I speak for no one but myself.

The hon. Member for Stockport (Ann Coffey) claims that given that there is a definition relating to capacity in clause 27—she said that that measure related to consent to treatment, but it is actually on electroconvulsive therapy—any other definition in the Bill relating to capacity should use the same wording for the sake of consistency. However, that would be wrong, because it would mean that the test for admission would be the same as the test for ECT. As she probably knows better than me, given that she has followed the Bill's passage, the architecture of the Bill is such that ECT has a higher threshold of incapacity than mere sectioning because anyone who was sectioned could otherwise have ECT administered to them. Although there might be merit in pure consistency, the example that she cited did not work because her point would undermine the separate threshold for ECT that exists for not only historical reasons, but clinical ones.

Ann Coffey: Is it the hon. Gentleman's understanding that the impaired judgment test would use a lower threshold? If that is the case, will he kindly explain how low the threshold is?

Dr. Harris: The threshold is lower because I do not think that the supporters of new clause 12 would want people sectioned under the Mental Health Act 1983 to qualify automatically for ECT. Although the hon. Lady might not agree with me, I hope that she has received an explanation of her point from this side of the House.

Let me deal with the interesting challenge that the Minister gave the hon. Member for Rochford and Southend, East (James Duddridge). He deflected the challenge somewhat, but I am happy to meet it head on. I think that the hon. Member for Birmingham, Selly Oak (Lynne Jones), who spoke superbly, as she

[Dr. Evan Harris]

always does on such matters, also would have done so. The matter was dealt with eruditely and logically by my hon. Friend the Member for Southport (Dr. Pugh), who has a PhD in logic.

The point to make is that it is possible to want to end one's life or to have one's life ended without necessarily having impaired judgment. It is also possible to have a mental illness as well. I shall describe two scenarios. If someone is terminally ill, they may reject immediately life-saving heroic treatment because they know that they are going to die and they want to exercise their autonomy and be allowed to die, not to have their life saved if they know they are going to die or suffer. Indeed, they may seek something that is unlawful in this country at present—assisted dying, which has never been opposed on the grounds of being irrational. It has been opposed for other reasons, which we cannot discuss now.

That is one scenario. It is possible in that scenario for the person to be depressed as a result of their terminal illness, and/or it is possible for the person to have a serious mental illness anyway, whether or not it is depression. Just because someone rejects non-mental treatment because they wish to die or end their life, which may be considered suicidal, does not mean that they should be sectioned. That is why a test such as the one proposed in the new clause in that small minority of cases would add extra confidence and insurance against what otherwise might be deemed to follow automatically—that is, sectioning—because the person is suffering from a mental illness, which makes it appropriate for them to receive mental treatment in a hospital for that illness, and to protect them from taking actions that might end their life. There is a case that the Minister must address, which the new clause seeks to do.

There is also the case—for reasons of brevity the hon. Member for Birmingham, Selly Oak did not go into it in as much depth as she might have done—about non-discrimination. People who refuse treatment that is life-saving and who are not terminally ill are entitled to do so if they retain capacity to do that. So a patient might, without not having capacity, refuse to have a big operation that a doctor would recommend and that would be life-saving. That does not mean that they are being irrational, that they do not have capacity or that their judgment is impaired. We do not force such physical treatment on them for their physical ailment.

As for people with a mental illness, although we must take care that we act in their best interests and I recognise the difficult judgments to be made, we should not presume—it goes to the stigma—that they have impaired judgment if they are not looking after themselves or have an intention that their life should end sooner rather than later.

It is vital that we ensure that people who have a severe mental illness and as a result of that are suicidal, are able to access treatment. I am satisfied, as I think my hon. Friend the Member for Southport was, that the new clause would not prevent that. It may help cope with stigma and raise doubts in the minds of people who might otherwise automatically seek to impose compulsory treatment on people with mental illness. It represents an extra test that might prevent unnecessary restrictions of liberty where that is not appropriate.

I know plenty of people who have rightly been sectioned, who are not suicidal but who are self-neglecting to the point of infestation and to the point of malnutrition, who have a severe mental illness. I have sought in my medical practice to have them sectioned. A test of suicidal intent is not required. That was the point that I made to my hon. Friend the Member for Southport during his important contribution.

For reasons of addressing stigma and of identifying a group of people who, if the new clause is not in the Bill, might be compulsorily detained for treatment, who need not be detained and for whom it would be inappropriate, and in order to ensure that we as a House recognise the need not to discriminate—discrimination law is changing all the time and the Government have just proposed consultation on discrimination law, and if the Bill goes through unamended in this place that will put the Government on the wrong side of that case—I will support new clause 12 in the Lobby tonight.

Ms Rosie Winterton: With the new clause we are back on familiar territory. An amendment was inserted originally in the other place, which we took out in Committee, and it has been reintroduced today by the Opposition. It will not surprise them to know that I do not agree with the proposal in the new clause. I understand many of the points that have been made during the debate. I know that we are dealing with a sensitive issue. I listened carefully, as always, to my hon. Friend the Member for Birmingham, Selly Oak (Lynne Jones). I shall reiterate what we are trying to achieve through the Act, which is a sensitive piece of legislation because it affects extremely vulnerable people. It deals with their protection and the protection of others.

The primary purpose of the Mental Health Act is to provide an effective, properly safeguarded mechanism by which clinicians can intervene to protect people from the risks of mental disorder, where that is necessary. There are clear criteria for detention under section 3: first, that the patient has a mental disorder which makes medical treatment in hospital appropriate; secondly, that such treatment is necessary for the patient's own health or safety or the protection of others; thirdly, that detention is the only way to ensure that the patient gets the treatment; and, thanks to the Bill, that appropriate medical treatment is available. We discussed that earlier today when I accepted the compromise amendment.

The new clause would introduce a new test which would subordinate issues of necessity and risk to the question of the patient's decision-making ability. It builds on provisions that we have been working with since 1983. Detention should be based on whether the patient is at serious risk of harming themselves or others. What the new test would mean is uncertain, as it is unprecedented in English law. *[Interruption.]* I remind hon. Members that we are in an English jurisdiction.

I understand that the supporters of the new clause argue that if the patient understands that they have a mental disorder which can be treated, and understands the treatment on offer but decides to refuse it, as long as their decision has not been distorted by their mental disorder there can be no compulsory intervention,

whatever the risk to the patient or anyone else. We must be clear that that is the intent of the new clause. It has been interesting to hear the debate today about whether that would mean that some people could not be treated. I am clear that some people who are treated now would not be treated under the proposal, because their decision to leave themselves or other people at risk would take precedence.

That is the intention of the new clause. What are the reasons behind that? Let us consider some of the statements that have been made by the Opposition. I shall read into the record what has been said about the new clause. In the other place the Front-Bench spokesperson for the Conservative party said:

"My view is that if the risk they pose is to themselves, the law and the state have no business interfering in their lives; and if the risk they pose is to others, they are or should be the province of the criminal law."—[*Official Report, House of Lords,* 10 January 2007; Vol. 688, c. 233.]

That was the view expressed in the other place—that the state has no business to interfere. This goes back to arguments that the hon. Member for Oxford, West and Abingdon (Dr. Harris) made in asking why there is a distinction between what would happen with a physical illness and what would happen with a mental illness. There is a clear distinction. First, the person must have a mental disorder in order to be detained. Secondly, they must be a risk either to themselves or to others. Thirdly, detention has to be necessary and appropriate medical treatment has to be available. That is why there is a difference. We are talking about an individual who is going to commit self-harm or suicide, or harm others.

7.30 pm

I must remind the hon. Member for East Worthing and Shoreham (Tim Loughton) of what he said yesterday when we considered the Government's victims' rights amendments:

"The biggest tribute we can pay to victims and, we hope, to avoid there being more of them in future, is to make sure we do everything possible to stop perpetrators before they commit such ghastly acts."—[*Official Report,* 18 June 2007; Vol. 461, c. 1121.]

As I said, his spokesperson in the Lords said that

"if the risk they pose is to others, they are or should be the province of the criminal law."

In other words, we should wait until people have committed a crime before we can intervene. That would be the effect of what is being proposed.

Dr. Evan Harris: I have a lot of respect for Earl Howe, but I do not tie myself to what he said. I agree with what the hon. Member for Birmingham, Selly Oak (Lynne Jones) said. It can never be rational to desire to inflict harm on others outside the boxing ring or the battlefield. If the Minister were to agree with the hon. Member for Birmingham, Selly Oak and say that the Government would table an amendment in another place that excluded that side of things from the test, which is otiose in such circumstances, I would accept that position. I ask the Minister please not to label those of us who take such views with words, whether or not they are correctly extracted, from a peer in another place—I can speak only for myself, but I suspect there are others.

Ms Winterton: So the hon. Gentleman is now saying that he accepts that we should not allow people to harm others, but that we should allow people to harm themselves. That is the obvious logic of what he has just said.

Dr. Harris: No.

Ms Winterton: I shall certainly give way to the hon. Gentleman if he can tell me why he feels that it is okay to prevent people from harming others, but not to prevent them from harming themselves.

Dr. Harris: The reasons are the same as those for which we do not impose physical treatment on patients who have capacity and do not have impaired judgment, but who reject physical treatment, even when it might save their lives. There will be very few patients with mental illness who do not have impaired judgment—I accept that point—but there will be some, and why should they be treated differently? We have to act proportionately, and I think that the proposed arrangement would give a fair balance in the case of self-harm.

Ms Winterton: Okay, we are now down to saying, "Let's treat it in the same way as we treat physical illness." The hon. Gentleman therefore wants a new threshold, and he has now accepted that there will be people who will not be treated if the House agrees to what is proposed. Effectively, we would be saying that we did not want such people to harm others, but that it was fine that they could go away and commit suicide, even though they had a mental disorder and were a risk to themselves. It is sometimes quite difficult to work out whether somebody is a risk to themselves or to others; most clinicians will say that it is difficult to make the distinction. The hon. Gentleman is therefore introducing a difference between two groups, but I would say that that is quite difficult to do. We would be saying that, although appropriate medical treatment was available, a new test meant that people would be excluded from treatment. We need to be clear that that is what the House is now considering and what would be brought about.

Tim Loughton: The Minister has not identified who those people are. How will she predict who will be a serious risk to themselves or to others? She is not able to do that. In the definitions that I gave yesterday in respect of victims' rights, the point that I was making absolutely clearly was that we should do everything we can to make sure that people do not get into such a desperate state that they commit ghastly acts to others or themselves. The point of the new clause is to ensure that they are not discouraged from presenting early so that they can get the help voluntarily or compulsorily to ensure that they do not reach that desperate stage.

Ms Winterton: Once again, the hon. Gentleman needs to look at the amendments that he is tabling. There is nothing in what he proposes that would bring people forward for treatment earlier. I would like to pick him up on that point. I think that the hon. Member for Tiverton and Honiton (Angela Browning) was hoping to avoid future criticism by saying that there would be sufficient protection to ensure that everybody who was covered at the moment would be covered in future.

Angela Browning *rose—*

Ms Winterton: If the hon. Lady is not saying that, that is fine; I shall give way to her.

Angela Browning: The point that I was making is that these matters come down to judgments on the part of clinicians. They will have those difficulties with or without the proposals. As my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton) was saying, the idea of predicting with absolute certainty that, for example, somebody is going to go out and commit a homicide, having not done so before, is not credible. The Minister knows the figures; she has heard them from the Royal College of Psychiatrists. We would have to lock up and detain 5,000 people even to come close to finding one who just might do it.

Ms Winterton: But the hon. Lady knows that we already detain people.

Angela Browning: Not on that scale.

Ms Winterton: No, not on that test, because the test does not exist at the moment. The hon. Lady would be introducing a new test ensuring that people who get treatment at the moment will not do so in future. She must accept that.

Let me cite what the hon. Member for East Worthing and Shoreham said earlier in this debate. He said that very large numbers would have impaired decision making. He then said that some people would retain capacity, and quoted a study that said that 15 per cent. of people under detention retained capacity. He then said that the IDM test is a lower percentage, so there would be much lower numbers who could not be detained as a result of the proposal. *[Interruption.]* He said that the IDM test is a lower percentage, so let us look at the percentages. Let us look, say, at what would happen if 10, 5 or 2 per cent. of people could not be detained, and at what we are talking about in figures—real people who would not get treatment in future. There were some 22,500 detentions in England for treatment under section 3 in 2005-06. If 10 per cent. of those were ruled out, 2,250 people would not get treatment; 5 per cent. would be 1,125 people; and 1 per cent. would be 225. Those are real people who would not get treatment under the hon. Gentleman's proposals.

Tim Loughton: They are not real people. Those are completely hypothetical figures that the Minister is characteristically using to try to caricature the case that is being put to her. I referred to a lower threshold. I also said that there is no evidence that she can produce that the numbers subject to compulsion will be higher or lower as a result of the proposal. What I did say is that people will be less deterred from presenting to receive the help and support of services, which we want to encourage them to do.

Ms Winterton: I am afraid that the hon. Gentleman needs to look at the record tomorrow, because he said that the percentage would therefore be lower. The percentage who would qualify under the impaired decision-making test for not being detained is shown in the figures that I have given. He must accept that. *[Interruption.]* What percentage of people does he think would not be detained? Given that he says that large numbers would have impaired decision making, how many people does he think it acceptable not to give treatment to?

Dr. Harris: It is about not imposing treatment.

Ms Winterton: Yes. We are talking about compulsory treatment. That is exactly the point that the hon. Member for East Worthing and Shoreham was making. He believes that if an impaired decision-making test were introduced, some people would not get treatment. In that case, I ask Conservative Members how many people is an acceptable number to be turned away from treatment. Such people would be either suicidal or a danger to others. What number would be acceptable?

Tim Loughton: That is scaremongering and disingenuous argument of the worst kind. Which bit of the statement "There is no evidence to suggest that the number subject to compulsion would be higher or lower under an impaired decision-making test" does the Minister not understand? On which bit of that statement is she trying to misrepresent me?

Mr. Deputy Speaker (Sir Michael Lord): Order. The hon. Gentleman should not use such terminology in the House. Perhaps he will withdraw that remark.

Tim Loughton: I will, of course, withdraw "misrepresent", but there is still some confusion about what I have said, which I would like the Minister to explain.

Ms Winterton: I am confused, because the hon. Gentleman has distanced himself from the points made by the Conservative spokesperson in the Lords. If he is distancing himself from what was said in the House of Lords, that is fine, but earlier he said that a very large number would have impaired decision making and therefore admitted that some would not have impaired decision making.

The hon. Gentleman asked about the evidence on whether some people would not be treated.

Lynne Jones: Will the Minister give way?

Ms Winterton: I want to address some of the submissions about who would or would not get treatment. As I have said, it is important to admit that there are people who would not get treatment.

I have received a letter, which I know the hon. Gentleman will reject, signed by a number of eminent psychiatrists. It states:

"It is not possible to say that because a patient has a particular condition, they necessarily will (or will not) have impaired decision-making. People differ. Their circumstances differ. Even the fact that two people are diagnosed as having the same mental disorder does not mean they will experience or be affected by it in the same way. While impaired thinking is a common feature of mental disorder, impairment of the ability to make treatment decisions specifically is not, of itself, a criterion for diagnosing mental disorder, or any particular mental disorder. For example:

Patients with a long-standing diagnosis of schizophrenia or severe depression, with a history of detention at times of acute illness resulting in high risk. These patients will usually have impaired decision making when in relapse but as they recover

this may no longer be the case. They may, however, not be prepared to accept that they have been ill or to accept the need for treatment. As a result, if we had an impaired judgment test, the psychiatrist would be unable to use Mental Health Act powers to continue treatment—until a further relapse occurred.

Patients with borderline personality disorder who do not have impaired decision-making, but who have a high risk of serious self-harm at certain times, and for whom the psychiatrist may well think that hospitalisation is needed during a crisis. Those patients may well understand the treatment that is being offered and the consequences of refusing it, and they may talk in a clear-headed way about committing suicide. If we had an impaired judgment test, the psychiatrist would be unable to intervene."

We know that young women with borderline personality disorders who have a history of abuse, whether sexual, physical or emotional, want to commit suicide at times of crisis, but they understand the options. The hon. Gentleman's new clause means that we, as a society, would say, "We are not going to treat you under the Mental Health Act." There is absolutely no doubt that that would happen.

The British Psychological Society is in favour of an impaired decision-making test:

"We recognise that this approach may mean that a very small number of people believed to be at risk of self-harm or suicide would be permitted to refuse treatment if their decision-making was not considered to be significantly impaired."

It has said that the new clause would allow some people to go out and commit suicide, which Labour Members find unacceptable.

7.45 pm

Tim Loughton *rose—*

Ms Winterton: I hope that the hon. Gentleman will tell me how many people whom we treat now it is acceptable not to treat.

Tim Loughton: Does the Minister think it acceptable that 1,300 people commit suicide now? If it is all so rosy under her proposals, why are 1,300 not being prevented from committing suicide now?

Ms Winterton: That is a ridiculous argument. The hon. Gentleman has said that we should prevent people from committing suicide, but he has tabled a new clause that would increase the likelihood of its happening. His policy is to accept this Government's suicide prevention strategy, which includes measures in this Bill to ensure that we can get treatment to people when they need it. He has admitted that the new clause would allow people who are a risk to others to go out into the community in unsafe circumstances, because it does not discriminate between people who are a danger to others or a danger to themselves, as my hon. Friend the Member for Birmingham, Selly Oak has said.

We cannot accept the new clause, because it would lead to more people being allowed to go out and commit suicide, more people not getting treatment and a greater danger to the public, too. I urge my hon. Friends to reject the new clause.

Tim Loughton: The Minister has used her usual tactics of trying to confuse the Opposition into submission. Why is it that the Royal College of Psychiatrists, the BMA, Dr. Genevra Richardson, the British Psychological Society, the pre-legislative scrutiny committee, black and minority ethnic groups and the Disability Rights Commission are wrong and she is right?

It being two and a half hours after commencement of proceedings on the motion, MR. DEPUTY SPEAKER *put forthwith the Question already proposed from the Chair, pursuant to Order [18 June].*

Question put, That the clause be read a Second time:—

The House divided: Ayes 206, Noes 289.

Division No. 145] **[7.48 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Barker, Gregory
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, rh Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clegg, Mr. Nick
Corbyn, Jeremy
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Davey, Mr. Edward
Davies, Mr. Dai
Davies, Mr. Quentin
Djanogly, Mr. Jonathan
Donaldson, Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Duddridge, James
Duncan, Alan
Ellwood, Mr. Tobias
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Foster, Mr. Don
Francois, Mr. Mark
Gale, Mr. Roger
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Green, Damian
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hancock, Mr. Mike
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Hayes, Mr. John
Heald, Mr. Oliver
Heath, Mr. David
Heathcoat-Amory, rh Mr. David
Hemming, John
Hendry, Charles
Hogg, rh Mr. Douglas
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Howarth, David
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jones, Mr. David
Jones, Lynne
Kawczynski, Daniel
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver

Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
Main, Anne
Malins, Mr. Humfrey
Mates, rh Mr. Michael
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Murrison, Dr. Andrew
Neill, Robert
Oaten, Mr. Mark
Öpik, Lembit
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Prisk, Mr. Mark
Pritchard, Mark
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Russell, Bob
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Stanley, rh Sir John
Streeter, Mr. Gary
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Tyrie, Mr. Andrew
Vara, Mr. Shailesh
Viggers, Peter
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Watkinson, Angela
Webb, Steve
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Winterton, Sir Nicholas
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Mr. Mark Lancaster and Mr. David Evennett

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Allen, Mr. Graham
Armstrong, rh Hilary
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Bell, Sir Stuart
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blackman, Liz
Blunkett, rh Mr. David
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cabom, rh Mr. Richard
Cairns, David
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cooper, Rosie
Cousins, Jim
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
David, Mr. Wayne
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Dunwoody, Mrs. Gwyneth
Eagle, Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs. Louise
Ennis, Jeff
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, rh Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hodge, rh Margaret
Hood, Mr. Jim
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Ingram, rh Mr. Adam
Irranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Mr. Martyn
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Kumar, Dr. Ashok
Lammy, Mr. David
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Linton, Martin
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Mackinlay, Andrew
Mactaggart, Fiona
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCartney, rh Mr. Ian
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh John
McGrady, Mr. Eddie
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, Edward
Miller, Andrew

Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, rh Mr. Elliot
Mudie, Mr. George
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Oiner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andy
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Timms, rh Mr. Stephen
Tipping, Paddy
Touhig, rh Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Turner, Mr. Neil
Twigg, Derek
Vaz, rh Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wills, Mr. Michael
Winnick, Mr. David
Winterton, rh Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. Alan Campbell and Tony Cunningham

Question accordingly negatived.

New Clause 11

WARRANT TO SEARCH FOR AND REMOVE PATIENTS

'(1) Section 135 of the 1983 Act is amended as follows.

(2) In subsection 1(a) leave out "for neglected or kept otherwise than under proper control" and substitute "and neglected".

(3) After subsection 1(b) insert "or (c) may be in need of treatment or care for his mental disorder and is living in any such place, and, access to that place is necessary for the purpose of establishing whether or not he is in need of treatment or care, and it has not been possible to gain such access without a warrant.".'.—*[Tim Loughton.]*

Brought up, and read the First time.

Tim Loughton: I beg to move, That the clause be read a Second time.

Mr. Deputy Speaker: With this it will be convenient to discuss amendment No. 88, page 39, line 20, in clause 41, at end insert—

'(4) In section 135(6) for the words from "means" to the end of that subsection substitute—

"(a) (i) residential accommodation provided by a local social services authority under Part III of the National Assistance Act 1948 (c. 29),

(ii) a hospital as defined by this Act,

(iii) an independent hospital or care home for mentally disordered persons,

(iv) any other suitable place the occupier of which is willing temporarily to receive the patient or, if, in the circumstances of the case it is impracticable to use any of these places,

(b) a police station".

(5) In section 136 (Mentally disordered persons found in public places) of the 1983 Act after subsection (2) insert—

"(3) Where a police station is used as the place of safety the person may not be detained there for a period longer than 24 hours."'.

Tim Loughton: We have only a little time left to consider the final groups of amendments, and I am sure hon. Members who wish to participate are especially keen to comment on the exclusions from mental disorder provisions in the second raft of amendments. I shall therefore speak only briefly about the first raft, and mainly about new clause 11. My hon. Friend the Member for Broxbourne (Mr. Walker) is keen to catch your eye, Mr. Deputy Speaker, to discuss amendment No. 88.

The British Association of Social Workers has supported and provided briefing notes for the new clause, which covers warrants to search for and remove patients. It would update the 1983 Act, which is out of date and causes some problems. Section 135 of the 1983 Act allows magistrates, on the application of an approved social worker, to issue a warrant when it is necessary to gain access to private premises to assess someone for possible admission under the Act. Warrants are requested far more often than they were.

In addition, court procedures have been tightened up, and the approved social worker now needs to make a formal application to the court, supported by written evidence. That has served to highlight the shortcomings of section 135, which does not reflect the whole range of circumstances in which warrants are needed and, indeed, issued, forcing approved social workers and magistrates to bend the law to ensure that access can always be gained to someone who is in urgent need of admission to hospital. The reason is that the section basically dates from the Lunacy Act 1890 and the Mental Deficiency Act 1913. It has never been updated to conform with modern needs and circumstances.

The section provides for a warrant to be issued in only two circumstances: when the person lives alone and is unable to care for themselves, and when the person does not live alone but is being

"ill-treated, neglected or kept otherwise than under proper control."

It covers only whether the person is cared for, not whether that person needs treatment or is a danger to themselves or others. That is because, back in 1890,

[Tim Loughton]

there was no treatment. If there was a danger to self or others, it was assumed that the police would use common law to gain entry. However, their common law powers are greatly circumscribed by section 17 of the Police and Criminal Evidence Act 1984, which allows them to enter only in dire emergency

"for the purpose of saving life or limb."

If, therefore, someone who lives alone harbours paranoid beliefs about their neighbours but can still care for themselves, the professionals have no power to gain access to them to assess the need for admission. They must effectively wait until an assault has been committed and that person can then be arrested. By the same token, a warrant cannot be obtained when the person is living with someone else who does not neglect or ill treat them, even if that someone else is a child, infirm or unable to allow access. In some cases, family members, far from ill treating or neglecting the mentally disordered person, are concerned about them and desperate for them to receive treatment but are too frightened of them to let the police and the professionals into the house against their wishes. A high proportion of cases in which access is plainly justified do not fulfil the existing criteria, forcing approved social workers to misrepresent circumstances to obtain a warrant.

We have modified the new clause since it was first debated in the Lords to tackle a valid objection by the Minister in the other place that it deleted an existing power to obtain access to someone who needed care other than for mental disorder. The new clause now retains existing powers but deletes the stigmatising phrase "not under proper control". As a witness to the Joint Scrutiny Committee put it, inclusion of the phrase made it sound as though we were talking about dogs.

The new clause now provides for access to be gained in any circumstances in which it is necessary for the professional to carry out an assessment for possible admission under the 1983 Act. However, it also imposes a new restriction that a warrant can be granted only when it has not been possible to gain access without one. That is designed to prevent the widespread misuse of the current system whereby the police insist on obtaining a warrant even when access has not been denied or it is not certain that that will be the case.

We believe that the restriction would require the approved mental health professional to demonstrate to the magistrates that all reasonable efforts had already been made to gain access by non-forcible means. It is therefore likely that the new clause would reduce rather than increase the number of warrants issued. Lest there is a concern about increasing the range of circumstances in which the police can enter private property, it should be noted that clause 228 of the 2004 draft Mental Health Bill—may it rest in peace—which the Government abandoned more than a year ago, contained much greater powers for the police to enter private property by force without a warrant, and purely at the request of an AMHP in circumstances in which a person was in urgent need of care and control to prevent him from causing serious harm to himself or others. Even the extension of police powers that the new clause proposes would not extend as far as that, as a case for forcible access would always have to be made in the magistrates court.

The new clause is slightly technical but the law is clearly out of line with current practice and I hope that the Minister will accept it in the constructive and positive way in which I move it.

Mr. Charles Walker (Broxbourne) (Con): I rise to move amendment No. 88. I have never moved an amendment in the House before and I cannot think of a better one with which to start. *[Interruption.]* Am I not speaking about amendment No. 88? Am I not on the right track? I appear to be causing hilarity.

Mr. Deputy Speaker: Order. The hon. Gentleman may speak about amendment No. 88, but he is not moving it at this time. At the moment, only new clause 11 is being moved. If and when there is any question of a vote on amendment No. 88, the hon. Gentleman may move it formally.

Mr. Walker: Thank you, Mr. Deputy Speaker, for your guidance. In my excitement, I was getting ahead of myself. I shall try to stay within the bounds of parliamentary protocol.

Amendment No. 88 is designed to change the definition of a place of safety so that, as far as possible, it is not a police cell. Too often, people who have a mental episode that results in a disturbance or act of violence end up in a police cell. As far as possible, we would like to ensure that a place of safety is actually in a therapeutic environment. If that is not possible, however, we would hope that within 24 hours of someone being placed in a police cell after an episode of mental illness, they would be found a place in a therapeutic environment where they could receive appropriate care.

I believe that the amendment is hugely important because it sends out a message about how we regard mental illness, which is not a crime. In certain cases, it may drive people to commit acts that could be perceived to be criminal or, indeed, are criminal, but mental illness in itself is not a crime.

I have personal experience of being around people who have had extremely violent and aggressive episodes of mental illness, and I have to say that it is very frightening, but I can say now, with hindsight, that a police cell is not what these very ill and sick people need. It really is not. The police are not trained to be the jailers of the mentally ill; it is outside their range of competence. They are not skilled at managing the symptoms. The police are not clinically trained. I would have thought that locking someone up in a police cell could only add to the trauma and make that sick person even sicker.

If we do not progress with the amendment, I hope that the Minister and others will look further into the way that mental illness is approached in the community, particularly by the police, and try to find ways of ensuring that when the police are confronted with a violent mentally ill person, they can recognise the situation and call on the help of clinical experts to help them to manage it—*[Interruption.]* I suspect that my hon. Friend the Member for Buckingham (John Bercow) is getting agitated, so I shall give way.

John Bercow (Buckingham) (Con): Does my hon. Friend agree that warm words, though very welcome if forthcoming from the Minister, will not on this occasion suffice? We need some sort of formal commitment that mentally ill people will speedily be put in a place of safety other than a police cell. Very often, they will not be able to give voice to their own anxieties. They look to this House to protect them—and protect them we must, otherwise there is a real danger of what I would call careless and accidental incarceration or careless cruelty. We have a responsibility to avoid that.

Mr. Walker: My hon. Friend makes an excellent point in his usual eloquent way. The amendment would allow the House to send a message to people who are mentally ill that we care about their welfare and about alleviating their troubles and that we want to ensure that, in as many cases as possible, they are in places that best meet their needs as ill people—as patients.

I recall describing in Committee something that happened in my constituency, but I shall not go into it in detail again. It concerned a young girl of about 14 who was having a violent episode. I was with the police on that occasion and we were called to the house. It sounded as though there were about 30 people in that house, throwing things, screaming and yelling, but it was actually just one tiny 14-year-old girl. This little girl was walked out in between two policemen. I cannot remember whether she was handcuffed—I hope she was not—but she was put in a police car and taken to a police station. I, a totally untrained observer, could recognise that the girl was mentally ill. What was happening to her was completely and utterly not in her interests. It was a moving experience for me. By accepting this amendment, I hope that we can ensure that such circumstances are kept to the absolute minimum in future.

In providing a therapeutic environment, we must strike the right balance between having beds and community facilities. I know that there is a big move to close beds and move services, particularly day services, into the community, but in many cases we still need beds and secure places for such young people.

8.15 pm

Mr. John Redwood (Wokingham) (Con): Is there not another practical point? We heard from the Ministry of Justice today that police cells are going to be used for criminals because there are not enough places in our prisons. If we have a Ministry of Truth in a few days' time, perhaps it will be honest enough to admit that there will not be enough room in police cells for this, so we need something better.

Mr. Walker: I understand where my right hon. Friend is coming from. It is just not right to take people who are mentally ill and put them in police stations and in police cells next to criminals. If we are serious about ending the stigma attached to mental health, this is one practice that we should stop as soon as possible.

Dr. Iddon: Does the hon. Gentleman recognise that the police would have great difficulty if they arrested a drug addict who was also mentally ill? The police would probably see the drug addiction beyond the mental illness. Does that not create a problem for the amendment?

Mr. Walker: I appreciate that there will be difficulties of interpretation at the margins, but I come back to the 14-year-old girl. It was not difficult to interpret that decision. What happened to her was clearly wrong and could not be justified in any society that claimed to be civilised in its approach to people with mental illness. I accept the hon. Gentleman's point, but we are here to navigate our way through these difficult issues and I am sure that there is a way forward. I know that the Minister will have something to say about it. Briefly, then, we must ensure that there are facilities and beds within the community.

I was heartened by what the Minister said yesterday about age-appropriate facilities. The most important people we need to look after and remove from police cells are the young. Everyone is important, but Rome was not built in a day. If we could get more age-appropriate facilities in the community, near people's homes—it does not have to be next door; we accept that there will be resource issues—it would be a fantastic and positive step forward. Thank you, Mr. Deputy Speaker, for allowing me to speak to this important amendment.

Ms Rosie Winterton: May I say that I understand the sentiments behind both these amending provisions, but that for reasons I shall set out, it is difficult to accept them? I intend to set out what we are trying to do in respect of the issues covered by amendment No. 88 and to discuss some changes in the Bill that impinge on them.

New clause 11 is designed to amend section 135(1) of the 1983 Act. Let me explain that the purpose of that subsection is to protect a person who may have a mental disorder from ill treatment, neglect or an inability to care for themselves and to ensure that they receive any care or treatment that they need. Obviously, the use of that subsection is quite a serious step, which can involve considerable interference in the person's home and family life, so we have to be very careful when we talk about making changes to it.

New clause 11 amends that section so that it would apply to virtually anyone with a mental disorder who might need care or treatment. That brings us back to the concern that the hon. Member for Broxbourne (Mr. Walker) himself raised in pointing out that there had been rather a large presence when the person concerned was a young vulnerable girl.

Social workers have raised the issue of getting a warrant more quickly and easily, but we must try to ensure that every effort is made to gain entry in a voluntary manner before resorting to obtaining a warrant. Obviously this does not always work, as was illustrated by the circumstances that the hon. Gentleman outlined. It is feared that opening up new clause 11 in this way would extend those rather intrusive powers. That is why we have a problem with it, and why it is unacceptable. Concerns have been expressed by social workers about this issue, but we have looked at the matter carefully and want to make improvements to the present arrangements at local level between, for example, mental health workers and the police, without taking the rather intrusive powers proposed in the new clause.

Amendment No. 88 was splendidly moved by the hon. Member for Broxbourne, no doubt building on the experience that he gained in Committee. I recognise that concern has, quite rightly, been expressed about the use

[Ms Rosie Winterton]

of police stations for the detention of mentally disordered people. I have recently met representatives of the Police Federation to discuss their concerns about the issue. We also debated this in Committee, where we went over a number of the arguments. I said that I agreed that a police station was not the ideal place to detain such people, and that a hospital-based facility was more likely to be suitable in almost all circumstances.

That is what we are aiming for, but we need to recognise that there will sometimes be occasions when a police station has to be used; my hon. Friend the Member for Bolton, South-East (Dr. Iddon) outlined an example. There could also be circumstances in remote rural areas in which this might have to happen. I am glad that the amendment goes some way towards recognising that, and that it does not try to limit the circumstances in which a police station may be used.

It is true that 72 hours is a long time for someone with a mental disorder to be detained at a police station. It is important to remember, however, that that is the upper limit. Recent data produced, I think, by the Independent Police Complaints Commission showed that the average length of time spent in police custody under section 36 of the 1983 Act was 10 hours, and that the vast majority of people left within 18 hours. In 2005-06, only about 5 per cent. of the people detained remained in custody for more than 24 hours. That is reassuring, but we still need to do better, because it is also clear from the figures that some people are detained for longer than that. The amendment would make it impossible for such people to be detained, which causes real practical problems in regard to our accepting it.

Mr. Redwood: Would it be possible for the Minister to take away the more sensible words that she has used in the House this evening and ask the draftsmen to incorporate them in a suitable change to the Bill? What she has said is rather better than what is in the Bill.

Ms Winterton: I have been setting out what is in the Bill at the moment, but amendment No. 88 seeks to change some of that. When this was debated in the other place, where it was also a matter of concern, we tabled amendments to sections 135 and 136 of the 1983 Act to allow people to be transferred from one place of safety to another. That will enable a person who has initially been taken to a police station to be moved to another, more suitable, place of safety when appropriate. That was not possible under the current Bill, so we have changed the legislation so that a person with a mental disorder may be moved from a police cell to another place of safety. That will help to reduce the amount of time that some people spend at a police station.

We are backing up this strategy with money: £42 million has been made available to improve the mental health estate, and £58 million this year. Some of that money will facilitate an increase in hospital-based places of safety, which will also reduce the amount of time that some people spend in police stations. In the new code of practice for England, we also intend to reinforce the aim for police stations to be used as a place of safety only as a last resort—for example, only if nowhere more suitable is available. I am sure that hon. Members will appreciate that the code will have some force, particularly in legal cases.

James Duddridge: The Minister has spoken eloquently about the period of time that a person might spend in a prison cell. I have heard anecdotal evidence that there is an additional concern about the same individuals repeatedly being taken to a place of safety, usually a police cell, having been pulled off the street perhaps several times a month. What research has the Department undertaken into people with mental health problems who are repeatedly taken into police cells, even if only for short periods of time?

Ms Winterton: We have held discussions with representatives of the Police Federation and, if my memory serves me correctly, they produced some figures from a particular area. We said to them that it would be helpful to look at best practice and to determine where the relationship between the health services and the police worked well, with a view to getting people into a hospital-based place of safety as quickly as possible. That is why they were pleased about the changes that we have made in the Bill. We also hope that some of the wider measures that we are taking through our amending Bill, such as introducing supervised community treatment, will prevent the kind of revolving-door syndrome that the hon. Gentleman has described, whereby people are discharged from hospital, become ill and are taken in again.

I cannot agree to the new clause or the amendment, but I must reiterate that I understand some of the feelings behind them. If the hon. Member for Broxbourne would be interested in seeing how we are changing the code of practice, I would be more than happy to engage him in that process. I hope that that will offer him some reassurance that we are determined to improve the situation.

Tim Loughton: I am grateful for the Minister's response. I am particularly grateful for her invitation to my hon. Friend the Member for Broxbourne to visit her for coffee and biscuits and a full and frank discussion of the code of conduct, an invitation that my hon. Friend will no doubt accept.

I said I did not want to linger on new clause 11 and amendment No. 88 because we wanted to proceed to the final group of amendments, and our proposals may well be taken up in another place. On that basis, I beg to ask leave to withdraw the motion.

Motion and clause, by leave, withdrawn.

Clause 3

Changes to exclusions from operation of 1983 Act

Tim Loughton: I beg to move amendment No. 91, page 2, line 24, leave out from 'Act)' to end of line 26 and insert 'after subsection (2B) insert—

"(2) Nothing in this section shall be construed to cover paedophilia.

(3) For the purposes of subsection (2) above a person shall not be considered to have a mental disorder as defined in this section solely on the grounds of the following—

(a) his substance misuse (including dependence upon, or use of, alcohol or drugs);

(b) his sexual preference or gender identity;

(c) his commission, or likely commission, of illegal or disorderly acts;

(d) his cultural, religious or political beliefs.".

Mr. Deputy Speaker: With this it will be convenient to discuss the following amendment:

No. 69, page 2, leave out lines 25 and 26 and insert—

'(3) A person shall not be considered to be suffering from a mental disorder for the purposes of this Act solely on the grounds of—

(a) his substance misuse (including dependence on alcohol or drugs);

(b) his sexual orientation or gender reassignment;

(c) his commission or likely commission of illegal or disorderly acts; or

(d) his cultural, religious or political beliefs.'.

8.30 pm

Tim Loughton: I shall try to be brief, because I know that others wish to speak—although the hon. Member for Hendon (Mr. Dismore), Chairman of the Joint Committee on Human Rights, who tabled amendment No. 69, does not appear to be present, so perhaps we have a little more time than we thought.

Let me begin by putting on record something rather distasteful. Apparently, the *Sunday Mirror*—not a paper that I read regularly—published an article entitled "Tories to block new paedo law", which claimed

"The MPs want to water down a new Mental Health Bill allowing dangerous patients to be detained and forced to have treatment. At the moment dangerous patients and perverts can walk the streets simply because they have an 'untreatable' condition. . . But Tory MPs will claim the Bill breaches human rights in the Commons tomorrow. They want to exempt 'sexual deviants', which could lead to paedophiles claiming they are just 'deviants' and should not be locked up."

What an ill-informed, shoddy bit of journalism and scaremongering from someone who is supposed to be the political editor of the *Sunday Mirror*, not that I think that that amounts to much of a job. If that article is not scaremongering—misinformed scaremongering—I do not know what is.

John Bercow: It is not only shoddy and ill-informed. My hon. Friend is right about that, but he expressed himself with the characteristic understatement for which he is renowned in all parts of the House. It is also a piece of scurrilous, vicious journalism—precisely the kind of journalism that has the effect of making life worse for very vulnerable people. The editor of that newspaper ought to be ashamed.

Tim Loughton: I entirely agree. There was a slightly watered-down version of the same attack in the *Sunday People*, which I believe is a sister newspaper. I use the term "newspaper" loosely. It quoted the Minister, who I hope will disassociate herself entirely from that article and the misrepresenting comments contained in it. I should be happy to hand it over to her. It does no one any justice: it certainly does no justice to the newspaper, and—as my hon. Friend rightly and articulately said—it does no justice to the people whom we are here to help and whom the Bill is intended to help. We have spent a great deal of time trying to achieve that.

Amendment No. 91 is an updated version of an amendment that was passed with a heavy majority by members of the House of Lords in all parties. Its purpose is to provide some exclusions from what has now become a much-extended definition of mental disorder. It would replace the exclusion for dependence on alcohol and drugs with a more appropriately worded exclusion to cover a state of acute intoxication falling short of dependence, reinstate the exclusion clause in the 1983 to cover sexual preferences, substitute for the existing exclusion for immoral conduct a more generic clause to prevent mental health law from being used as a form of social control, and respond to the evidence that people from ethic communities, particularly black communities, are disproportionately subjected to the Act by providing a specific exclusion to help address the problem.

When we have discussed this proposal in the past, the Minister has suggested that it would be a lawyers' charter and that it would not address the issue of paedophilia, which is obviously of serious concern. The fear has been expressed that paedophiles would escape through a loophole. That is why subsection (2) states

"Nothing in this section shall be construed to cover paedophilia."

We have made the position much clearer than it needs to be in order to explain it in language that is clear to everyone, which even the political editor of the *Sunday Mirror*—if he bothered to check his facts properly—might comprehend and take on board, perhaps even apologising for his scurrilous claims next Sunday.

Chris Bryant: In my experience, newspapers apologise only if we force them to do so by means of the law.

Having spoken to every psychiatrist I know—and I now seem to know a great number of them—I think they would say it is extremely rare for paedophilia to enter a psychiatrist's domain, except through forensic psychiatry. It nearly always enters that domain through the criminal law rather than the Mental Health Act.

Tim Loughton: I accept the hon. Gentleman's point, but we do not want to create a loophole that might allow paedophiles to escape.

We have proposed this measure to be helpful by addressing the specific concern that the Minister raised. She also raised the concern that it might be a lawyers' bonanza. I can tell her that there have been four reported challenges to the current exceptions since 1983; they are all on sexual deviancy. It is not bad going that there have been only four in the past 24 years. In Victoria and New South Wales in Australia there is a long list of exceptions, including on political opinions and religious beliefs. In New South Wales, there have been no challenges to this law since it was introduced in 1990, and in Victoria there have been very few, if any. Therefore, there should be no cause for concern that this measure might be a lawyers' charter.

The Richardson expert committee and the Joint Committee on the Draft Mental Health Bill agree that the broad definition of mental disorder introduced in the Bill, which we support, must be balanced by a set of exclusions. The Joint Committee, of which I was a member, said:

"We conclude that a broad definition of mental disorder in the draft Bill must be accompanied by explicit and specific

[Tim Loughton]

exclusions which safeguard against the legislation being used inappropriately as a means of social control."

The Bill defines mental disorder very broadly as any disorder or disability of the mind. There is now only one exclusion, for dependence on alcohol and drugs. It is instructive to compare the amended 1983 Act with mental health legislation in other common law countries, all of which have narrower definitions of mental disorder and broader exclusions.

Dr. Metcalfe of Justice has said:

"The European Court of Human Rights has given a clear judgment stating that the definition of mental disorder must be very clear in order for exercise of detention powers to be lawful. The use of exclusions is a standard feature of most common law jurisdictions in meeting that requirement. They meet the requirements of legal certainty, of guaranteeing individual autonomy and of ensuring that the powers of detention are used no more than strictly necessary."

The broad definition has two consequences. First, it covers all the diagnoses listed in the relevant World Health Organisation international classification of diseases, some of which even the Government acknowledge might be inappropriate in respect of compulsory powers. Secondly, it covers almost any significant deviation from a normal condition of the mind, however temporary.

In the view of the Mental Health Alliance, there must be some limits to guard against inappropriate use of a clinician's powers of detention as a form of social control. The Mental Health Act Commission said in evidence to the Joint Committee:

"For the law to be of value—to patients, State administrators, mental health professionals, the police, the courts or the Tribunal—its meaning cannot rest upon the discretion of those working within its framework. We do not find it difficult to envisage the inappropriate use, however well meant, of mental health legislation for non-medical purposes of social control".

We need certainty to avoid the field day for lawyers to which the Minister referred. The limits on powers are welcomed by the clinicians, the British Psychological Society—if I can get another plug in for it—the British Association of Social Workers, the Royal College of Nursing and occupational therapists. Many of them have been prayed in aid on many occasions by the Minister—and now I am praying them in aid for us.

The new definition of mental disorder—any disorder or disability of mind—could include certain mental states and states relating to certain sexual behaviours. The scope of the new definition is much broader than that in the current Act. If the numbers subject to compulsion are not to be markedly and inappropriately increased, the exclusions are necessary. This is important because the definitions in the 1983 Act are the gateway to the compulsory powers that we have been debating. It is important to protect the fundamental right to liberty.

Lord Alderdice said that

"without a serious look at understanding issues such as culture, politics, religion, breaking the law, sexual behaviour and so on, we could end up dragging into the net all sorts of people who are not suffering from mental illness in a proper sense and it becomes a question of how we deal with people who are difficult, different or deviant in our society. That is a real problem for colleagues in psychiatry, not least because of a move to diagnosis on the basis of people's behaviour and a set of symptoms, rather then necessarily understanding something more about the depth of the disorder and its likely prognosis."

In Scotland—if we may pray in aid the Scottish again—there are the following exclusions: sexual orientation; sexual deviancy; transsexualism; transvestism; dependence on or use of alcohol or drugs; behaviour which causes, or is likely to cause, harassment, alarm or distress to any person; and acting as no prudent person would act. In New South Wales, there is a raft of exclusions, as there is in New Zealand. So again, it is the norm to have exclusions in various jurisdictions around the world.

On the specific exclusion in question, people misuse alcohol if they become drunk as a result. They misuse illicit drugs just by taking them, and other drugs by using them for non-therapeutic or non-prescribed purposes. In both cases, that includes a level of intoxication that does not cause lasting harm or dependence. Both misuse and dependence are covered by international classification of diseases 10, and are therefore classified as mental disorders. It is therefore necessary that the exclusion be worded to cover both, so that neither the binge drinker nor the casual consumer of drugs is considered a case for compulsion.

On sexual preference and gender identity, what is socially acceptable as sexual behaviour is subject to change over time, because it is embodied in religious and cultural value systems. For instance, homosexuality, as we discussed in Committee, was at one time—some time ago, fortunately—considered unacceptable and a sign of mental dysfunction. It was until recently included as a mental disorder in ICD 10. It is no longer necessary to cover sexual orientation because it is neither listed as a mental disorder nor considered in society as a disorder. Indeed, people are protected by anti-discrimination laws and by the Human Rights Act against such an approach.

The House of Lords discussed at great length all sorts of fetishes, transvestism and auto-erotic strangulation, on which they proved to be something in the way of experts. What a lot of fun they do have in the House of Lords. *[Interruption.]* We had sex addiction. As the Government have expressed great concern about whether this exclusion might cover paedophilia, and in the wish for a compromise, the amendment makes it clear that paedophilia is not within the scope of the exclusion.

There is a lot more that I would like to say, but I will finish as I want colleagues to be able to get in. The provision on political, cultural or religious beliefs—we had this debate in Committee—is of particular importance to members of the black and minority ethnic community. Again, it is a consideration that they have written to us about in serious terms. They feel that what are considered normal practices and beliefs for many members of that community could be construed in extreme circumstances—I am not saying that this will happen every day—as constituting a mental disorder. The perceptions of that community are perhaps more important than the number of times that the provision might in practice be used.

That is why we have brought back this amendment, which we consider very important. There have to be proper checks and balances in the Bill if we are to broaden the definition of mental disorder in the way that we all support. We want a better balance and to protect people, so that those who have other problems can be treated for them and not have them re-badged as

a mental illness, and thereby suffer and run the risk that they will be taken under compulsion for something that is not a mental illness.

Chris Bryant *rose—*

Dr. Pugh *rose—*

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I should point out that there is very limited time left. I hope that speeches will be brief, as the Minister should be accorded the courtesy of a reply. I call Chris Bryant.

Chris Bryant: You always say that before you call me, Mr. Deputy Speaker, and you do so with great wisdom. I shall, however, be immensely brief. Although I suspect that the amendment will pushed to a vote, I will not vote with the hon. Member for East Worthing and Shoreham (Tim Loughton), and I simply want to explain why. It is not that I believe that homosexuality is a mental disorder; that we should detain people for their cultural, religious or political beliefs; or that we should detain people because of their likely commission of illegal or disorderly acts. It is simply because the amendment as drafted is complex, in that it involves a triple negative. There have not been many challenges since 1983, because, the exceptions were unnecessary in the 1983 Act and are unnecessary today. I do not believe that any of these things is a mental disorder and, therefore, it is patronising to put on the face of the Bill that we consider them not to be mental disorders.

Finally, the liberty of people is already guaranteed by the four tests that have to be met before anybody could be considered for detention under the mental health legislation.

8.45 pm

Dr. Pugh: I shall also be brief. An essential difficulty in the legislation is the open nature of the term mental disorder. It is not related to medical taxonomy or to clinical categories and it is therefore helpful to say what it is not. That is the point about most exceptions lists, and about putting principles on the face of the Bill. As has been said, many other legal systems have similar, but not identical lists.

The argument against lists is that they are restrictive and can be faulted on a case by case basis. There are obviously instances of political or religious beliefs, and cultural or sexual practices that are so alarming that, by themselves, they might be symptomatic of a deluded or deranged state, though one would look for other associated symptoms. One thinks, for example, of the political or—for that matter—religious views of someone such as David Icke, and things such as paedophilia and necrophilia. Equally, we can cite instances in which gay people, communists, religious dissenters and generally socially wayward people have been labelled improperly as mentally ill.

It is a fascinating topic, but it is essentially theoretical. In real world situations, including exceptions does no evident harm, sends out important signals about cultural and social sensitivity and tilts practice in a wholly desirable way, as do statements of principles. If we were making law in a Platonic spirit of purity, completely unhooked from practice, disconnected from context and timeless in its significance, an exceptions clause would not be included, but that is not what we usually do. We usually do a more pragmatic and mundane job and, in the current circumstances of the worldwide climate we inhabit, there is not a shred of evidence that including exceptions does any harm, and a fair presumption that it may do some good.

Ms Rosie Winterton: Once again, we return to a topic that was a matter of considerable controversy and impassioned debate throughout the passage of the Bill, and indeed during its long gestation. That is whether it is necessary to include on the face of legislation a list of matters that are not to be regarded as mental disorders. My hon. Friend the Member for Rhondda (Chris Bryant) put his finger on it—*[Interruption.]* Do wake up! We are all quite interested in this issue—

Mr. Simon Burns (West Chelmsford) (Con): So am I.

Ms Winterton: Clearly. At the moment, there are three exclusions in the mental health legislation as it stands. Our intention is to keep the exclusion for alcohol and drug dependence, but to abolish those for sexual deviancy and for

"promiscuity and other immoral conduct."

The exclusion for promiscuity and immoral conduct dates back to the 1959 Act and the way mental health legislation had been misused before that to detain unmarried mothers and otherwise enforce moral codes. The exclusion has now served its purpose and is no longer needed.

The exclusion for sexual deviancy added in 1982 was probably intended to refer to homosexuality. As my hon. Friend the Member for Rhondda said, that was at that time still listed as mental disorder in the international classification of diseases. However, that exclusion was quickly associated with paedophilia and sexual offending. Its effect has been that paedophiles, for example, can be detained and treated under the Act, but only where clinicians diagnose an underlying condition, such as an antisocial personality disorder. Paedophilia—though a recognised mental disorder in itself—is excluded because of the provision on sexual deviancy, which is why we are removing it.

The amendments propose a set of new exclusions, but most of them refer to things that are not mental disorders in the first place. In other debates on these matters, in Committee and elsewhere in the House, Opposition Members have maintained that the proposals are less to do with what is happening at the moment than with what might happen if a very extreme Government were to take over—

Tim Loughton: We have that already.

Ms Winterton: We are getting close, I admit, and maybe it is not such a bad idea. However, my point is that an extreme Government might ask clinicians to start detaining people for their cultural, religious or political beliefs. The hon. Member for Daventry (Mr. Boswell) is one of those who has put the other argument—that the amendment does not have to do with UK practice or with the good faith of Ministers or the existing system but with the fact that there have been chilling experiences in other countries, where people have been singled out for mental treatment because their faces did not fit.

[Ms Rosie Winterton]

The points about other countries are probably valid, but we must remember that we are legislating for this country. Given that clinicians have not detained people for their political beliefs for many years, the idea that the advent of an extreme Government will mean that they will suddenly start detaining people under the Mental Health Act is a little difficult to swallow.

Jeremy Corbyn (Islington, North) (Lab): Is the Minister confident that all the exclusions listed in amendment No. 91 are covered specifically in other legislation, and that there is therefore no need to name them to send the message outlined by the hon. Member for Southport (Dr. Pugh)?

Ms Winterton: It would not be possible to detain people for their religious beliefs, because the Act states that people can be detained only if they have a mental disorder. A person's religion is not a mental disorder, and neither are his political or cultural beliefs or, as my hon. Friend the Member for Rhondda pointed out, his sexual preference or identity.

The existing legislation provides an ability to appeal to the mental health review tribunal. The principles that will be put in the code were accepted when they were considered by the Lords, and they make it clear that unlawful discrimination is not allowed. The relevant criteria—that the person involved has a mental disorder and is capable of causing serious harm to himself or others, and that appropriate medical treatment is available that must be delivered in a hospital setting—have to be met. If they are not, the person involved cannot be detained.

I can understand why people feel that the amendment would be nice, but I have some concerns about it. The Mental Health Alliance has said that exclusions act as a check on clinical discretion, but I believe that we should be trying to ensure that clinicians can treat people as they need it. The amendment is seen as a safeguard, but I do not think that it is because, as I said earlier, the circumstances that it lists are not mental disorders. Legal exclusions should cover things that are mental disorders, not things that are not.

Tim Loughton: I want to make three quick points. First, the principles to which the Minister referred are not on the face of the Bill. Secondly, I agree that we are legislating for this country, now. However, does she accept that the legislation on mental health and other issues passed by this House sets an example to the world, and that other countries with Governments even less scrupulous than this one take notice? Thirdly, does she admit that our proposal in respect of paedophilia lays to rest the fears that she might have had in that respect?

Ms Winterton: I certainly accept that the hon. Gentleman has made a case for the exception of paedophilia. He says that the legislation may last for a long time, and that to prevent the actions of some future Government we need to include exceptions now, but waving the Mental Health Act at a Government who are locking people up for their political, religious or cultural beliefs is unlikely to have an effect.

Dr. Evan Harris: The Minister has said twice that she believes there are things listed as exemptions that are not true mental disorders, but in paragraph 19 of her lengthy and helpful reply of 1 April to the Joint Committee on Human Rights, she says:

"The Government does not share the Committee's view…that gender dysphoria and transvestic fetishism could never be regarded as true mental disorders"—

Ms Winterton: They are not in the list.

Dr. Harris: But subsection (b) of the amendment—

"his sexual preference or gender identity"—

could clearly refer to transvestic fetishism and, by definition, gender dysphoria. Can the Minister explain that?

Ms Winterton: We are not discussing that—*[Interruption.]* In fact, I said that most of the exceptions were not mental disorders and those are the ones that worry me.

Although there have been only a small number of challenges to the legislation, they have been worrying; for example, the Clatworthy case, in which the patient was convicted of indecent assault of two young girls and detained on grounds of psychopathic disorder. After the sexual deviancy exclusion was introduced his case went before the mental health review tribunal where it was argued that he did not meet a definition of psychopathic disorder because his only dangerous behaviour was sexually deviant and was thus excluded. The tribunal disagreed but the case went to judicial review and the judge found in favour of the patient. We must not imagine that such circumstances will not arise. There have already been four major cases and they have affected the operation of the tribunal.

Secondly, the more exclusions in the Bill covering conditions that are not mental disorders, the more the possibility of a challenge. Somebody could easily claim that they were detained because of their religious persuasion—because they said, "I have X, Y, Z powers". A challenge could be mounted on each of the exclusions. When people are detained against their will, they will look for ways to challenge their detention. There can be reasonable grounds that a person does not have a mental disorder, but we must not confuse the issue by including a range of conditions in the Bill that an individual could use to meet a challenge against their detention.

I want to back up the point made by my hon. Friend the Member for Rhondda. He is right: it is patronising to say that we have to exclude sexual preference as a possible mental disorder, when it is clearly not a mental disorder. A similar issue arises in relation to autism. People from the National Autistic Society asked me why we were describing autism as a mental disorder, because some of them do not accept that description. If we say that sexual preference must be listed as an exclusion in the Bill because it is a mental disorder, we are sending the wrong message. That is why we cannot accept the amendment and I ask the hon. Member for East Worthing and Shoreham (Tim Loughton) to withdraw it.

Tim Loughton: The Minister's arguments are not new and I do not accept them. The point that I made about our being a beacon of legislation to the rest of the

world is particularly pertinent as we consider this very important part of the Bill. We do need to have these proper checks and balances, so I shall press the amendment to a Division and I ask hon. Members to support it.

Question put, That the amendment be made:—

The House divided: Ayes 196, Noes 282.

Division No. 146] **[8.59 pm**

AYES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Bercow, John
Beresford, Sir Paul
Binley, Mr. Brian
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, rh Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clegg, Mr. Nick
Cormack, Sir Patrick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Davey, Mr. Edward
Davies, David T.C. *(Monmouth)*
Davies, Mr. Quentin
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, rh Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Duddridge, James
Duncan, Alan
Duncan Smith, rh Mr. Iain
Ellwood, Mr. Tobias
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Francois, Mr. Mark
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gray, Mr. James
Green, Damian
Hague, rh Mr. William
Hancock, Mr. Mike
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Heald, Mr. Oliver
Heath, Mr. David
Hemming, John
Hendry, Charles
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Horwood, Martin
Howarth, David
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jones, Mr. David
Kawczynski, Daniel
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Loughton, Tim
Lull, Peter
Mackay, rh Mr. Andrew
Main, Anne
Malins, Mr. Humfrey
Mates, rh Mr. Michael
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Miller, Mrs. Maria
Milton, Anne
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Murrison, Dr. Andrew
Neill, Robert
Oaten, Mr. Mark
Öpik, Lembit
Ottaway, Richard
Paice, Mr. James
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Russell, Bob
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shephard, Mr. Richard
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Stanley, rh Sir John
Streeter, Mr. Gary
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Syms, Mr. Robert
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Tyrie, Mr. Andrew
Vara, Mr. Shailesh
Viggers, Peter
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Watkinson, Angela
Webb, Steve
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Winterton, Sir Nicholas
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Ayes:
Mr. David Evennett and Mr. Mark Lancaster

NOES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Alexander, rh Mr. Douglas
Allen, Mr. Graham
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Blunkett, rh Mr. David
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cooper, Rosie
Corbyn, Jeremy
Cousins, Jim

Crausby, Mr. David
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
David, Mr. Wayne
Davies, Mr. Dai
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Elliman, Mrs. Louise
Ennis, Jeff
Fitzpatrick, Jim
Fiello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Godsiff, Mr. Roger
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Mr. Mike
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, rh Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hodge, rh Margaret
Hood, Mr. Jim
Hoon, rh Mr. Geoffrey
Hope, Phil
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Irranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, Ms Diana R.
Jones, Helen
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Keeble, Ms Sally
Keeley, Barbara
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khan, Mr. Sadiq
Kidney, Mr. David
Killoyle, Mr. Peter
Kumar, Dr. Ashok
Lammy, Mr. David
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Mackinlay, Andrew
Mactaggart, Fiona
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCabe, Steve
McCafferty, Chris
McCarthy, Kerry
McCartney, rh Mr. Ian
McDonagh, Siobhain
McDonnell, Dr. Alasdair
McFadden, Mr. Pat
McFall, rh John
McGrady, Mr. Eddie
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, Edward
Miller, Andrew
Mitchell, Mr. Austin
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, rh Mr. Elliot
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
O'Brien, Mr. Mike
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Robinson, Mr. Geoffrey
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan
Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andy
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Timms, rh Mr. Stephen
Tipping, Paddy
Touhig, rh Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Twigg, Derek
Vaz, rh Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Williams, rh Mr. Alan
Williams, Mrs. Betty
Winnick, Mr. David
Winterton, rh Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Noes:
Mr. John Heppell and Liz Blackman

Question accordingly negatived.

It being after Nine o'clock, MR. DEPUTY SPEAKER *put forthwith the Question necessary for the disposal of the business to be concluded at that hour, pursuant to Order [18 June].*

Clause 51

COMMENCEMENT

Amendment made: No. 50, page 44, line 14, leave out 'or different areas' and insert

'(including different provision for different areas and different provision for different descriptions of patient)'.—*[Ms Rosie Winterton.]*

Order for Third Reading read.

9.12 pm

Ms Rosie Winterton: I beg to move, That the Bill be now read the Third time.

The Mental Health Act 1983—*[Interruption.]*

Mr. Deputy Speaker: Order. I apologise for interrupting the right hon. Lady, but it is quite unfair to the Minister at the Dispatch Box if conversations are going on in the Chamber. Hon. Members should stay if they wish to listen to the debate, or depart quietly.

Ms Winterton: Thank you, Mr. Deputy Speaker.

The Mental Health Act 1983 is primarily about the circumstances in which people with a serious mental health problem can be detained and treated without their consent to protect themselves or others from harm. Not surprisingly, this is a sensitive matter, so any Bill to amend that Act is likely to provoke much debate and controversy.

It might be helpful if I set out why the Government want to update our mental health legislation. We want to ensure that people with serious mental health problems receive the treatment that they need to protect themselves and others from harm. We need to recognise that the world has moved on since 1983. Many more people can now be treated in the community, rather than in hospitals, so the use of compulsory powers should reflect that. Professional demarcation lines have changed since 1983, and functions are now being carried out by people with the right skills and experience, rather than individuals from particular professions. Again, our legislation should change to reflect that fact. We also want to strengthen patient safeguards, which includes tackling human rights incompatibilities.

The Government began their review of mental health legislation in 1998. Since then, reforming the legislation has been the subject of wide-ranging debate, which has been enormously helpful. We have listened to relevant stakeholders and made many changes as a result of discussions with them. The decision to proceed with an amendment Bill rather than the 2004 draft Bill was a response to the recommendations of the pre-legislative scrutiny Committee. I take this opportunity to thank that Committee for all the work that it did.

We have had long and helpful discussions in the House on the Bill before us. The discussions in Committee were particularly helpful—

Dr. Ian Gibson (Norwich, North) (Lab): Superb.

Ms Winterton: Absolutely. I am glad that I was able to table a range of amendments on Report covering issues that were raised in the other place and in Committee. I am pleased that we were able to accept the excellent amendments from my hon. Friends the Members for Rhondda (Chris Bryant) and for Bridgend (Mrs. Moon), which were supported by many other members of the Committee. I am glad that the Opposition parties also gave their support to a number of the amendments that we tabled. I am thinking particularly of the amendments on age-appropriate accommodation and, crucially, those on victims and on advocacy.

There has been much debate on other amendments that the Government did not accept. I hope that I have been able to explain why we have not accepted them, although I am not sure that I convinced everybody on the Opposition Benches of the merits of our case.

Angela Browning: This could be the last intervention that I make on the Bill. One of the amendments that the Minister did not accept in Committee was the request to have people with autistic spectrum disorders added to the exemptions in the Bill. The National Autistic Society, of which I am a vice-president, writes today about the Report stage, saying that people with autistic spectrum disorders continue to be detained inappropriately, and the society believes that their situation will be worsened by the Bill, not improved by it.

Ms Winterton: We discussed autism not only in Committee, where the hon. Lady tabled a number of amendments, but when I attended the all-party group on autism. In addition, in discussions that I had until Friday last week, my hon. Friend the Member for Burton (Mrs. Dean) put forward arguments from the National Autistic Society. The meeting of the all-party group showed some of the divergence of opinion, even among those representing people with autism. I am thinking particularly of one of the Opposition Members who questioned why we were even considering some of the changes that the hon. Lady suggested. It is a complicated subject but I was glad that we were able to have the debate in Committee. I am more than happy to continue to look at how we can assist on issues such as the code of practice, to make sure that services are developed appropriately. As I said, I hope that the amendments that I tabled on supervised community treatment, the conditions that can be applied and how they will be applied will give some reassurance to those who are concerned about SCT.

Where we have not been able to accept amendments, we are trying to use non-legislative means to tackle the issues raised, such as the nearest relative provisions, which were mentioned by my hon. Friend the Member for Birmingham, Selly Oak (Lynne Jones), and places of safety, which were also mentioned today. We will continue to work on those matters, although it was not necessarily right to include them in the Bill.

I thank the many organisations that have worked with us in developing some of the Government amendments. In particular, I thank YoungMinds and the children's commissioner—an office that, as I have said, is now called 11 Million.

Tim Loughton: Sir 11 Million.

Ms Winterton: Indeed. We have also had some very constructive dialogue with the new coalition of mental health organisations, particularly about the role of the responsible clinician.

We have tried to continue to engage with Members of the other place throughout the discussions. I pay particular tribute to Lord Williamson for his help in developing the age-appropriate services. As I said, our discussions in this House have followed on from many of the discussions in the other House, which have informed our debates. I believe that although we have not been able to respond to all the concerns raised there, we have been able to respond to very many of them.

I should like quickly to mention the Making Decisions Alliance and all that it has contributed to the development of the new safeguards for those deprived of their liberty

[Ms Rosie Winterton]

in their best interests. We sometimes forget that the Bournewood changes are a very important part of the legislation, about which I know that two Opposition Members are particularly concerned.

I should also mention all the work put into the analysis of the Bill by the Joint Committee on Human Rights and my hon. Friend the Member for Hendon (Mr. Dismore). Of course, I should also thank the officials who have supported me so effectively throughout the Bill's passage. I hope that hon. Members would say that the officials have been open to discussion and approachable to Members of the House if they have been needed to give other information. I also thank all members of the Committee. We had an excellent debate with participation from all sides, and we were able to explore many of the issues very thoroughly.

I want to stress how much we want to continue to work with a wide range of stakeholders in implementing the Bill once it receives Royal Assent. I know that many have already been involved in developing the code of practice, and we would certainly like further input from all those with an interest, including Members of the House. Many have also been involved in drafting the secondary legislation, such as measures on new professional roles. Again, we want to work with all concerned to make sure that we get this right.

All told, I think that the Bill that we are—I hope—about to send back to the other place is a significant improvement on the one that came to this House, although we have been able to reflect some of the discussions there in the amendments that we have been considering over the past two days. I hope that Members of the other place will feel that we have taken on board their concerns and responded to the points that they made, as well as to the points made in Committee. I have no hesitation in commending the Bill to the House and wishing it a speedy completion.

9.24 pm

Tim Loughton: I echo the Minister's words in saying that the Bill has provoked much debate and controversy, which I think is probably something of an understatement. It has been a long haul; as she said, nine years have gone by. I think that I have been responsible for the matter on the Opposition Benches for five of those nine years, and that she has had responsibility for a little longer. *[Interruption.]* It feels like we have been at it for a long time on the Mental Health Bill. We have been through two draft Bills, the pre-legislative scrutiny Committee, this Bill, the Richardson expert committee and countless meetings, briefings and debates with various members of the Mental Health Alliance and others.

I pay tribute to the hon. Members on both sides of the House who have contributed. We had a lively debate in Committee—it was described as "helpful and superb"—and I also thank the Bill team, who were helpful.

The Mental Health Alliance is a big alliance that formed because of the Bill. Whether or not we agree with everything that it has said, it has had an enormous input into the Bill. We must remember the enormous amount of good work that many of the organisations that form the Mental Health Alliance do on behalf of thousands of people up and down the country every day of the week. We need a Bill that helps those organisations, because they look after some of the most vulnerable members of society.

I pay tribute to the work that was done in the Lords. I disagree with the Minister about whether this Bill is better than the one that came from the Lords. An enormous amount of professional expertise was applied to the Bill in the Lords, and I think that Members of the other place may have a few things to say when it returns to them.

I pay tribute to the many professionals who day in, day out do a difficult job looking after people with a mental illness. Again, our duty is to make their job easier and to clarify the law under which they work, which has always been our intention. I agree with the Minister that there is a need to update the legislation. The 1983 Act was largely based on the 1959 Act, so it is almost 50 years since the underlying principle of the legislation was updated.

There have been advances in mental health treatment, mental health law and the flexibility with which we deal with patients. Rightly, we must respect people's lifestyles: we have moved away from the asylum system; the professions involved have changed; and there are human rights incompatibilities. All along, we have said that we need a Mental Health Bill, but we need the right Mental Health Bill.

I welcome the Minister's success in getting the Government to move a substantial distance in a number of areas. She took note of the record six defeats in the Lords on substantial points of great principle. We welcome what we have seen on Report in the past two days on age-appropriate treatment. I also echo the Minister's tribute to Lord Williamson's amendments, which started the process.

As I have said, we have made good moves on introducing victims' rights into the Bill. I welcome the compromise on treatability and pay tribute to the hon. Member for Rhondda (Chris Bryant) for the intelligent, balanced and assiduous way in which he introduced it. We have removed some of the more objectionable and unworkable parts of community treatment orders, not least the provision on abstaining from particular behaviours, and we have linked CTOs to medical treatment.

However, we have not gone far enough. The Bill still fails to take into account the international evidence, which the Government commissioned. It is still far too open-ended, and as such we think that it provides too much of a deterrent for people to engage with mental health services. We are still at odds with the Government about the roles of various "responsible clinicians", which may be open to legal challenge. Furthermore, inconsistencies remain with the Mental Capacity Act 2005 and the renewal of detention following initial sectioning. We still have serious problems about the definitions and the exclusions. It is unfortunate that the debate on that was truncated, because those are substantial points of disagreement that go to the heart of the Bill.

Unfortunately, we have had no movement on impaired decision making. The new clause was meant as an antidote to the stigma that surrounds mental illness, which concerns us all. Some of the Minister's

references to high-profile cases, such as the Michael Stone case, were unfortunate. She mentioned the Michael Stone case today and in Committee.

Ms Winterton *indicated dissent.*

Tim Loughton: If the Minister reads the record tomorrow, she will see that she mentioned the Michael Stone case. Without trying to single out one case, what happened in that case, as in so many other such tragic incidents, is that the system fell down—

Ms Winterton *rose—*

Tim Loughton: Before I give way to the Minister, I should say that if she did not mention the Michael Stone case, I may have confused it with the John Barrett case. She has mentioned the Michael Stone case before. What is common to all those cases is that they show a failure of the system and the services in not being there to pick up those people when they needed to be picked up.

Ms Winterton: The hon. Gentleman is quite wrong to say that I have mentioned the Michael Stone case—I have not. I mentioned the Michael Barrett inquiry—I am sorry, the John Barrett inquiry—because one of its conclusions was that the only way that it would have been possible to ensure that John Barrett complied with treatment as an out-patient would have been through supervised community treatment, which was not available at the time. That is why we believe that supervised community treatment is important.

Tim Loughton: I entirely take the Minister's point. I think that we are confusing Michaels and Johns; if that is my fault, I apologise. Nevertheless, whatever reference has been made to community treatment orders, there was in both cases a failure by the system in relation to somebody who tried to engage with it, and a failure by the services to provide a safety net and to move in at the appropriate time.

In the debate on impaired decision making, I was particularly concerned about the fact that the definition of "untreatable" involves people being turned away from services. That suggests that the Bill is being used as a substitute for the lack of appropriate services and deficiencies in the mental health service as it stands. It confuses availability and access to services with the need for coercion in order to ensure that patients accept services that are offered. As Dr. George Szmukler, dean of the Institute of Psychiatry has said,

> "The government has objected that this amendment might leave out people who need treatment. It is alarming to think that the state has reached the point that everyone who is deemed to 'need treatment' should be detained if they disagree."

Access to treatment seems to have become entirely entwined with the legislative ability to subject to section and compulsorily treat a patient. Is not that a rather terrible indictment of the state of mental health services?

The Minister has admitted that under her mental health system she would turn people away if she could not subject them to compulsory treatment. We seem to have reached a stage analogous with somebody who has heart disease, with blocked arteries, presenting at a hospital and being told, "You must either have a heart transplant or no treatment at all." It should not be all or nothing; it should be coercion and sectioning only in the most extreme circumstances. The Minister seems to be proceeding under the highly flawed and worrying premise that if someone cannot be sectioned he will not get the treatment. That is wrong—it should not be the case under mental health law—but the Minister is labouring under that misapprehension.

It is interesting to note that the Minister dismissed out of hand the situation that will pertain, for example, in the constituency of Kirkcaldy and Cowdenbeath—that of the incoming Prime Minister. Under her assumptions and analysis, the constituents of Kirkcaldy and Cowdenbeath are being allowed to commit suicide because of impaired decision making, yet she has no evidence to support it. Has the incoming Prime Minister said, "Under impaired decision making, there is a serious problem with my constituents being more susceptible to suicide"? I very much doubt that there has been, yet the Minister is going to create a difference between mental health law on either side of the border. Clearly, Scotland has produced much more enlightened mental health legislation, and that will throw up serious differences between how patients are treated on either side of the border.

Ms Winterton: The hon. Gentleman has consistently failed to answer one question. He says that there will be people who would not need to be detained because they did not have impaired judgment, but he has never given the figure for how many people he thinks it acceptable to turn away from services saying, "We're not going to treat you either because you are a danger to yourself or a danger to others." What is that figure?

Tim Loughton: The Minister is trying to repeat our previous, truncated debated. Her logic and analysis imply that, in the incoming Prime Minister's constituency, under the Mental Health (Care and Treatment) (Scotland) Act 2003, which contains impaired decision-making provisions, people are much more susceptible to suicide. There is no empirical evidence for that.

We are worried because there is a significant risk that the Bill will undo much of the good work in improving mental health services and the relationships between service users and providers. There is a genuine risk of investing in a new regime of compulsion, which will have a counter-productive effect, alienating rather than engaging with people with mental health problems and possibly increasing rather than reducing patient and public safety. Patients could well slip under the clinical radar, and we do not want that to happen. We want a Bill with which we can work, with which clinicians can work and with which patients can work and engage. We want a Bill that reassures the public that their safety is being protected, and balanced with the liberty and medical care of others.

We need a Bill that is fit for the 21st century. We are almost there, but the measure, which now returns to the Lords, still contains too much that is objectionable and will deter people from presenting. We cannot, therefore, support it as it stands. I urge my colleagues to vote against it, but in doing that, I hope that the Government will take our concerns on board, engage constructively with the Lords and go that bit further so that we can have a Mental Health Act 2007 of which we can all be proud. I look forward to considering the measure again when the Government have taken our concerns on board and it returns from the Lords.

9.36 pm

Dr. Doug Naysmith (Bristol, North-West) (Lab/Co-op): I agree with the Minister that we have held a series of excellent discussions on Second Reading, in Committee and yesterday and today. Every member of the Committee took part in the debate to a greater or lesser extent—I believe that that is unusual. In my admittedly limited experience, the contributions from hon. Members of all parties in Committee were of an extremely high standard.

Opposition suggestions and amendments have brought about changes and Back-Bench amendments have also been adopted. That has improved the Bill. Unlike the hon. Member for East Worthing and Shoreham (Tim Loughton), I believe that the measure is an improvement on the current position. It is not perfect and other improvements can be made, but it is better than the Bill that was introduced a few weeks ago.

The measure will return to the other place and I hope that their Lordships will at least recognise that it has not been rammed through the House—far from it. Careful consideration has been made of every point—some might say ad nauseam. I hope that their Lordships will pay some heed to that.

On a final, personal note, tonight marks the end of some five years' involvement with scrutinising the Bill's predecessor and serving on the Committee that considered the current measure. There is therefore a sadness, but I believe that we have produced something better than we had previously. I recognise that there has been much constructive working among many people who are in the Chamber this evening to achieve that.

9.38 pm

Dr. Pugh: After a long journey, we have reached an interesting juncture. The Bill arrived in the Commons surrounded by controversy, heavily amended and cloaked in colourful rhetoric. Some said that it was simply a Home Office measure, which was intent on coercing the mentally ill, an open charter for compulsory medication or a means of handing out psychiatric ASBOs, likely to terrify and worsen patients' conditions. Others claimed that it was the last chance to prevent an epidemic of killing by deranged people and the only way to stop psychopaths freely walking the streets.

Some peopled the world with psychiatrists twitching to incarcerate the vulnerable, the eccentric and the politically deviant. Others spoke of a profession turning its back on the troublesome and the homicidal. However, in the Commons, the Committee stage, secluded in a Committee Room, reduced the temperature. Points were probed and some small progress was made. Subsequent off-stage meetings accelerated the process and I hope that Report has moved things on further.

Looking at our debate as a whole, a bystander might wryly note the fact that each side quotes the Scottish Act from time to time like scripture, but only the bits they really like; that each side quotes experts, but only the ones they really like and dismisses the others as "so-called"; that each side demands evidence for opposing claims, but not always for its own—as, for example, with our discussion of compulsory treatment orders; and that each side quotes opinion surveys, but only the ones that suit. Personally, I have difficulty in any case involving complex matters in believing that the majority are necessarily right. I sometimes have difficulty in believing that even the Liberal Democrats are necessarily right—[Hon. Members: "Hear, hear."]

Suspicion about intentions and fear of professionals abusing power have been persistent traits in this debate and in the briefings, which perhaps indicates that there is more widespread paranoia around than hitherto. Unusually—the Bill has been unusual in this respect—the vast bulk of Opposition amendments tabled both in this and the other place have been skilfully drafted by a few but very influential external hands, who helpfully handed many ready-framed amendments to MPs—a kind of Blue Peter model of legislation.

As a result, we have got concessions from the Government—very welcome concessions, but possibly not enough—on children, advocacy and treatability. In other areas, the Government have stood their ground and we will have to go a little bit further. Where our arguments are good—they will be put in the other place—we would expect concessions and not stubbornness. Ultimately, this is not for any of us a political issue. It is about putting good legislation in place on a very difficult subject, which will last for decades. Whether it is done through truculence in the Lords or Socratic questioning in the Commons, we can secure better legislation—*[Interruption.]* Any philosophical reference will usually do for me.

The reality is that the Bill has had a poor birth and a rather troubled adolescence, but it might just mature into stable legislation.

9.42 pm

Chris Bryant: I thank the Minister and congratulate her on two things. First, she has brought the legislation forward in an open and transparent manner. She has sought to work with people from all backgrounds who have wanted in good faith to contribute to producing a better Bill. She has done a very fine job on that. Secondly, she has done a good job by listening to Labour Back Benchers. It is very rare for the Government to accept amendments from their Back Benchers, and it is quite nerve-racking when an amendment has been tabled, but one is not sure whether the Minister is going to accept it, because it makes one think of having to vote with the Opposition against the Government.

It is an important point for parliamentary democracy and how this House works with the other place to note that it is right for the Government to seek to put things right in this House rather than wait for the other House to do business down the other end of the building. I pay an enormous tribute to the Minister and to the whole team who have contributed to that.

The Minister was right to say that the Bill team has been magnificent. I confess that I sought its advice on many occasions and it was always forthright with me. I would also like to pay tribute, as would many of my hon. Friends, to my hon. Friend the Member for Bristol, North-West (Dr. Naysmith), who over the past few years has steered many of us on the Government side in the right direction and has personally devoted a great deal of time and energy to the Bill. The quality of the Bill tonight is in no small measure due to my hon. Friend's contribution.

I personally believe that the Mental Health Alliance, with which I have had some sturdy rows on occasion, has provided a very helpful service to the House. I have not agreed with it on everything, but I believe that it has sought to introduce amendments to improve the Bill according to their lights. We often forget that the lobbyists who come to our doors are every bit as important a part of the political and democratic process as are we who have been elected to sit here. We would simply not be able to do our work without them.

I pay a sort of tribute to Mr. Grumpy, commonly known as the hon. Member for East Worthing and Shoreham (Tim Loughton). Perhaps he should be known as Mr. John Lewis, as he is never knowingly understated. He has on occasion been non-partisan, however, as well as being conciliatory and generous to the Minister and, for those moments, I am enormously grateful to him.

Mental health and mental ill health are still barely understood by the public, and the stigma is enormous for many people. We still find it too difficult to intervene early enough to prevent some people from getting to the stage of detention; we need to do far more in that regard. I am proud that we have a Government who have put a significant amount of extra cash into mental health services so that we can start to do that, but much more needs to be done. In particular, there is a shortage of talking therapies, especially in working class constituencies around the land. We need to put that right. We also need to do more work on the relationship between the criminal justice system and the mental health system, because there are too many women and men with mental health problems in prison who should probably be receiving mental health service support.

We also need to do a great deal more to ensure that the culture of our mental health services does not exclude those who were not born in this country or whose cultural and religious references are not the traditional ones on which this country was founded. We need further to explore improving our mental health services so that they can cope with the many people arriving here who want to work, who do work and who contribute a great deal to our economy, but who sometimes find that our cultural milieu does not help their own mental health.

9.46 pm

Mr. Boswell: The hon. Member for Rhondda (Chris Bryant) paid me an entirely unmerited compliment in Committee. I should like to reciprocate by paying him an entirely merited compliment on the general tone of his comments tonight and on his perspicacity and persistence in putting through his amendment on treatability. The amendment has wide support and is a great credit to him, and I am glad that we have got that one secured.

If I do not vote for the Bill tonight, it will not be because I oppose changes in mental health legislation, but because I regard the Bill in the form in which we are now delivering it to another place as work in progress rather than work completed. My hon. Friend the Member for East Worthing and Shoreham (Tim Loughton) has detailed our continuing objections to it, and I would like briefly to remind the House of them.

The first relates to people with impaired decision making, and I must point out the anomaly not only between English and Scottish law but between the treatment of physical and mental illness. The treatment of a person with a physical illness who has mental capacity and who withholds consent for treatment would, in law, constitute assault, but such treatment of a person with mental illness will be sanctioned by legislation. However strong the arguments for administering such treatment might be, this is a difficult principle to breach.

I am also concerned about the excessive scope of community treatment orders and the nature of the exclusions that we have debated over the past two days. Functionally, my concern is for the people who are not represented among those joining the debate, namely, people from different cultural and ethnic backgrounds, or with different levels of sophistication or differing abilities to stick up for themselves. The hon. Member for Rhondda touched on this issue a moment ago. Such people might find themselves enmeshed in the system. All the conventional measurements in relation to the involvement of people from black and minority ethnic—BME—backgrounds suggest that they are clearly being very badly served.

I am also worried about the absence or patchiness of treatment facilities in some parts of the country. We cannot necessarily legislate to put that right, although we have done so in relation to age-appropriate treatment. I want to pay tribute to the Minister, who made some good changes in Committee. I would not wish to caricature the Government's position at all in this regard, but I do have those outstanding reservations.

Behind those reservations are two considerations. The first is that there is some kind of ghost in the machine that we have not yet fully eliminated. It is the ghost of control systems, as opposed to the treatment, support and protection of minorities and people with real difficulties and sensitivities in their lives. My strong feeling is that if we are worried about people with mental health problems in the community, the best way to approach the issue is positively and at source through appropriate treatment, rather than seeking to get out of the problems by saying how toughly we can control them. That is not to say that there should be no controls. Of course there should be controls, and they have been hallowed in statute for many years, but they need to be weighed very carefully in each case.

Finally, let me make an appeal to the Minister. I think I can do that on the basis of the constructive relationship that we enjoyed during the passage of the Mental Capacity Act 2005, and subsequently in the context of some its implementation. The Minister has shown an exemplary readiness for dialogue. During the passage of the 2005 Act, with which I was more intimately concerned than I am with this Bill, progress seemed impossible at one stage. There was a time constraint, there were huge differences in views, and there were passionate concerns about such issues as euthanasia. Nevertheless, we somehow managed to work ourselves into an almost complete consensus by the end. We have not yet done that with the Mental Health Bill, which is why I shall not be supporting it tonight.

[Mr. Boswell]

I think that we are nearly there. I think that if Ministers are prepared to respond to concerns expressed in another place, to respond again when they return to us—as no doubt they will—and to iron out the remaining issues, we shall have a Bill that reflects our power to debate and, above all, our power to engage with this most sensitive group of people, to whom we all feel that we have an obligation and whom we need to serve by getting the legislation right.

9.51 pm

Dr. Iddon: I, too, congratulate the Minister. In some respects, this has been a very difficult Bill. Some of the arguments have been separated only by a thin line, which was exemplified by those that we heard today on new clause 12. It has certainly been a difficult Bill for the Minister to steer through the House, but she has done it with courage and professionalism, and has presented her arguments with great clarity.

I want to make it clear that the Committee was not full of people who were always going to agree with the Government. Some of the awkward squad were there. I include myself in that: I was prepared to challenge the Government, although on this occasion I have agreed wholeheartedly with the Government line. I am very pleased to be able to say that. I believe that the addition of the advocacy measure to the final Bill is a great step forward. I was a little surprised that it was not included initially, but I am very pleased that it is there now.

I must tell all those who have deluged me, and other Committee members, with briefings that there has just been too much of it. It has jammed my e-mail inbox, and filled my sacks of mail. I have a confession to make: I have not read it all. I think that there is a message there. Why should we receive a briefing from the Mental Health Alliance and, at the same time, briefings from all its members? I am grateful for the briefings, but I ask those who sent them please to send us a few less in future.

During the Bill's passage, I have detected a tension between psychiatrists and psychologists. The Government are trying to build a modern mental health service in which all professionals work in harmony and to the same end—to help the patients who benefit from the service. I hope that the professionals will listen to that message.

At the beginning of the Committee stage I felt like a member of the Stasi, being accused of wanting to lock people up for having strange religious practices, political views or sexual deviancies of one kind or another. In fact, I felt—and now believe wholeheartedly—that the Minister was trying to strike a balance between liberty and human rights on the one hand, and on the other the need to recognise that there are people out there who can benefit from modernised mental health services. People with serious personality disorders, for instance, can benefit from the application of appropriate treatment, with a consequent saving of lives that might otherwise be lost as a result of both homicides and suicides.

Ms Rosie Winterton: My hon. Friend has clearly set out all the reasons why the Bill should be voted for. Does he agree that if the Opposition vote against it, they will be voting against advocacy, victims' rights and looking after people in the community, and thereby put at risk patients' and public safety?

Dr. Iddon: The Opposition will vote against it, which is sad. As with all proposed legislation, this Bill will be proved to be successful or not when its provisions are put into practice. I hope that it will benefit the patients for whom it is intended.

9.55 pm

Angela Browning: I thank the Minister for her generosity in spending time with me when I have asked to see her during the course of the Bill's proceedings. I also particularly wish to thank the Mental Health Alliance. In my view, it did not send too much material, but put a lot of work into supporting Members who were dealing with the Bill. I also thank the Royal College of Psychiatrists and the National Autistic Society for helping me with my representations on the Bill.

I look forward to working with the Minister on the code of practice. There are still problems to do with people with autistic spectrum disorders. There is a problem in that people with autism are detained inappropriately in unsuitable settings and for far too long. I hope that the code of practice will address that.

Finally, let me raise again an issue that I mentioned at the end of my speech on Second Reading, and which has not been touched on today. Early intervention with appropriate levels of resources is the answer to mental health issues. It seems incongruous to me that the Minister should suggest that by voting against the Bill the Opposition will be responsible for putting patients at risk.

Ms Winterton *indicated assent.*

Angela Browning: The Minister is nodding her head, but apparently that is okay in Scotland.

9.57 pm

Lynne Jones: I have no trouble in supporting the Government and voting for the Bill, as it is a substantial improvement on the current legislation. I thank Members of all parties here and in the other place, as well as those who have briefed and supported us in our discussions, for their work in helping to bring about the current state of play in respect of the Bill. I particularly thank my right hon. Friend the Minister. As other Members have mentioned, she has been very open and has bent over backwards to discuss the Bill frankly. I also thank her for her attendance at meetings of the all-party group on mental health.

The Bill has been much improved since it first appeared many years ago. Much of the angst that we have experienced in the past eight or nine years could have been alleviated had greater regard been paid to the expert committee that reported in 1999 or 2000. Too much emphasis was placed on public safety as a result of some tragic cases that were in the news at that time.

I tried to intervene on the Minister on the subject of impaired decision making. If we are to protect the public and reduce the tragically high number of suicides that result from mental illness, people must receive the

treatment that they need as early as possible. The effectiveness of our mental health services is judged not by the number of people who are subject to detention and sectioning, but by our effectiveness at getting services to them when they need them. I am still disappointed that the Government were unable to accept the new clause on impaired decision making.

Yesterday, there was some consternation when my hon. Friend the Member for Hackney, South and Shoreditch (Meg Hillier) suggested that there might be more mental health Bills. However, we have not been able to discuss yesterday or today new clause 1, which would give people suffering from a mental health problem a right to assessment, and we still do not have rights to a comprehensive care plan on discharge. There are issues that we need to address beyond this Bill to ensure that we get excellent services to people when they need them. The Government have done much to invest in mental health services, but I am afraid that it is still a Cinderella service. That is the—

It being Ten o'clock, MR. DEPUTY SPEAKER *put the Question already proposed from the Chair, pursuant to Order [18 June].*

Question put, That the Bill be now read the Third time:—

The House divided: Ayes 272, Noes 202.

Division No. 147] **[10 pm**

AYES

Abbott, Ms Diane
Ainger, Nick
Ainsworth, rh Mr. Bob
Allen, Mr. Graham
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Barron, rh Mr. Kevin
Battle, rh John
Bayley, Hugh
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr. Joe
Berry, Roger
Betts, Mr. Clive
Brennan, Kevin
Brown, Lyn
Brown, rh Mr. Nicholas
Brown, Mr. Russell
Browne, rh Des
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burgon, Colin
Burnham, Andy
Butler, Ms Dawn
Byrne, Mr. Liam
Caborn, rh Mr. Richard
Cairns, David
Campbell, Mr. Alan
Campbell, Mr. Ronnie
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chapman, Ben
Chaytor, Mr. David
Clapham, Mr. Michael
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Clelland, Mr. David
Clwyd, rh Ann
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cooper, Rosie
Corbyn, Jeremy
Crausby, Mr. David
Cryer, Mrs. Ann
Cummings, John
Cunningham, Mr. Jim
Cunningham, Tony
David, Mr. Wayne
Davies, Mr. Dai
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dismore, Mr. Andrew
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr. Brian H.
Doran, Mr. Frank
Dowd, Jim
Drew, Mr. David
Eagle, Angela
Eagle, Maria
Elliman, Mrs. Louise
Ennis, Jeff
Fitzpatrick, Jim
Flello, Mr. Robert
Flint, Caroline
Flynn, Paul
Follett, Barbara
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Francis, Dr. Hywel
Gapes, Mike
George, rh Mr. Bruce
Gerrard, Mr. Neil
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Goodman, Helen
Griffith, Nia
Griffiths, Nigel
Grogan, Mr. John
Gwynne, Andrew
Hain, rh Mr. Peter
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hanson, rh Mr. David
Harman, rh Ms Harriet
Harris, Mr. Tom
Havard, Mr. Dai
Healey, John
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hepburn, Mr. Stephen
Heppell, Mr. John
Hermon, Lady
Hesford, Stephen
Hewitt, rh Ms Patricia
Heyes, David
Hill, rh Keith
Hodge, rh Margaret
Hoon, rh Mr. Geoffrey
Hopkins, Kelvin
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hutton, rh Mr. John
Iddon, Dr. Brian
Illsley, Mr. Eric
Irranca-Davies, Huw
James, Mrs. Siân C.
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Mr. Kevan
Jones, Lynne
Jones, Mr. Martyn
Joyce, Mr. Eric
Keeble, Ms Sally
Keeley, Barbara
Keen, Ann
Kemp, Mr. Fraser
Kennedy, rh Jane
Khan, Mr. Sadiq
Kidney, Mr. David
Kilfoyle, Mr. Peter
Kumar, Dr. Ashok
Lammy, Mr. David
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Mr. Ivan
Lloyd, Tony
Love, Mr. Andrew
Lucas, Ian
Mackinlay, Andrew
Mactaggart, Fiona
Malik, Mr. Shahid
Mallaber, Judy
Mann, John
Marris, Rob
Marsden, Mr. Gordon
Marshall, Mr. David
Marshall-Andrews, Mr. Robert
Martlew, Mr. Eric
McAvoy, rh Mr. Thomas
McCafferty, Chris
McCarthy, Kerry
McCartney, rh Mr. Ian
McDonagh, Siobhain
McFadden, Mr. Pat
McFall, rh John
McGrady, Mr. Eddie
McGuire, Mrs. Anne
McIsaac, Shona
McKechin, Ann
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, Edward
Miller, Andrew
Moffat, Anne
Moffatt, Laura
Mole, Chris
Moon, Mrs. Madeleine
Moran, Margaret
Morden, Jessica
Morgan, Julie
Morley, rh Mr. Elliot
Mullin, Mr. Chris
Munn, Meg
Murphy, Mr. Denis
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Naysmith, Dr. Doug
Norris, Dan
Olner, Mr. Bill
Osborne, Sandra
Owen, Albert
Palmer, Dr. Nick
Pearson, Ian
Plaskitt, Mr. James
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Rammell, Bill
Rayrisford, rh Mr. Nick
Reed, Mr. Andy
Reed, Mr. Jamie
Riordan, Mrs. Linda
Robertson, John
Rooney, Mr. Terry
Roy, Mr. Frank
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Seabeck, Alison
Shaw, Jonathan

Sheerman, Mr. Barry
Sheridan, Jim
Simon, Mr. Siôn
Simpson, Alan
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andy
Smith, rh Mr. Andrew
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Angela E. *(Basildon)*
Smith, Geraldine
Smith, rh Jacqui
Smith, John
Snelgrove, Anne
Soulsby, Sir Peter
Spellar, rh Mr. John
Starkey, Dr. Phyllis
Stoate, Dr. Howard
Strang, rh Dr. Gavin
Straw, rh Mr. Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Tami, Mark
Taylor, Ms Dari
Taylor, David
Thomas, Mr. Gareth
Timms, rh Mr. Stephen
Tipping, Paddy
Touhig, rh Mr. Don
Trickett, Jon
Truswell, Mr. Paul
Turner, Dr. Desmond
Twigg, Derek
Vaz, rh Keith
Vis, Dr. Rudi
Walley, Joan
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Watson, Mr. Tom
Watts, Mr. Dave
Whitehead, Dr. Alan
Williams, rh Mr. Alan
Williams, Mrs. Betty
Winnick, Mr. David
Winterton, rh Ms Rosie
Woodward, Mr. Shaun
Woolas, Mr. Phil
Wright, Mr. Anthony
Wright, David
Wright, Mr. Iain
Wright, Dr. Tony
Wyatt, Derek

Tellers for the Ayes:
Liz Blackman and Steve McCabe

NOES

Afriyie, Adam
Ainsworth, Mr. Peter
Alexander, Danny
Amess, Mr. David
Arbuthnot, rh Mr. James
Atkinson, Mr. Peter
Bacon, Mr. Richard
Baker, Norman
Baldry, Tony
Baron, Mr. John
Barrett, John
Beith, rh Mr. Alan
Bellingham, Mr. Henry
Bercow, John
Beresford, Sir Paul
Bone, Mr. Peter
Boswell, Mr. Tim
Bottomley, Peter
Brady, Mr. Graham
Brake, Tom
Breed, Mr. Colin
Brokenshire, James
Brooke, Annette
Browne, Mr. Jeremy
Browning, Angela
Bruce, rh Malcolm
Burns, Mr. Simon
Burrowes, Mr. David
Burstow, Mr. Paul
Burt, Alistair
Burt, Lorely
Butterfill, Sir John
Cable, Dr. Vincent
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Chope, Mr. Christopher
Clappison, Mr. James
Clark, Greg
Clegg, Mr. Nick
Cox, Mr. Geoffrey
Crabb, Mr. Stephen
Davey, Mr. Edward
Davies, Mr. Quentin
Djanogly, Mr. Jonathan
Dodds, Mr. Nigel
Donaldson, rh Mr. Jeffrey M.
Dorrell, rh Mr. Stephen
Duddridge, James
Duncan, Alan
Duncan Smith, rh Mr. Iain
Dunne, Mr. Philip
Ellwood, Mr. Tobias
Fabricant, Michael
Fallon, Mr. Michael
Farron, Tim
Featherstone, Lynne
Field, Mr. Mark
Foster, Mr. Don
Francois, Mr. Mark
Gale, Mr. Roger
Garnier, Mr. Edward
Gauke, Mr. David
George, Andrew
Gibb, Mr. Nick
Gidley, Sandra
Gillan, Mrs. Cheryl
Goldsworthy, Julia
Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Green, Damian
Gummer, rh Mr. John
Hague, rh Mr. William
Hammond, Mr. Philip
Hancock, Mr. Mike
Harper, Mr. Mark
Harris, Dr. Evan
Harvey, Nick
Heald, Mr. Oliver
Heath, Mr. David
Hemming, John
Hendry, Charles
Hogg, rh Mr. Douglas
Holloway, Mr. Adam
Holmes, Paul
Horam, Mr. John
Howard, rh Mr. Michael
Howarth, David
Hughes, Simon
Huhne, Chris
Hunt, Mr. Jeremy
Jack, rh Mr. Michael
Jackson, Mr. Stewart
Jenkin, Mr. Bernard
Jones, Mr. David
Kawczynski, Daniel
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Key, Robert
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kramer, Susan
Laing, Mrs. Eleanor
Lait, Mrs. Jacqui
Lamb, Norman
Lansley, Mr. Andrew
Laws, Mr. David
Leech, Mr. John
Leigh, Mr. Edward
Letwin, rh Mr. Oliver
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Llwyd, Mr. Elfyn
Loughton, Tim
Luff, Peter
Mackay, rh Mr. Andrew
Maclean, rh David
Main, Anne
Malins, Mr. Humfrey
Mates, rh Mr. Michael
McCrea, Dr. William
McIntosh, Miss Anne
McLoughlin, rh Mr. Patrick
Miller, Mrs. Maria
Milton, Anne
Moore, Mr. Michael
Moss, Mr. Malcolm
Mulholland, Greg
Murrison, Dr. Andrew
Neill, Robert
Oaten, Mr. Mark
Öpik, Lembit
Ottaway, Richard
Paice, Mr. James
Pelling, Mr. Andrew
Penning, Mike
Penrose, John
Pickles, Mr. Eric
Prisk, Mr. Mark
Pritchard, Mark
Pugh, Dr. John
Randall, Mr. John
Redwood, rh Mr. John
Reid, Mr. Alan
Rennie, Willie
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, Mr. Laurence
Rogerson, Mr. Dan
Rosindell, Andrew
Rowen, Paul
Ruffley, Mr. David
Russell, Bob
Scott, Mr. Lee
Selous, Andrew
Shapps, Grant
Shepherd, Mr. Richard
Simmonds, Mark
Simpson, David
Simpson, Mr. Keith
Smith, Sir Robert
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Stanley, rh Sir John
Streeter, Mr. Gary
Stunell, Andrew
Swayne, Mr. Desmond
Swinson, Jo
Syms, Mr. Robert
Taylor, Mr. Ian
Taylor, Matthew
Taylor, Dr. Richard
Teather, Sarah
Thurso, John
Tyrie, Mr. Andrew
Vara, Mr. Shailesh
Viggers, Peter
Walker, Mr. Charles
Wallace, Mr. Ben
Waterson, Mr. Nigel
Watkinson, Angela
Webb, Steve
Widdecombe, rh Mis Ann
Wiggin, Bill
Willetts, Mr. David
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willott, Jenny
Wilshire, Mr. David
Wilson, Mr. Rob
Winterton, Sir Nicholas
Wright, Jeremy
Yeo, Mr. Tim
Young, rh Sir George
Younger-Ross, Richard

Tellers for the Noes:
Mr. David Evennett and Mr. Mark Lancaster

Question accordingly agreed to.

Bill read the Third time, and passed, with amendments.

BUSINESS OF THE HOUSE

Motion made, and Question put forthwith, pursuant to Standing Order No. 13 (Exempted business),

That, at this day's sitting, the Second Reading of the Parliament (Joint Departments) Bill [*Lords*], may be proceeded with, though opposed, until any hour.—*[Mr. Roy.]*

Question agreed to.

PARLIAMENT (JOINT DEPARTMENTS) BILL *[LORDS]*

Order for Second Reading read.

Motion made, and Question put forthwith, pursuant to Standing Order No. 90(5) (Second Reading Committees), That the Bill be now read a Second time.

Question agreed to.

PARLIAMENT (JOINT DEPARTMENTS) BILL [LORDS] (PROGRAMME)

Motion made, and Question put forthwith, pursuant to Standing Order No. 83A (Programme motions),

That the following provisions shall apply to the Parliament (Joint Departments) Bill *[Lords]*—

Committal

1. The Bill shall be committed to a Committee of the whole House.

Proceedings in Committee, on consideration and on Third Reading

2. Proceedings in Committee of the whole House, any proceedings on consideration and proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion three hours after the commencement of those proceedings.

Programming Committee

3. Standing Order No. 83B (Programming committees) shall not apply to proceedings in Committee of the whole House, any proceedings on consideration or proceedings on Third Reading.

Programming of other proceedings

4. Any other proceedings on the Bill (including any proceedings on consideration of any message from the Lords) may be programmed.—*[Mr. Roy.]*

Question agreed to.

CORRECTIONS TO THE OFFICIAL REPORT

Resolved,

That this House approves the Second Report of the Procedure Committee (House of Commons Paper No. 541), on Corrections to the Official Report.—*[Mr. Roy.]*

DELEGATED LEGISLATION

Ordered,

That the alterations in the provisions of the Highway Code proposed to be made by the Secretary of State for Transport, dated 28th March 2007, be referred to a Delegated Legislation Committee.—*[Mr. Roy.]*

Chelmsford Crown Post Office

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Roy.]*

10.14 pm

Mr. Simon Burns (West Chelmsford) (Con): I am delighted to have the opportunity to raise an issue of considerable concern to many of my constituents, especially those living in the town of Chelmsford: the Post Office's proposal to move Chelmsford Crown post office from its current site in Exchange way to WH Smith in the High street.

Eight sub-post offices have been closed, a number of which were in the most deprived parts of my constituency. The Crown post office became the nearest post office for some local residents, even though many of them—young mothers and pensioners—were not affluent enough to afford vehicular access to it. The post office has been in Exchange way for many years; it is popular and extremely well used. What is important for wheelchair users and people with limited mobility is that it is within 50 yd of car parking for disabled people in Market road, so their access is easier.

My constituents want to know why the Post Office believes it necessary to move the Crown post office from that site, which is acceptable to local customers and the town, to the High street. We are grateful that it is to remain in the centre of the town with all the other shops, where people naturally go to do their shopping, but there are some drawbacks, the first of which is access. Motorists cannot use the roads that pass WH Smith. The front, in the High street, is pedestrianised, so it is blocked for vehicle access, and the road at the rear, where there is an entrance to the building, can be used only by buses. Even if cars could use it for access, a series of bus stops along the road would make such arrangements unfeasible or impossible.

The nearest disabled car parking spaces are about 300 yd away, and I draw the Minister's attention to the Department of Transport's guidelines on the location of parking bays for disabled people:

"As pedestrians, many disabled people will have a limited mobility range, and will require specially designated parking bays closer to the places they wish to visit. Whether on-street or off-street, parking bays for disabled people should not be further from major destinations (e.g. bank, post office, large store, supermarket."

The guidelines categorise various conditions of disability and the maximum distance from car parking to building. For the visually impaired, the distance should be 150 m; for wheelchair users, 150 m; for ambulatory people without a walking aid, 100 m; and for stick users, 50 m. The disabled parking bays nearest to the WH Smith site are 300 yd away, which will create significant problems for people who need to use wheelchairs or who have limited mobility. The road layout and the siting of the building mean that the problems are insoluble.

There is another access difficulty for my constituents. If they want to enter the proposed post office at WH Smith from the pedestrianised area, that is fine because the entrance is at ground level. But if they use the rear entrance—which is adjacent to most of the bus stops, so a lot of people may use it—there are steps immediately inside the building going down to the retail area. That will cause problems.

[Mr. Simon Burns]

My constituents and I find it even more staggering that the post office will be sited not on the ground floor but on the first floor of the building. The Post Office says it will ensure that WH Smith meets the requirements of the Disability Discrimination Act, and I have no doubt that it will, but there will be problems if the level of usage is similar to that of the current Crown post office. WH Smith has only one lift for disabled people, which takes a maximum of eight people. If wheelchair users use the lift, eight people will not be able to get in the lift at once. Given the level of usage, particularly at peak times such as on a Saturday, queues will form within the retail area where WH Smith is selling its own products, as people wait for the lift to the first floor.

One might also say, correctly, that there is an escalator up to the first floor at the front of the building, but there is no escalator down, so people would have to use the stairs. I have no knowledge of any proposal or commitment by the Post Office or WH Smith to put in a down escalator, and there is an argument that they will not be prepared to do that because if they do, the only way up or down would be by lift or escalator and there would be no stairs, because the building is not big enough to house a proper staircase and a down escalator, and some people do not like using escalators, or would feel that their choices were infringed upon by having to use the escalator option. If the escalators were to break down, of course, the sole option would be the conventional stair system, even though it would be on an escalator that was not moving.

Mr. Eric Pickles (Brentwood and Ongar) (Con): My hon. Friend knows that many of my constituents will use this post office, and he may also know that the post office in Brentwood faces an identical fate, with the counter being located upstairs. My concern, and I should be grateful for my hon. Friend's views on it, is that people with a disability, who may have difficulty walking or be in a wheelchair, or perhaps parents with prams, will bustle about downstairs waiting to use the lift. If the building has to be evacuated, such people might find themselves trapped.

Mr. Burns: I am extremely grateful to my hon. Friend because he makes an extremely important point, which to my mind strengthens the case against placing the main Crown post office services on the first floor. There is indeed the potential for safety problems if there were to be a fire or any other form of accident in the building, particularly if, as my hon. Friend says, one is dealing with people who are elderly and frail, or have a disability, or are of limited mobility. My constituents are extremely anxious and unhappy about this element of the proposal.

The Post Office has said that it might well provide a few services downstairs. We are in a consultation process, which I will come to in a minute, and it is easy to make promises such as that, but I do not think it adds up to very much. My constituents want to go into the post office, as they do now, on the ground floor, with ease of access, and they want to be able to enjoy the range of services. The tasks for which people use services range from buying stamps to dealing with car tax and benefit collection. I am not convinced that a viable limited service could be provided on the ground floor. Yet again, that would eat into the commercial viability of WH Smith, which will use the ground floor to carry on its commercial activities.

I also want to make a point about the consultation process. We are fairly cynical in Chelmsford, because there was a consultation process about the closure of the eight sub-post offices. I had some input into the consultation, as did many of my constituents, local councillors and others in the local community. The results of the consultation may have been received, but, in all eight cases, no indication was given that attention was paid to them or that they were listened to. When the consultation time ended, the precise proposals that were announced originally were pressed ahead with and implemented. We came to the conclusion that there was little point in having a consultation process, because we felt that no one was listening to the ideas, proposals and counter arguments that we put. Of course, one has to admire the Post Office: cleverly, there were no problems with the postmasters and postmistresses, because they got extremely generous financial remuneration for ending the siting of sub-post offices on their premises.

In this case, the consultation process is even trickier, because it is not about the decision to move from one building to another. That is a done deal. The Post Office has said, "This is what we're going to do," and I cannot have any input into a consultation process to argue why that is not in the best interests of the local community, or even possibly the Post Office—and neither can my hon. Friend the Member for Brentwood and Ongar (Mr. Pickles) or my constituents. That is not on the table.

The consultation process is on a much narrower issue: the services that will be provided inside the post office. Post offices are post offices; they provide a wide range of services and I would be amazed if the Crown post office, if it moves to WH Smith, started to cut the essential business that it provides to my constituents. If anything, I think it would like to increase the range of services that it provides, and I am all in favour of that. If the Minister believes that that is what should happen, I am 100 per cent. with him. We need to give more business to Crown post offices and sub-post offices to help them to thrive and develop in a highly competitive world.

What is the point in a consultation process in that respect, given that we all agree that it is in the interests of the post office to provide more services? I am not convinced about the consultation process, because I fear that the move is a done deal—unless at this late stage the Post Office can be persuaded that the building that houses WH Smith in Chelmsford is not suitable, because of the problems with access and the Department for Transport guidelines on the maximum distance between where cars can be parked and the building.

I had a meeting with Post Office representatives this morning, which I found useful because I had an opportunity to explain my points to them. Not unnaturally they are not intimately familiar with Chelmsford High street and its WH Smith, but they were prepared to listen and they took on board my points about vehicular access and the layout of the building. However, the Post Office has to realise that, although it is a business—I do not

object to that or have a philosophical problem with it—it is also a service to the community. It has a loyal customer base that uses the Crown post office and has used it even more since the closure of one particular sub-post office. The Post Office has an obligation to its customers and an obligation to think about the social service that it provides, as well as the commercial service.

I urge the Post Office to think again, even at this late stage, because it has come up with a building that is not as suitable as it may have thought. I think that this has probably got wrapped up in the fact that the Post Office is implementing a package with several branches of WH Smith throughout the country. Of course, not all the branches have the same layouts and are in the same sorts of building. Some of the branches might work very well and be extremely suitable, but I bet that they will not be on the first floor, with difficult to access for those with disabilities.

I understand that the Minister cannot wave a wand and tell the Post Office not to behave in such a way. I do not expect him to announce that he will do that today, much as I would love him to do so. However, given his Department's connections and dealings with the Post Office, I hope that he will be able to persuade it to reflect on the concern, anger and disappointment of my constituents. I also hope that he will ask it to think again and perhaps find a more suitable building in the centre of Chelmsford that does not have the same problems as the building it has selected.

10.30 pm

The Parliamentary Under-Secretary of State for Trade and Industry (Jim Fitzpatrick): I congratulate the hon. Member for West Chelmsford (Mr. Burns) on securing the debate. He spelled out clearly the importance of postal services to his constituents and emphasised his concerns about the future of the Crown post office in Chelmsford high street following the announcement made by Post Office Ltd on 19 April of its decision to move the branch to a nearby WH Smith store. I know that he has been lobbying hard and making strong representations on behalf of his constituents. I will try to answer the questions that he asked about Crown post offices, although I must emphasise that the Government do not have a role in detailed operational decisions such as that on the Chelmsford office, which he accepts. Nevertheless, I emphasise that the Government share the concerns of hon. Members about securing a sustainable future for the business.

The hon. Gentleman appreciates that there is a pressing need to tackle the significant losses that the network of Crown post offices is incurring. There are about 450 Crown post offices and it is estimated that they lost about £70 million last year alone. Clearly, that position is not sustainable, and the Government fully support the Post Office's policy for reducing the losses, which includes maintaining a core network of Crown post offices while continuing to drive forward efficiencies and the franchising of branches when suitable opportunities arise. We welcome the commercial deal between Post Office Ltd and WH Smith because it will secure the retention of a main post office service in each of the 70 areas affected. Without that deal, there would have been a huge question mark hanging over the future of many Crown post offices and a question whether there might be outright closures.

Concern has been expressed about the service provided in franchised Crown branches. The evidence from the pilots with WH Smith shows that it is wrong to say to customers that franchising a post office will automatically lead to a reduction in the quality of service. Staff at franchised post offices are trained by Post Office Ltd in exactly the same way as directly managed staff. Franchisees are bound by stringent contractual requirements to ensure that service standards remain at the same high level following the transfer from the direct management of Post Office Ltd. It is important to say that franchising is not closure. Franchises and conversions do not reduce the number of post offices.

I can appreciate that customers will initially be unsure about the service implications of moving the branch from its existing location, as the hon. Gentleman outlined. Change can be unsettling—for some more so than others—but I understand that there is positive evidence from mystery shopper visits to, and focus group feedback on, the six pilot transfers to WH Smith stores that took place last year. The majority of customers welcome the pleasant environment and excellent customer service. More generally, many customers welcome the fact that there is a complementary retail offering on the same premises, as well as extended opening hours, which usually go hand in hand with the transfer to a franchise partner. Indeed, I understand that the new Chelmsford branch will offer extended opening hours of 9 am to 5.30 pm from Monday to Saturday.

Critically, the decision emphasises to customers that post office services will continue to be provided in Chelmsford town centre. Almost 14,000 post offices are already run by private businesses—individuals or franchise chains—including some 900 or so of the 1,400 large main post offices in town centres. The network has always relied on private business for the majority of its outlets.

The hon. Gentleman spelled out in detail his concerns about the consultation arrangements. It is important to stress that the local public are being consulted by Post Office Ltd. As agreed between the Post Office and Postwatch, the consumer champion, in the code of practice on post office closures and relocations, there is consultation on the service implications for each franchised office. However, it has always made clear that the decision to transfer the management of a Crown branch to a franchise partner is an operational decision for the Post Office to take.

The proposal to convert the WH Smith branch in Chelmsford went to public consultation on 30 May 2007 and runs to 11 July 2007. I would expect the important matters that the hon. Gentleman raised this evening, such as the disabled parking bays, to be addressed during the consultation. I hope that his meeting today with Post Office Ltd gives him some reassurance that it will take those matters on board. This evening's Adjournment debate will help in that process. The current planned month of the transfer is October 2007.

Post Office Ltd has taken decisions on which branches will convert to WH Smith management based on a range of factors, including the proximity to WH Smith stores that are seen as suitable to accommodate a post office franchise, existing overheads such as the lease on properties, and what the company and WH

[Jim Fitzpatrick]

Smith consider to be the future potential of branches. They are not a reflection on the current branch performance or on the people working in the branches.

In some stores, as in Chelmsford, the first floor provides the most suitable space to accommodate the post office facility. I understand that the existing branch has a total of 10 fortress-style counters, and the new location will also provide 10 positions, with eight of those being open-plan. As regards disability access, Post Office Ltd has given an assurance that all branches will be fully accessible to all customers, with special arrangements in place to assist customers with special access needs, for example in branches like Chelmsford, where the post office counter is not on the ground floor.

As one would expect from an established prominent high street retailer, WH Smith is also fully aware of its responsibilities under the Disability Discrimination Act 1995 and will ensure that the branch remains fully accessible for all customers, including those with mobility problems. Although I understand that the store, as the hon. Gentleman described, does not have an escalator from the first floor down to ground level, a customer lift is available in-store for customers unable to negotiate the stairs. I understand that the lift holds a maximum of 13 people at any one time and is capable of accommodating pushchairs and wheelchairs. The Post Office and WH Smith are therefore confident that this will adequately accommodate the needs of customers.

Many customers will see the products that WH Smith and the Post Office sell as complementing each other. The deal with WH Smith guarantees that that branch will be operated for a minimum period of seven years. In the extremely unlikely event that WH Smith does not want to extend the initial contract or is unable to fulfil it, the Post Office would obviously take steps to ensure that services are retained in that key location. It must be remembered that typically some 10 per cent. of the offices in the network change hands every year, so the Post Office is very experienced in managing that successfully. The deal between Post Office Ltd and WH Smith is a purely operational and commercial issue for the parties, and does not impact on the Government's recent consultation on the network.

There are a number of challenges facing the post office network, including the need to tackle the losses of the Crown network. Although many of us and our constituents say we like our post office and value it highly, the reality is that, collectively, we do not use it as we once did. It is an undeniable fact that many people now prefer to pay their bills by direct debit or use one of the Post Office's competitors, do their banking via the internet or use a cash point machine, renew their motor vehicle licences online, and keep in touch using emails or text messages.

Some 4 million fewer customers are using post offices each week compared with just two years ago. Although many Crown offices might still be very busy and well used, they are trading low margin products in high cost locations. In the financial year 2005-06 the post office network lost £2 million a week, as we have discussed in the Chamber on a number of occasions in the past six months at least. When the figures for the performance in the financial year 2006-07 are released, it is expected that the losses will be closer to £4 million per week.

For too long the Post Office was deprived of much needed investment. The Government have reversed that approach and invested substantial sums in supporting the network—some £2 billion since 1999. We have supported Post Office Ltd in its efforts to develop its range of financial service products, with Government's investment having included £500 million for the Horizon project to bring computer systems into every post office throughout the UK.

The Post Office recognises the need to increase its range of services, adapt to changing shopping habits and give sub-postmasters products to sell that appeal to the needs of today's and tomorrow's customers. Post Office Ltd is the largest provider of foreign currency in the UK and the third largest provider of travel insurance. The Post Office is also the UK's fifth largest fixed-line telephone service provider, and one in every 25 credit cards issued last year was from the Post Office. So new products have been introduced and more are in the pipeline.

Through the statement made by the Secretary of State for Trade and Industry last month and the £1.7 billion committed to Post Office Ltd until 2011, the Government have set out a framework to create stability for the network so that the Post Office can move forward with confidence and rise to the challenges of the 21st century.

I do not underestimate the difficulties that the hon. Gentleman has outlined on behalf of his constituents. I am convinced that Post Office Ltd will take those points on board and respond to him positively. The urban reinvention programme of several years ago did not start out as the best consultative exercise that the country has ever seen. The Post Office recognises that, as does Postwatch, and I have said on behalf of the Government that that was the case. However, the position when it finished was a lot stronger than it had been before. Postwatch is very well placed to ensure that it represents the consumer much more effectively and Post Office Ltd is becoming much more sensitive and can be expected to respond positively by Members of Parliament on behalf of their constituents. I can assure the hon. Gentleman that I will make sure that the comments that he has made tonight will be communicated to Post Office Ltd as part of the consultative exercise.

Question put and agreed to.

Adjourned accordingly at nineteen minutes to Eleven o'clock.

House of Commons

Wednesday 20 June 2007

The House met at half-past Eleven o'clock

PRAYERS

[Mr. Speaker *in the Chair*]

DEATH OF A MEMBER

Mr. Speaker: I regret to have to report to the House the death of Piara Singh Khabra Esquire, Member for Ealing, Southall.

I am sure that Members on all sides of the House will join me in mourning the loss of a colleague and in extending our sympathy to the hon. Member's family and friends.

Oral Answers to Questions

DUCHY OF LANCASTER

The Chancellor of the Duchy of Lancaster was asked—

Family Nurses

1. **Meg Hillier** (Hackney, South and Shoreditch) (Lab/Co-op): What contribution family nurse partnership pilots are expected to make to tackling social exclusion. [143851]

The Minister for the Cabinet Office (Hilary Armstrong): Experiencing pregnancy in the early years of life profoundly affects the resulting child's life chances. The family nurse partnership pilots, which are based on the extremely successful US nurse family partnership scheme, will help to improve parental and child outcomes through structured and intensive home visiting to mothers from early pregnancy until the child is aged two. I have recently visited the Slough and Barnsley pilots, where I was very impressed by the good work of the nurses and the enthusiasm with which the programme was received by all involved.

Meg Hillier: I am looking forward to the evaluation of the pilot. I am particularly interested in the pilot in Tower Hamlets, which is a borough neighbouring Hackney. Will my right hon. Friend indicate when that evaluation will take place? What particular work is being done with teenage mothers, who have three times the rate of post-natal depression of other mothers and who are a particularly vulnerable group in my constituency?

Hilary Armstrong: The programme is targeted at any women aged 20 or less who present themselves as pregnant in the pilot areas, so it will be offered to every prospective teenage parent in those areas. My hon. Friend is right that Tower Hamlets was the successful applicant, and I am sorry that Hackney's application was unsuccessful. The pilots are currently being evaluated at Birkbeck college, and we anticipate that that will be a two-year programme. We are discussing across Government how we can pick up on the lessons learned as quickly as possible in order to enable many other young mothers around the country to benefit from the programme.

Danny Alexander (Inverness, Nairn, Badenoch and Strathspey) (LD): The nurse family partnership is one of a panoply of pilots from the Cabinet Office. As the right hon. Lady prepares to leave office, does she think that that multiplicity of pilots has contributed usefully to tackling social exclusion, or does she think that the fact that Britain is more unequal and that the lot of the very poorest has got worse since 1997 suggests that, for all the Government rhetoric, the reality of life for the most socially excluded has got little better during her time in office?

Hilary Armstrong: For many hundreds of thousands of children life has got better, because of the success of universal programmes such as Sure Start, improvements in education, the introduction of tax credits and changes to child benefit. There have been significant improvements for many children. We are the first Government to seek to identify and work with those who have simply not got to the starting gate in the past. Because no one has done that successfully in the past, the right thing to do is to pilot programmes to find out what works, which means that we will be better able to persuade taxpayers that we are using their money effectively in helping families to turn around their circumstances.

Fiona Mactaggart (Slough) (Lab): My right hon. Friend has referred to her visit to the nurse family partnership in my constituency. The evidence from America is that for every dollar spent on such projects, $5 is saved. That $5 saving will happen in 15 or 16 years. What consultation is she having with colleagues to try to make sure that they back investment in such programmes in order to save future spending on, for example, prisons and remedial education?

Hilary Armstrong: My hon. Friend anticipates the work that is going on across Government leading up to the comprehensive spending review. I have had enormous support from colleagues across Government for this particular programme. There is real interest, and many people want to visit the pilots and find out about it. One of the reasons why we are evaluating it so carefully is that our circumstances are different from those in the United States, because we already have universal services. I see that progressive universalism as a way to tackle problems. If we can make savings, we will secure the future of the programme for a long time to come.

Mr. Oliver Heald (North-East Hertfordshire) (Con): May I start by wishing the right hon. Lady well as she leaves the Front Bench after 19 years, with two years as Parliamentary Private Secretary to the late John Smith and six years in the Cabinet? Perhaps now she will have

a little more time for Sunderland football club. I do not know whether she has been giving the manager, Roy Keane, any of her Chief Whip's tips, but I notice that the team has just got promoted.

Given that poverty is getting worse and that Professor Olds, the US pioneer of her pilot scheme, has said that success in the UK may be much reduced, when will she, or her successor, consider rolling out the programme nationally, and will there be enough health visitors and midwives to make it possible?

Hilary Armstrong: David Olds has said that it may be more difficult for us to gain as much as in America precisely because he recognises, and is a bit overwhelmed by, the quality of universal services in this country and how those services have ensured that not nearly as many children fall into poverty and that there is not nearly the same problem for families as there is in the United States. That is why we are going to evaluate things well in this country. I hope that the hon. Gentleman will take the opportunity to visit some of these programmes, because then he will see the enormous enthusiasm of health visitors and their hope that the recent report will enable them to concentrate much more on working with the most disadvantaged, because that is where they think that their skills will be best used.

Early Intervention (Nottingham)

2. **Mr. Graham Allen** (Nottingham, North) (Lab): What progress has been made in setting up a national and local partners group to examine the concept of a package of early intervention measures in Nottingham. [143852]

The Parliamentary Secretary, Cabinet Office (Mr. Pat McFadden): Let me begin by joining the hon. Member for North-East Hertfordshire (Mr. Heald) in paying tribute to my right hon. Friend the Chancellor of the Duchy of Lancaster, who has been a good friend of mine for many years. I am sure that the Parliamentary Secretary, my hon. Friend the Member for Doncaster, North (Edward Miliband), would agree that we have both very much enjoyed working with her in the past year and have learned a great deal from her.

I am keen to support Nottingham's proposals for developing the idea of the early intervention city, and I pay tribute to my hon. Friend's energetic campaign in that regard. As he will know, my officials have had regular contact with local agencies in Nottingham regarding this issue. In March, they attended a meeting setting out the policy context, and I understand that we expect to have a first steering group meeting between officials and local partners in August.

Mr. Allen: May I, from the Back Benches, join my Front-Bench colleagues in their congratulations to my right hon. Friend, particularly on her personal energy and commitment in the area of early intervention, which has made a big difference to many of us?

Does my hon. Friend the Minister accept that a definition of an early intervention policy must mean that it seeks to break the inter-generational cycle of deprivation, not merely maintain it? Although the nurse family partnership is a cornerstone of that policy, does he accept that there are many other aspects to that package of policies, including working with youngsters at primary school, working with young mothers, and developing a set of pre-parenting skills, as we are trying to do in Nottingham? Will he therefore redouble his efforts—

Mr. Speaker: Order.

Mr. McFadden: I agree that the nurse family partnership is only one aspect of what is needed to break the cycle of inter-generational poverty and social exclusion. There are many other excellent programmes out there, including the incredible years programme, which is being pioneered in north Wales and other parts of the country. It is very exciting that my hon. Friend and other partners in Nottingham are trying to develop an all-encompassing approach in order to do the best job that they can in breaking that cycle of disadvantage and increasing opportunity for the next generation of Nottingham's children.

Civil Service Jobs

3. **Mr. Jim McGovern** (Dundee, West) (Lab): What steps her Department is taking to change the geographical distribution of civil service jobs. [143853]

The Parliamentary Secretary, Cabinet Office (Mr. Pat McFadden): The Government remain committed to meeting our target of moving 20,000 posts out of London and the south-east by 2010. We have made good progress so far with more than 11,000 posts moved to all nations and regions in the UK as of December 2006.

Mr. McGovern: My hon. Friend will know that Dundee in particular has recently suffered a spate of job losses, with major employers—including NCR, Tesco and the Wood Group, to name but three—announcing redundancies. In the light of that, many Dundee people hope that civil service jobs that are being relocated from London and the south-east may make their way to Dundee. What will my hon. Friend do to ensure that jobs come to Dundee as a matter of urgency to help offset the job losses that have been announced recently?

Mr. McFadden: I am aware of the recent announcements of job losses in my hon. Friend's constituency and nearby that he cited. I am also aware of the excellent job that he has done in speaking up for his constituents over the issue. He makes a strong case, and the Government will continue with the relocation process because the civil service serves the whole of the UK and it makes sense to ensure that some posts are located to parts of the country where property and other costs are lower than they may be in central London. We will continue the process from now to the end of the time scale that we have set.

DEPUTY PRIME MINISTER

The Deputy Prime Minister was asked—

Sustainable Cities

9. **Kerry McCarthy** (Bristol, East) (Lab): What recent discussions he has had with ministerial colleagues on building sustainable cities. [143841]

The Deputy Prime Minister (Mr. John Prescott): As chair of the China Taskforce, I hold regular discussions on sustainable cities with a range of stakeholders across UK business, academia and Government, including Cabinet colleagues.

Creating sustainable cities is important to tackling climate change, especially in China, where 15 million people a year are expected to migrate to the cities over the next 20 years.

The taskforce has recently been working on a proposal for strengthening co-operation between the UK and China on developing sustainable cities within the framework of a low carbon economy.

In April this year, I discussed the taskforce proposal with State Councillor Tang and Premier Wen. I hope that a further report on sustainable cities will be presented at the summit of the two Premiers in the autumn.

Kerry McCarthy: I thank my right hon. Friend for that reply and I am sure that the House will join me in warmly welcoming him back to the Front Bench after his recent illness.

Has my right hon. Friend had an opportunity to discuss with his colleagues the innovative proposals for the renaissance of our cities that were unveiled in Bristol last Friday? Does he share his predecessor's view that the best way to create sustainable cities is to cut the regional development agencies, the learning and skills councils and, for good measure, English Partnerships and the Housing Corporation?

The Deputy Prime Minister: I am grateful to my hon. Friend for her kind remarks and for all the good wishes to me. I want especially to thank all the hard-working doctors, nurses and staff at University College hospital, who work day and night, as the staff in all our hospitals do, to help all of us who are suffering from illness. I think that every one of us would like to express our congratulations to all our NHS hospitals.

No, I do not agree with what Mr. Heseltine said in Bristol about the renaissance of cities. I have been in the House long enough to know that he went to Liverpool with a bus load of bankers and a Merseyside urban development corporation that gave no powers to the local authority, developed a garden city and led to further decline in Merseyside. If my hon. Friend examines the report of Labour, which has used the RDAs and English Partnerships, it is clear that we have been able to show that the major cities in this country, including Bristol and Liverpool, reflect the comments of Michael Parkinson in a recent review. He said:

"England's cities are now better placed than at any time since the end of the 19th century to become motors of national advance...The years of decline and decay have been overcome."

That is genuine renaissance; that is a decade of delivery.

Dr. Vincent Cable (Twickenham) (LD): I, too, welcome the Deputy Prime Minister back from his illness. How does he reconcile the claim in his annual report that he spent 10 years developing and implementing sustainable communities with the devastating report of the Sustainable Development Commission, to the effect that the Government's housing programme is characterised by lack of consultation, poor design standards and lack of attention to public transport, shops and parks?

The Deputy Prime Minister: I just do not agree with that conclusion because of the number of houses we have built and the degree of our investment in transport. To provide one classic example, in 1997, I rescued the Channel tunnel rail link from going bankrupt. That was the most important investment in transport innovation in this country and was particularly important for the development of the whole south-east and the whole Olympic village. If we take into account the pathfinder formulas, the millennium village and the 2 million people now living in better accommodation as a result of our decent homes programme, I have no reason to make an apology. There have been improvements and people will make a judgment when they see the final conclusion.

Departmental Budget

10. **Mr. David Amess** (Southend, West) (Con): What his Department's proposed budget is for 2007-08. [143842]

11. **Mr. Andrew Mackay** (Bracknell) (Con): If he will make a statement on his Department's spending plans for 2007-08. [143843]

The Deputy Prime Minister: My Department's budget for 2007-08 is £2.5 million, in line with Treasury guidelines. That figure has already been published in a number of places, including the departmental main estimates and the Department's annual report, a copy of which is available in the Library for the reference of Members.

Mr. Amess: Does the right hon. Gentleman really think that this budget is big enough to enable any one of his six potential successors to do what he has been able to do over the past 10 years?

The Deputy Prime Minister: I can assure the hon. Gentleman that money has been better spent by this Government than by the previous Administration. I recall in particular that the hon. Gentleman was an advocate of the poll tax. How anyone can come here and talk about this amount of resources when £5 billion was wasted on the poll tax, which he advocated, I do not know. Perhaps he should not be doing that. Let me tell him that he should stick to his original position when he was the MP for Basildon. He launched a song called "I love Basildon" and then got on the chicken run to Southend. It is now rumoured that he is composing another song called "I love Southend"—good luck!

Mr. Mackay: In welcoming the Deputy Prime Minister back to the House in what is clearly robust good health, may I say that for once I was very pleased with his answer, because it clearly illustrates that the Chancellor of the Exchequer, who has just assumed his place on the Treasury Bench, will not need his Department any longer? Does the right hon. Gentleman assume that he will be the last holder of that office?

The Deputy Prime Minister: That is clearly a matter for the incoming Prime Minister, who I have no doubt will do an excellent job.

Chris Bryant (Rhondda) (Lab): Has the Department had any money available to spend on opinion polls? If not, has my right hon. Friend had an opportunity to look at the recent opinion poll in *The Times*, which showed that there was unanimous support on the Government Benches for equality measures and next to no agreement on the Conservative Benches? May I congratulate the Deputy Prime Minister on 10 years of absolutely resolute support for equality for lesbians and gay men?

The Deputy Prime Minister: I thank my hon. Friend for his kind remarks. No, we have not invested in polls to find that out; quite frankly, I am not a great believer in them. The Department has not spent any money on that. I welcome my hon. Friend's remarks about our contribution to equality. It has not been easy to make some of those arguments in the past, as he well knows, but I am glad to have belonged to a Government who have made those radical changes.

Mr. William Hague (Richmond, Yorks) (Con): On behalf of Conservative Members, may I extend all our personal good wishes to the Deputy Prime Minister in respect of his rapid recovery and his return to rude good health, which seems clear from his answers to the previous questions? Before extending even further good wishes, may I ask him one last question of substance? Since his departmental budget is paid largely for him to be a kind of marriage guidance counsellor between the Chancellor and the Prime Minister, can he assure the House that the two of them have reached complete agreement on the Government's negotiating position for the European summit, which starts tomorrow?

The Deputy Prime Minister: My experience is that there has always been good agreement between my two colleagues and I am sure that it will continue. I thank the right hon. Gentleman for his kind remarks. It seems that while I was away, the Leader of the Opposition had something to say about me, too. He described me as a cross between Ernie Bevin and Dameosthenes—*[Laughter.]* It seems that I have not yet figured it out. Well, the Leader of the Opposition reminds me of someone, too. When I read classics and Greek mythology at the Ellesmere Port secondary modern school, we learned about Narcissus. The House will know that he died because he could only love his own image. Yes, he was all image and no substance. Speaking as an historian, does the right hon. Gentleman agree with me?

Mr. Hague: I am sure that Dame Osthenes will be very flattered that the Deputy Prime Minister has singled her out for praise today. This only goes to show that, for all the harsh words that the right hon. Gentleman and I have exchanged over the years, politics will be dramatically less entertaining without him. Not only do we not know how the Labour party will manage without him; we do not know how the Conservatives will manage without him. Nevertheless, we wish him a thumping good retirement, with many years of good humour and good health off the Front Bench.

The Deputy Prime Minister: I thank the right hon. Gentleman for his kind remarks. We live in truly remarkable times. As a previous Leader of the Opposition, he must have heard the present Leader of the Opposition say this week that the Tories were

"not abandoning Conservative principles, but applying them in new ways to new challenges".

That sounds like my

"traditional values in a modern setting".

So now we know. The Leader of the Opposition is not the heir to Blair; he is a prophet of Prezza.

Poverty Reduction

13. **Ms Dawn Butler** (Brent, South) (Lab): What recent discussions he has had on the co-ordination of the Government's policies on reducing poverty. [143845]

The Deputy Prime Minister: The Government have made considerable progress in reducing poverty and helping the most vulnerable families and older people. The House will recall that, under the Tories, child poverty doubled and one in four pensioners were living in poverty. Thanks to measures such as the national minimum wage and tax credits, relative child poverty has reduced faster than in any other country in Europe, 600,000 fewer children are living in relative poverty than in 1998-99, and absolute pensioner poverty has been cut by three quarters. That is the result of 10 years of a Labour Government, and it is something that I am proud to have played a part in.

Ms Butler: I thank my right hon. Friend for that response. I also want to wish him a happy anniversary, as he entered the House on 18 June 1970. Labour policies have benefited the average family in my constituency by almost £3,000 a year, but in the past 12 months, my constituents have been made systematically poorer by Brent council, a Lib-Dem and Tory-run council. It has changed the payment terms for council tax from 12 to 10 months, it promised 0 per cent. council tax increases but delivered 5 per cent., and it has increased charges to the elderly by 300 per cent. What can I say? Will my right hon. Friend—

Mr. Speaker: Order. That is fine. I am sure that the Deputy Prime Minister will manage an answer.

The Deputy Prime Minister: I thank my hon. Friend for her kind remarks. I am receiving so many today that I might even come back—[Hon. Members: "Hear, hear!"] My hon. Friend has raised the important issue of the difference between a Labour Administration and a Liberal Administration. It is important to so many people living in poverty and to so many people in jobs. Let us judge what the Liberals do in local government; that will give us an idea of what they might do in national Government if they ever got the chance.

Mr. Edward Leigh (Gainsborough) (Con): As a working-class lad, how does the Deputy Prime Minister explain the fact that, during his tenure in office, the gap between the rich and the poor has got ever wider?

The Deputy Prime Minister: The hon. Gentleman knows, because it has been said by the Prime Minister and others at this Dispatch Box, that poverty has gone down. Relative poverty is an important issue, and

property prices have played an important part in that. It is equally true, however, that everyone has gained from the prosperity of this Government in the past 10 years.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): In congratulating my right hon. Friend on the 37th anniversary of his election to the House of Commons on 18 June, may I thank him on behalf of my constituents for the neighbourhood renewal policies that have lifted the Northmoor area in particular out of abject poverty? We now have a cohesive community with rising property prices and wonderful community facilities. That is what my right hon. Friend has done for my constituents.

The Deputy Prime Minister: I am grateful to my right hon. Friend for his remarks. The improvement is obvious in our cities: the new deal programme has helped to reduce unemployment and crime and improve housing in the poorest parts of our communities, making them areas where people now want to live. There are many examples of the success of our policies, particularly in the inner cites. The Government made that promise, and we have delivered on it. May I also congratulate my right hon. Friend, as he came into the House at the same time as me, and has also been here for 37 years?

Since we are on congratulations, may I express to you, Mr. Speaker, and the whole House, my appreciation of the kindness and generosity shown to me during my years in this job, through good times and bad, of which I have had my share? I cannot say that about the feral beasts or penny scribblers in the Gallery—with some notable exceptions, of course. While we are on Greek mythology, may I say that they remind me of Hermes the messenger god? The House will know that Hermes was the god of shepherds, and, boy, do they operate in a herd. As for invention, need I say more? Best of all, he was

"the god of cunning and liars".

Enough said. I look forward to reading all their rave reviews tomorrow. But whatever they say, I am proud to have been a member of this Government. In a decade of delivery, we have transformed our country for the better, following traditional values in a modern setting.

Hon. Members: More!

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [143826] **Dr. Ashok Kumar** (Middlesbrough, South and East Cleveland) (Lab): If he will list his official engagements for Wednesday 20 June.

The Prime Minister (Mr. Tony Blair): Before listing my engagements, I know that the whole House will want to join me in paying tribute to Lance-Corporal James Cartwright of Badger Squadron, 2nd Royal Tank Regiment, who died in a vehicle accident while on active operation in Iraq on Saturday night. We send our sympathy and condolences to his family and friends.

The whole House will be sad to learn of the death of Piara Khabra, who passed away yesterday. As his many friends on both sides of the House know, he was a tireless campaigner, particularly on international development and racial equality. He was a tremendous servant to his constituents. We all remember him, as I do, often asking questions from the Bench just behind me. He will be greatly missed, and our thoughts and prayers are with his family at this time.

This morning I had meetings with ministerial colleagues and others. In addition to my duties in the House, I will have further such meetings later today.

Dr. Kumar: May I associate myself with the Prime Minister's expression of condolences? May I also join him in paying tribute to my dear friend the hon. Member for Ealing, Southall (Mr. Khabra)? He was a friend for a long time, and a dedicated servant of the people.

My right hon. Friend has created a great spirit of multiculturalism and of campaigning against racism. In all the years I have known him, no other Prime Minister has been able to deliver with such a spirit. I praise him for that.

As we approach the 60th anniversary of Indian independence, there are 1 million people of Indian origin in this country. Will he join me in praising their great contribution to this country and their achievement? Finally—

Mr. Speaker: Order.

The Prime Minister: It is particularly appropriate that my hon. Friend asks that question after the sad news about Piara Khabra. I endorse entirely what he says about the tremendous contribution made by the Indian community—1 million of them—in this country. The state of the relationship between the UK and India has never been stronger, and it is a wonderful example of how our relationships with countries can change over the years. Today, this country has about 20,000 Indian students, which represents a major increase in the numbers coming to study here. We are the third largest investor in India today, and I can see our relationship only getting stronger in the years to come.

Mr. David Cameron (Witney) (Con): I join the Prime Minister in paying tribute to Lance-Corporal James Cartwright, who was killed in southern Iraq. I also join him in paying tribute to Piara Khabra, who served his constituents energetically and enthusiastically for 15 years and will be sadly missed both in the House and in Ealing.

This week we have the scandal of the Prime Minister, in his last few days in office, opening the prison gates and releasing 25,000 prisoners on to our streets. Can he tell us when he was first warned that the prison population would exceed 80,000?

The Prime Minister: Let me explain what is actually happening. We have exceeded even the top-end projection for the number of people in prison—that projection having been made last year—so there is a requirement for us to release prisoners early, 18 days

before the end of their sentences—in other words, 18 days before they would have been released anyway—as a temporary measure while new prison places are being built, to ensure that we do not breach the prison conditions regulations. I regret having to do it, but we have to do it.

Why is it having to be done? First, the number of people in prison has risen dramatically as a result of a 25 per cent. increase in sentencing. Secondly, this Government are now recalling people who breach their licence conditions, and as a consequence there are 5,000 extra people in prison. Thirdly, we now have almost 3,000 people in prison serving indeterminate sentences for violent and sexual offences.

When we build the new prison places, as we shall—8,000 places, and now a further 1,500—we shall be able to retrieve the situation. I regret having had to do this, but it was necessary.

Mr. Cameron: I asked the Prime Minister a very simple question: when did he first know that the prison population would exceed 80,000?

The truth is that the Prime Minister was told by the Home Office in 2002, five years ago, that the prison population this year was projected to be not 80,000 but 88,000. That was five years ago. Why did the Government so comprehensively fail to act in response to that warning?

The Prime Minister: As I have just explained to the right hon. Gentleman, the projection that we were given at about this time last year—we deal with this matter on a year-by-year basis—was a projection that we have exceeded, and have exceeded now. We must therefore take this temporary measure, but let us be absolutely clear: the reason there are more people in prison than ever before is that under this Government there are tougher sentences—particularly for violent and dangerous criminals—and there are 20,000 more prison places. We are now going to build an extra 9,500 places on top of that. Most important of all, crime has fallen under this Government as a result of the measures that we have taken. Incidentally, the most serious violent crime has fallen by more than 20 per cent. in the past year.

The truth is that those indeterminate sentences were introduced by the Criminal Justice Act 2003. As I have said many times, the right hon. Gentleman and his party refused to support the Act, and voted against it. It is true that we will have to take this measure as a temporary measure—and I hope it is very temporary—but it is important to recognise that under this Government prison places are up and crime is down.

Mr. Cameron: The Prime Minister tells us that he examines the position on a year-by-year basis. That tells us all we need to know: there was a complete failure of planning. The Government were told about this five years ago.

The Prime Minister mentioned the Criminal Justice Act 2003. I checked the record, and I think Members will find that the Prime Minister and I voted the same way. I did not support the Act because I do not believe in letting people out of prison half way through their sentences; the Prime Minister did not support it because he could not be bothered to turn up.

Not only were the Government not thinking about this matter five years ago; they were not thinking about it a month ago. Last month, the Secretary of State for Justice said:

"I am not going to announce early releases because of prison overcrowding... Any early releases, no... It is simply wrong."

Why on earth did he say that?

The Prime Minister: First, let me make something clear about the Criminal Justice Act. The Tory party voted against the Criminal Justice Act, and the fact that the right hon. Gentleman did not turn up to vote on it does not alter that.

The reason we have more people in prison today is the tough measures that we introduced for violent and sexual offenders—which the right hon. Gentleman and his party opposed—to put more people in prison. I have already said that I regret having to take this action as a temporary measure, but we are going to build an extra 9,500 prison places.

Let me just point out that the Tory party voted not only against the tougher measures, but against the extra investment in prison places. The one group of people from whom we will not take lessons on this matter are the right hon. Gentleman and his party.

Mr. Cameron: I am glad the Prime Minister mentions the money, because I have checked that, too. Let us look back at the five years since 2002. In 2002, the Home Office budget was £14 billion; in 2003, it was £13 billion; and in 2004, it was £13 billion. There was not any extra money, and the person responsible is sitting next to the Prime Minister. I shall ask the Prime Minister again. The Justice Secretary said one month ago that any early release system was simply wrong. Why did he say that?

The Prime Minister: The right hon. Gentleman said that investment in prisons has not gone up. It has gone up by 35 per cent. in real terms, so when he gets to his feet again, let him apologise for saying that investment in prisons has not gone up. It has gone up, and his party voted against the Budget measure that introduced that. On the reasons for introducing this measure, we have said again and again that it is important that we make sure that we deal with violent and sexual offenders most severely. That is why there are 3,000 people in prison today on indeterminate sentences. If the right hon. Gentleman's party had had its way, those people would not be there.

Mr. Cameron: Things have come to a bit of a pass when the Prime Minister will not even defend his former flatmate. Let me put the question to him again. The Justice Secretary said one month ago that any early release system was simply wrong. Why did he make that statement?

The Prime Minister: We hoped for a long time to avoid having to do this, but we have had to do it because, as I have said, the projections for the prison population, which we do on a year-by-year basis, have been exceeded even at the top end. As I have also said, I regret having to do this. However, as a result of the measures announced yesterday and those announced by the Chancellor in the Budget, we will now have an

extra 9,500 prison places. We will be able to make sure that this is a temporary measure. Most importantly, violent crime is falling and the crime rate is coming down because we have more investment in prisons and the police and tougher measures, many of which the Tory party voted against.

Mr. Cameron: We have had foreign criminals let out of prison when they should have been deported, and the Prime Minister now plans to release more prisoners this year than the entire prison population of Australia. Ten years ago, he told us that he would be tough on crime; now he is releasing 25,000 criminals on to our streets. Should he not, just this once, apologise for what can only be described as an abject failure to deliver?

The Prime Minister: When we came to power in 1997, crime had doubled. When we came to power in 1997, there were no proper plans for making sure that we had the money to invest in our prison system. As I have said, I regret very much having to take the measures on early release. However, over the 10 years of this Government we have reduced crime, increased the number of police officers and introduced measures on antisocial behaviour, and we have 20,000 extra prison places. When we compare the 18 years of a Government who doubled crime with the 10 years of this Government, it is clear who people should vote for on law and order.

Mr. Ken Purchase (Wolverhampton, North-East) (Lab/Co-op): Has the Prime Minister read an article in this morning's *Financial Times* in which someone called Lord Harris, who I understand owns several academy schools, is quoted? He is reported to have said in a conversation:

> "I have a very good relationship with Andrew [Adonis]. He rings me up and says, 'Do you want this school?' and I ask what it's like and if it sounds like the sort of place that we are interested in I say yes."

Does the Prime Minister believe that the language of that exchange is appropriate for people charged with looking after the education of young people, or does he think that it is more appropriate for 21st century spivs?

The Prime Minister: As my hon. Friend knows, I have only got a week to go and I am not keen on making too many more enemies. However, I will have to doubly disappoint him. First, I think that Lord Adonis has done a superb job on the city academy programme. Secondly, although Lord Harris is from a different political party, as a result of the work he has done in education, not least in Peckham, he has given some of the poorest kids in the country the opportunity to get a decent education for the first time. If those two people are having an exchange about how we can improve our education system and give opportunity to kids who do not currently have it, that is good.

Sir Menzies Campbell (North-East Fife) (LD): May I associate myself with the Prime Minister's expressions of sympathy and condolence and his generous tribute to Piara Khabra? *[Interruption.]*

Mr. Speaker: Order. Let the right hon. and learned Gentleman speak.

Sir Menzies Campbell: Does the Prime Minister believe it right for private equity executives to pay tax at a lower rate than those who clean their offices?

The Prime Minister: It is precisely because of the concerns over whether people are paying an appropriate level of tax that a review has been set up that will report around the time of the pre-Budget report later this year. However, it is important to distinguish between that question, which it is perfectly legitimate to raise, and condemning all the work that private equity companies do, because that would not be right at all. But yes, of course people have concerns about this issue, which is exactly why we said that we will look into it in a sensible and serious way and reflect on what we can do.

Sir Menzies Campbell: While this review is taking place, we are giving a tax break of £6 billion per annum to some of the wealthiest people in the United Kingdom. Would it not be much fairer to give tax cuts to lower and middle-income families, who have suffered most under this Government? Would that not be an illustration of governing for the many, and not the few?

The Prime Minister: I know that the Liberal Democrats like to say, "Here is this great pot of gold that is waiting to be redistributed to the families of the country." Incidentally, it is just nonsense. However, there are real issues here, and they have been raised right across the political spectrum and by sensible people within the private equity field itself. The serious way of approaching this is to examine these claims carefully and to deal with the matter in the pre-Budget report, and that is what, very sensibly, the Chancellor is doing.

Q2. [143827] **Mr. Eric Martlew** (Carlisle) (Lab): May I thank my right hon. Friend for keeping the promise that he made to me on 8 January 2005, the day when my constituency was devastated by floods? During our telephone conversation, he said that moneys would be available to build flood defences to protect the people of Carlisle. Some £30 million was made available and those defences are being constructed. However, given the problems that we have seen today in the south of England, and given the problems of global warming and climate change, is he convinced that, following the comprehensive spending review, there will be enough money available to protect other communities from the devastation that we suffered in Carlisle?

The Prime Minister: My hon. Friend raises a perfectly reasonable point, and it is one of the reasons we are committed to spending an additional £600 million in this financial year on our costal defences. Since 1997, we have invested some £4 billion in coastal defences. This is an indication of how, over time, as a result of the changing climate, countries will have to invest very large sums in protecting ourselves against the changing weather. However, I entirely agree with hon. Friend, and I can assure him that this will obviously form a very significant and serious part of the comprehensive spending settlement.

Q3. [143828] **Mr. Nigel Waterson** (Eastbourne) (Con): When the Prime Minister referred to the Chancellor as the "big clunking fist", was it a term of endearment or based on bitter personal experience?

The Prime Minister: I fear that the bitter experience will be felt on the hon. Gentleman's side of the House once my right hon. Friend gets going.

Mrs. Betty Williams (Conwy) (Lab): My right hon. Friend will recall meeting representatives of Mountain Rescue England and Wales on 14 March. Will he find time during his final days in office to review its request for public funding similar to that available in Scotland? If he is unable to resolve the issue, will he ensure that the request is in the in-tray of our right hon. Friend the Member for Kirkcaldy and Cowdenbeath (Mr. Brown)?

The Prime Minister: I can assure my hon. Friend that, as I explained to those representatives when I met them, I will take a close interest in this issue right up to the time of my departure. It is a very live issue that we are considering.

Q4. [143829] **Mr. Rob Wilson** (Reading, East) (Con): Reading's increasingly congested roads are becoming a major constraint on economic success. We urgently need a third Thames bridge and north-south bypass. While Reading chokes, the local authorities are spending their time squabbling with each other. Will the Prime Minister help me to sort out those squabbling neighbours?

The Prime Minister: I understand the hon. Gentleman's concern and the desire for a new road crossing. The trouble is, as he knows, there is a dispute. He called it a squabble, but unfortunately the view he expressed is not shared by some of the local authorities. The trouble is that it will, in the end, have to be resolved at a local level. I know that the Department for Transport is also engaged with the issue and I am sure that it will do everything it can to mediate, but to get it done local agreement will in the end be necessary.

Gordon Banks (Ochil and South Perthshire) (Lab): My right hon. Friend will be aware that since being elected to this House I have campaigned for formal recognition of the Bevin Boys and the role that they played in our world war two success and the defeat of Nazism. In January, the Prime Minister acknowledged their role and said that he would make progress on some kind of formal recognition for those brave men. Will he be able to bring that to a conclusion before he leaves office next week?

The Prime Minister: I congratulate my hon. Friend on the campaign that he has mounted for some recognition for the Bevin Boys and the extraordinary work that they did in world war two, without which our war effort would have been seriously hindered. We will have a special commemorative badge for the Bevin Boys, and we will announce that later today. It will provide some recognition for the tremendous work that they did, express the sense of gratitude that the country has for them, and show why it is a good idea that on this day we should commemorate their work.

Q5. [143830] **Mr. Michael Fallon** (Sevenoaks) (Con): When the Chancellor says that he wants to see Britain governed in a different way, and Government to be more open and accountable, what does the Prime Minister think that he means?

The Prime Minister: I am sure that over the course of my right hon. Friend's premiership he will want to carry on changes that we have been making. For example, we now have a Freedom of Information Act and devolution, which we have never had before. We also have a London Assembly and Mayor, which we have not had before. I am sure that such changes will continue over the years and fortunately, in the circumstances, that is something that I happily leave to my right hon. Friend.

Lynne Jones (Birmingham, Selly Oak) (Lab): Crime has been falling for many years: why are there huge increases in the number of people, including women, in prison? Does my right hon. Friend now agree with a former leader of the Tory party that prison works?

The Prime Minister: I have never agreed that, in itself, prison is what works, but if people are committing violent offences or are a threat or danger to the public, it is important that they are imprisoned, if that is what a court feels is appropriate. There are more people in prison because sentences have been getting tougher. I mentioned a few moments ago the more than 5,000 people who have been recalled to prison as a result of the breach of their licensing conditions. In 1997, that figure was around 200. People out on parole would breach their conditions, but nothing would happen to them—now it does, and that is one reason why the most serious violent crime has fallen by more than 20 per cent. in the last year. In the crime partnership areas where crime has been highest, specific focus has been put on 44 of them and crime, especially violent crime, has fallen by 7 per cent. or more in the last year in those areas. We have to protect the public first, and that is what we are doing.

Q6. [143832] **Mr. Alistair Carmichael** (Orkney and Shetland) (LD): Last Saturday, a 23-year-old man was lost at sea off my constituency when his small boat overturned in Hoy sound. Two months ago, eight Norwegian seamen lost their lives when the Bourbon Dolphin capsized and sank 85 miles off Shetland. In both cases, as in so many others, the role of the Maritime and Coastguard Agency, in co-ordinating the search and rescue, was crucial and very much appreciated. Will the Prime Minister, in the time that remains to him, knock some heads together among the senior management of that agency to ensure that the current industrial dispute is resolved and the coastguards are paid the money they deserve? Or will that have to wait until things get so bad that the dispute escalates and lives are lost?

The Prime Minister: First, I am sure that the whole House will join the hon. Gentleman in sending condolences to the family of his constituent who died. Secondly, we of course regret that the dispute is going on. Thirdly, I will be happy to look into the matter and

to correspond with him about it. Obviously, we want the maritime service to return to full strength as quickly as possible.

Q7. [143833] **Ms Gisela Stuart** (Birmingham, Edgbaston) (Lab): Over the years, my right hon. Friend has visited my constituency on a number of occasions—*[Interruption.]* Some visits have been more memorable than others, but on his most recent visit he came to the £2 million local improvement finance trust scheme at Woodgate Valley primary care centre, one of 200 LIFT schemes across the country. Does he agree such schemes demonstrate real investment in the NHS and real commitment to our patients, compared with the half-baked ideas that we get from the Opposition?

The Prime Minister: I recall the LIFT scheme in my hon. Friend's constituency, and it is one of the many around the country that have led to some 2,500 GP premises being renovated. In 1997, 50 per cent. of the NHS estate was older than the NHS itself, but today that figure is 20 per cent. As a result of that massive capital investment, waiting times are falling and we are also able to provide the most up-to-date equipment for our constituents. I deprecate the Opposition's policy to scrap the target of an 18-week maximum wait for NHS treatment, with an average of seven or eight weeks. That policy would be a disastrous and retrograde step, whereas we intend to keep to the targets and make sure that we deliver on them.

Angus Robertson (Moray) (SNP): Since taking office, there has been more investment in schools, local health services have been protected and young families have benefited from more free nursery care—all provided by the new Scottish National party Government. Will the Prime Minister congratulate the First Minister on those excellent developments?

The Prime Minister: I think that I prefer to say that investment on any scale can be made only because my right hon. Friend the Chancellor has run the most effective economy in this country for 30 years or more. We are able to invest in health and education because of the sensible policies of this Labour Chancellor, not because of the SNP's economic policies.

Q8. [143834] **Kerry McCarthy** (Bristol, East) (Lab): Today, world refugee day is being marked across the globe. Will my right hon. Friend the Prime Minister join me in praising the refugee awareness projects being run by Refugee Action in Bristol, Nottingham and Liverpool? The project workers go into local communities to challenge the many myths and media distortions about refugees and asylum seekers, and to help the refugees who have genuinely fled persecution in their homelands to find a safe haven in this country.

The Prime Minister: I entirely agree with my hon. Friend, and the Government are making a financial commitment to supporting refugee week. It is right for us to reduce the number of unfounded claims and make sure that only genuine asylum seekers can claim asylum here, but none the less we must make it clear that this country should always be open to genuine refugees fleeing tyranny. This country has a very proud record in that regard, and I am sure that that will continue.

Q9. [143835] **Mr. Andrew Mackay** (Bracknell) (Con): As there might just be some misunderstandings over the next few weeks, does the Prime Minister agree with Baroness Morgan, his old friend and former Downing street aide? On the radio this week, she said that the Chancellor was

"really involved in the nitty gritty of how to phrase the argument, and it made a difference."

Was that the role that the Chancellor played with respect to Iraq?

The Prime Minister: The position on Iraq was the position of the whole Government. I happen to believe that removing Saddam was the right thing to do, as is standing up against those people who would by terrorism prevent democracy from flourishing in Iraq. I pay tribute to the support provided by my right hon. Friend the Chancellor. It is important that those fighting us in Iraq understand that our position on Iraq is shared by the whole Government, and I am sure that they do.

Anne Snelgrove (South Swindon) (Lab): Is my right hon. Friend able to use his influence in the case of baby Sebastian, who was born in Texas to my constituent Samantha Lowry and abducted to Mexico at the age of nine weeks by her estranged and unstable partner? Does he agree that the best place for Sebastian is with his mother, who is best breastfeeding him? Will he use his influence with the Mexican Government to get the case dealt with as soon as possible?

The Prime Minister: I am aware of the case and I sympathise with Samantha and her family. I assure my hon. Friend that full consular support is being provided to the family by UK consular staff in Houston and Mexico City. We are also in touch with the FBI about the case, and are ready to give every support to the US and Mexico's FBI to ensure the safe return of Sebastian.

Q10. [143836] **Mr. John Randall** (Uxbridge) (Con): Does the Prime Minister agree that we should all be concerned about the growth of air travel, especially in relation to climate change? What are his suggestions for curbing that growth?

The Prime Minister: We must be careful, because many people have travel opportunities, particularly on cheap flights, that they have never had before. As politicians we must be careful that we do not appear to say that opening up such opportunities for people is somehow wrong. The best way to deal with aviation is through the European Union emissions trading system. As a result of the work done by the Government there is the prospect of aviation coming within the system, which will incentivise business and industry to develop ways of saving on harmful emissions. Personally, I do not believe the way to do so is to try to ban domestic travel on aeroplanes, as I think some people in the hon. Gentleman's party have suggested. I do not think that is realistic.

Mr. George Howarth (Knowsley, North and Sefton, East) (Lab): Last week, my right hon. Friend opened the new management centre at Knowsley community college. Apart from that and 240 extra medical staff in the NHS, a brand new hospital, an 18 per cent. increase in GCSE passes, seven new learning centres and halving the rate of unemployment, what has my right hon. Friend ever done for Knowsley?

The Prime Minister: In addition, we have the minimum wage, paid holidays, extra increases in child benefit and all the investment that has gone into this country over the past few years. The reason we have been able to invest, as I said a moment or two ago, is that we have run a strong economy—my right hon. Friend the Chancellor has been its steward over that time. It is important always to recognise that for the first time this Labour Government are able to combine a more just and fair society with a well functioning, strong economy. Under this Government that is exactly what will continue.

Mr. Michael Fallon (Sevenoaks) (Con): On a point of order, Mr. Speaker. During the recent exchanges, my constituent, Lord Harris, was referred to as a spiv. Will you rule, Mr. Speaker, that that is inappropriate language to describe a member of the other place?

Mr. Speaker: I am advised that the term was not used directly. Perhaps we can now move on.

Disability Benefits (Single Assessment)

12.32 pm

Mr. Jeremy Hunt (South-West Surrey) (Con): I beg to move,

That leave be given to bring in a Bill to make provision for a single assessment process for disability benefits; and for connected purposes.

Disability benefits are complex and convoluted; they are not something that any rational person would want to spend a huge amount of time trying to understand unless they had to do so, but 6 million disabled people in the UK have to do just that, including up to 400,000 families with disabled children. For them, the benefit system is simultaneously a lifeline and a nightmare. I suggest to the House that it is time we did better.

I will not test Members' patience by going into enormous detail about the complicated differences in eligibility criteria for the disability living allowance, the attendance allowance, the disabled facilities grant, the community equipment fund, the carer's allowance, the independent living fund, the industrial injuries disablement benefit and incapacity benefit. I wondered whether the complexity of the system might be a function of the complexity of disability itself; but why, when we spend £26 billion annually on benefits for disabled people, are there so many complaints?

There are complaints from taxpayers who, despite the fact that they want their money used to support the most vulnerable people in society, constantly read stories in the media about disability benefits being claimed by people who are patently not disabled. There are also complaints from disabled people themselves, who all too often have to put up with a system that lets them down, frustrates them and humiliates them by asking them to repeat information about their disability a thousand times over, squandering money on official error, waste and fraud, and all too often failing to reach the very people it most needs to reach: those most at risk of falling into and becoming trapped in poverty.

In my research, I discovered that most unusual of things in modern politics: a relatively simple solution that does not cost any money. I will return to that later, but first let me give the House an example of the crazy complexity of the current system. A couple of weeks ago, I met a man who, a few years earlier, had been going to the shops with his daughter. He was walking along his local high street when a car careered off the road and crashed into him. He was carried some distance. Fortunately, his daughter was unharmed, although she had severe psychological trauma, but he ended up in a coma and when he came round he had an acquired brain injury. As a result, he was unable to continue with his job. Someone in that situation is eligible for up to eight different benefits. If he were to apply for them all, he would have to answer a total of 1,275 questions over 352 pages.

Let me put that in context. An A-level student doing maths, physics and chemistry has to answer 510 questions. Someone applying to do a masters in law at Harvard has to answer 54 questions. So, our welfare state, which is supposed to be the pinnacle of a civilised society, makes a man with an acquired brain injury answer more questions than our brightest A-level students or our most ambitious lawyers. That cannot be right. I wondered whether, because disabilities are complicated, we needed to ask all those questions, but in fact 80 per cent. of the questions are repeated. A third of the questions are repeated twice and a quarter are repeated four times. Think not about the waste of employing Department for Work and Pensions officials to process the same information over and over again. Think not about how that money could be put to much better use. Think instead of the man with an acquired brain injury and the signal that this sends to him about our willingness as a society to help him piece his life together. Think also of those parents who discover that they have a child with severe disabilities and the signal it sends to them that we ask them to answer more questions than if they were applying for a mortgage, a credit card or a bank account.

The most pernicious outcome of the complexity is not the frustration that it causes disabled people; it is the fact that it makes it so difficult for them to get back into the world of work. All the benefits have different rules about how much work someone is and is not allowed to do. On incapacity benefit and carer's allowance, one can earn £87 a week. On income support, it is £20 a week. On housing benefit, after £20 a week, a person's benefit is deducted at a marginal rate of 65 per cent. On council tax benefit, it is 20 per cent. The result is that for many disabled people the simplest and safest thing is not to work. That leads on to another problem: poverty. We know that, according to the Government's preferred measure, child poverty is increasing. A third of parents of disabled children say that they are put off applying for the disability living allowance because of the complexity of the application form.

My Bill will not solve all those problems at a stroke, but it will transform the lives of hundreds of thousands of disabled people by requiring the Department for Work and Pensions to get its computer systems to talk to each other, so that, if a disabled person consents to it, they need only supply information about their disability once and that can be used across all the different benefit streams. Every year, the Department for Work and Pensions processes 7.2 billion questions from disability benefit applicants. Nearly 6 billion of those are repeated questions. This measure will save money in administration costs, but, more importantly, it will save huge frustration and aggravation for disabled people.

The Government do not have a good record on technology projects. However, that should not obscure the fact that technology can transform the lives of the most socially disadvantaged. Why should the IT revolution benefit only the BlackBerry generation of adults or the MySpace generation of children? Why should it not benefit disabled people as well?

We cannot remove people's impairments, but we can remove the obstacles that the state needlessly and carelessly puts in their way that make it more difficult for them to find a job, to live independently, or to hold their family together. Only once should disabled people have to supply information about their disability, unless or until that disability changes. Only once should a family with a disabled child have to supply information about that child's disability, unless or until that

[Mr. Jeremy Hunt]

changes. Only once should that information be processed by the Department for Work and Pensions. My Bill is a modest measure. It would not get us there all in one go, but it would allow progress to be made in the right direction. For that reason, I urge the House to support it.

Question put and agreed to.

Bill ordered to be brought in by Mr. Jeremy Hunt, Natascha Engel, Greg Clark, Malcolm Bruce, Michael Gove, Ms Sally Keeble, Stephen Hammond, Anne Milton, Mr. Graham Stuart, Mr. Stewart Jackson, John Penrose and Mr. Paul Goodman.

DISABILITY BENEFITS (SINGLE ASSESSMENT)

Mr. Jeremy Hunt accordingly presented a Bill to make provision for a single assessment process for disability benefits; and for connected purposes: And the same was read the First time; and ordered to be read a Second time on Friday 19 October, and to be printed [Bill 128].

European Affairs

Motion made, and Question proposed, That this House do now adjourn.—*[Liz Blackman.]*

12.42 pm

The Secretary of State for Foreign and Commonwealth Affairs (Margaret Beckett): I returned yesterday from the General Affairs Council. Tomorrow and on Friday, the Prime Minister and I will attend the European Council, which is the final summit of the German presidency. Discussions at the General Affairs Council were wide-ranging. In that, they reflected the pivotal role that working with and through the European Union plays in meeting the domestic and foreign policy priorities of this country. Not least of the subjects discussed was the ongoing and extremely difficult situation in the Palestinian occupied territories. I expect that the topics covered by the European Council and included in the final conclusions will be equally broad. If I may, I will return to some of them a little later.

There is no doubt that the main issue at stake at this European Council will be treaty reform. During my first pre-European Council debate in the Chamber, I recall that the right hon. Member for Richmond, Yorks (Mr. Hague) said that he hoped that I would enjoy his speech because he feared that I would hear it on a number of occasions, since such debates tended to be attended by the same people and to have almost exactly the same content. However, this debate might be a little different.

Specifically, two years on from the rejection of the proposed constitutional treaty by Dutch and French voters, the Council must consider what treaty adjustments would help the European Union to work as effectively and efficiently as possible in the interests of its 27 member states. The report of the discussions that the German presidency produced last Thursday showed there were still significant differences among European countries about what those next steps could or should be. In the next two days, Europe's leaders will be looking for a way to reconcile those differences.

Mr. Greg Hands (Hammersmith and Fulham) (Con): Will the Secretary of State give way?

Margaret Beckett: If the hon. Gentleman will forgive me, I would like to get a little further into my argument.

Those negotiations cannot be conducted in public, let alone in advance of the Council itself. I could not and will not attempt to prejudge what the outcome of those negotiations might be, but I will be as plain and unequivocal as I can about what the Government's position going into those negotiations will be.

Mr. Philip Dunne (Ludlow) (Con): Will the right hon. Lady give way?

Margaret Beckett: If the hon. Gentleman will forgive me—normally I do give way, as he knows, and I will give way during my speech if he still wishes to intervene, but it would be helpful for the House if I give an indication first of where we are.

First, we want a European Union that is able to deliver and that makes a positive difference to people's lives, but we want a European Union of sovereign nations, not a superstate. We want greater efficiency and more accountability. We want more say for national Parliaments and Governments. Above all, we want a European Union that takes action where it is needed, on issues like climate security, economic reform and energy, and leaves national Governments in charge of key areas including taxes, foreign policy, defence and the domestic economy.

In short, we want a European Union that delivers jobs, security, growth and influence in a globalised world—a Europe that helps to equip citizens in every member state to meet the challenges of, and to thrive in, the 21st century. That is our positive vision for Europe's future—a clear conception of an EU that we want, and that we believe this country needs.

Let no one be in doubt that the reason we place so much emphasis on taking the right decisions over the next two days is nothing to do with the blocking tactics that we have seen in previous years. It is the exact opposite. We want a strong and effective Europe, but we want one that is focused on delivering results, not building bureaucracy. So let me be clear on some of the specific issues that we are likely to have to resolve over the next two days.

We support a charter of fundamental rights that brings together existing rights found in the European convention on human rights, current EC treaties and other instruments. We support qualified majority voting to unlock decision making in those areas where it is in Britain's interest. Despite ridiculous claims that are sometimes made that no change at all must be made, let me remind the House that it was Lady Thatcher who first gave up the veto, and that under her, qualified majority voting was extended to 12 articles, and under her successor, John Major, to 30—three zero—policy areas. I do not criticise them for those changes. They made them because they knew that sometimes it was and is in Britain's interest to do so when, for example, change that we in the House may all believe is wanted and needed might otherwise be blocked by those who resist that change.

We are in favour of a Europe-wide response both to organised crime and to international terrorism. I imagine that that, again, is common ground across the House. In fact, more than that, we think a Europe-wide response is a vital necessity, but we are equally clear that any EU initiatives should not affect fundamental aspects of our criminal justice system, should not undermine our ability to safeguard national security, and should not weaken control of our own borders.

We believe in a common foreign and security policy that will boost our collective influence abroad, but not in a single foreign policy. It must be based on consensus, by which I mean unanimity. We would support a reform of the Commission that promoted effectiveness, efficiency and strong leadership. We would like to see the subsidiarity mechanism in the current constitutional treaty proposals strengthened. We believe it will help us to find the best balance between action at regional, national and European levels, and in so doing will better connect Europe to its citizens. We would support a full-time Chair of the European Council with the same role and powers now exercised by the Council president of the day, because we believe it could help to ensure greater coherence and consistency in the EU's agenda.

If we are able to agree such a package at the Council it would make the EU stronger and better able to deliver on its priorities. The House should make no mistake—that would be of direct benefit to the people of the UK.

Angus Robertson (Moray) (SNP): I thank the Foreign Secretary for giving way. Officials in Brussels yesterday agreed a draft intergovernmental conference mandate which says that the object of the discussions will be to seek to clarify

"the respective competences of the EU and the Member States and their delimitation".

At Foreign Office questions the Foreign Secretary said she hoped that

"that level of detail will not be in the amending treaty."—[*Official Report*, 5 June 2007; Vol. 461, c. 120.]

That was in relation to the common fisheries policy. Is she going back on that position, or has it become clear in the past few weeks that there will be that degree of delimitation in the final agreement this week?

Margaret Beckett: I think that there is a misunderstanding. I hope that I heard the hon. Gentleman correctly, because I do not want to correct him if I did not, but I think that he said that officials had agreed a mandate, and that is not the case. The document produced in Brussels yesterday was the German presidency's proposal, and that is what we will be discussing at the weekend. It has not been agreed by anybody.

Mr. William Cash (Stone) (Con): I have the document in front of me and it clearly says that the word "Community" will throughout be replaced by the word "Union", that it will be stated that the two treaties constitute the treaties on which the Union is founded and that the Union replaces and succeeds the Community.

There cannot be a much more fundamental change than that, so will the Foreign Secretary agree that, on that basis, unless the proposals are rejected, there will be a referendum on them?

Margaret Beckett: I can only say—I do not say this as a criticism—that I find it absolutely inconceivable that anybody could make proposals that the hon. Gentleman would not believe required a referendum. Whether one agrees is quite another matter.

It is perfectly possible to bring in these improvements to the way in which the EU works by building on and amending existing treaties, and without engaging major questions of national sovereignty or competence.

Europe has a choice. It could agree an amending treaty—that path is proven; it has delivered on many occasions in the past. Or it could try to bundle important and necessary reforms into a wholly unnecessary constitutional cloak—that path is very far from proven; indeed, it was explicitly rejected by the people of France and the Netherlands just two summers ago.

Mr. Hands: At this same debate exactly a year ago, the Foreign Secretary said that

"the EU needed to reconnect more closely with the people of Europe."—[*Official Report*, 14 June 2006; Vol. 447, c. 781.]

[Mr. Hands]

Other than simply imploring that that happen, what efforts has the Foreign Secretary made in recent months to ensure that the EU really does reconnect more closely with the people of Europe?

Margaret Beckett: For one thing, the very strong effort made by the Government over a considerable period of time, but made with particular strength in the run-up to the spring Council, to get the EU to agree to take a position well ahead of the pack in terms of energy and climate security, is exactly the kind of thing that reconnects the EU to the people of Europe. For a start, it is so clearly an area where no nation state acting alone can be effective, yet also an area that is of real concern to people when they think about their own future and that of their children.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): On the subject of reconnection, do not we in this place have to look anew at how we debate EU proposals? In particular, is there not a political case to be made for one Minister to be answerable for all the various deals being reached in Brussels and to have a question and answer session on that?

Margaret Beckett: My hon. Friend makes an interesting point. However, it might be rather more difficult to achieve than it sometimes sounds. I am reminded of the debate that always takes place, particularly around issues such as the environment, about whether this, that or the other policy area should be included, because surely this crosses them all. In the end, there is no substitute for having a Government and having different people who deal with the detail of what is being agreed, because otherwise we would get into considerable difficulty.

Mr. Wayne David (Caerphilly) (Lab): The Foreign Secretary mentioned the principle of subsidiarity. Will she, in her negotiations, support proposals to enhance the powers and involvement of national Parliaments in European decision making?

Margaret Beckett: Yes, we will look with great sympathy at the proposals that have been made, for example, by the Netherlands. Not everyone thinks that this is the right course of action, but certainly this Government very much approve of efforts to increase the role and the opportunities of national Parliaments to contribute.

Mr. Frank Field (Birkenhead) (Lab): Even if we accept only part of what we have read in the media in the last few days, it is clear that the Government have a fight on their hands in defending this country's national interest in these negotiations. In those circumstances, was it not weakening our position for the Prime Minister to say that we would not be having a referendum on the results of these negotiations? Could we therefore conclude that, given that the Minister is now sketching out carefully the grounds where the Government are intent on not giving way, if they are forced to do so in the negotiations, the British people will be able to reconnect with the Government and in Europe in having a say in what happens?

Margaret Beckett: I understand the logic of my right hon. Friend's comments. If we are able to agree an amending treaty, that will be a considerable achievement. For many member states it is a source of considerable discomfort that, having ratified a proposed constitutional treaty and having explained to their electorates—and in the case of the Spanish Government having had a referendum in which they succeeded in obtaining the approval of their electorate—that this was to their advantage, they may then have to go back to their people and say that there will not be a new constitution for Europe, but that there will be, as there has been in the past, an amending treaty. That would be no easier for them than it would be for us to say that we will go ahead with a constitutional treaty even though it has once been rejected.

However, whatever the logic of discussion about any potential referendum, one can only judge whether a treaty would require a referendum when one sees its content—assuming that it is an amending treaty; nothing is agreed until everything is agreed. Secondly—I hope that my right hon. Friend will sympathise with this argument, which I feel quite strongly about—I see no reason whatever why we should have had a string of amending treaties from Conservative Governments that never attracted a referendum, no matter how much they extended, for example, qualified majority voting, but a Labour Government are somehow not allowed to do it.

Mr. Field: I am grateful for that answer, but two wrongs do not make a right. Again, I am anxious about how strong our negotiating hand is. Is the Foreign Secretary saying that if in these key areas we are not successful in negotiating, at the end of the day the Government will think of vetoing?

Margaret Beckett: I have already said that it is not inevitable that there will be an agreement this weekend. I very much hope that there will be, because if there can be an agreement that we can accept, Europe can put the issue behind us. I share the view, probably held across the House, that nothing more distances the peoples of Europe from the institutions of the EU than wrangling about legal texts and the division of powers.

Several hon. Members *rose—*

Margaret Beckett: I am blessed with a plethora of requests. I give way to the hon. Member for Louth and Horncastle (Sir Peter Tapsell).

Sir Peter Tapsell (Louth and Horncastle) (Con): Will the Foreign Secretary bear in mind in all these negotiations that the great majority of our people do not wish to see any extension of EU powers over this country, but rather a major repatriation of powers that we have surrendered to the EU to this sovereign Parliament?

Margaret Beckett: I simply say that I always view these exchanges on this matter with some irony, since I am well aware of the many, many Opposition Members who campaigned vigorously for a yes vote in 1975 when I campaigned for a no vote. All I can say is, "Don't come crying to me."

Several hon. Members *rose—*

Margaret Beckett: If hon. Members will forgive me, I will continue a little further with my speech.

Mr. Graham Brady (Altrincham and Sale, West) (Con): Will the Foreign Secretary give way?

Margaret Beckett: All right then.

Mr. Brady: I welcome the Foreign Secretary's indication that foreign policy must be unanimous. Will she be equally clear that the Government would reject the amalgamation of the roles of external relations commissioner and external relations high representative, and say emphatically that we would oppose the creation of an EU diplomatic service?

Margaret Beckett: I will not confirm that, because there is a great deal to be said for a more efficient means of operation. We will do everything that we can to ensure that it is made clear that the common foreign and security policy is an intergovernmental policy and that we retain the rights and powers that we believe that we should have.

Several hon. Members *rose—*

Margaret Beckett: I shall give way to the hon. Gentleman for old times' sake.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): The Foreign Secretary has stated that she campaigned against ratification in 1975. I was only three years old at the time, so I was unable to vote against it. Millions of people in this country under the age of 40 have never had a say over changes to our relationship with Europe. Surely the time has come to consult the British people—people of my generation—on whether we are prepared to hand over any more powers to the European Union.

Margaret Beckett: It was only because of a Labour Government that anyone had a chance to vote. The Conservative party took Britain into the European Community and, despite having said that that would not be done without the consent of either a general election or a referendum, no such commitment was honoured. Perhaps we are seeing double standards here.

It should have come as no surprise to anyone—nevertheless, it was apparently a surprise to some—that the United Kingdom is strongly in favour of an amending treaty, not a constitutional treaty. Indeed, I think the General Affairs Council as a whole has at least tacitly agreed that that is the only course that we can follow. The type of amending treaty to which the United Kingdom would agree should be no different in style or importance of content from those brought to this House by previous Governments, including previous Conservative Governments.

In the past, such treaties have never been subject to a national referendum. Indeed, the only national referendum that we have ever had in this country occurred after the decision to join the European Community in 1972. An amending treaty of the sort that I have described would not involve a decision on anything like the scale of the decision in 1972, which the British people endorsed in 1975. Let me be absolutely blunt with the House and with the country: the UK will not agree to a treaty in Brussels that we judge would require a referendum in this country.

It is worth repeating that any treaty that results from this European Council and any subsequent intergovernmental conference would, of course, be laid before Parliament, where it would be subject to extensive examination and debate. It could not be ratified until any necessary amendments to the European Communities Act 1972 had been passed by this House.

On one point, I suspect that the shadow Foreign Secretary and I agree—it will not be sufficient simply to change the title of the document. An amending treaty must be different from the constitutional treaty that preceded it in content, in form and in purpose.

The European Union as a whole must acknowledge, as this Government have done, that the reality on the ground has changed. We accepted the constitutional treaty, and we were prepared—indeed we were preparing—to recommend it to the British people. We thought it was, on balance, a good deal for Britain—incidentally, so did many of our European partners, in many cases with considerable frustration and regret. However, the treaty was rejected by the voters of France and the Netherlands, two founder members of the European Union, which not only changed things, but changed them dramatically.

The people of those countries had spoken, and the leaders of Europe had to take heed. So we embarked on a so-called "period of reflection". During that time, we deliberately shifted the focus of the European Union back on to those things that we judge matter most to our citizens, not least through the informal summit at Hampton Court held during the UK presidency. We made it clear that our priority was not internal institutional wrangling, but the challenges of globalisation—climate change, energy security, jobs and growth. It would serve Europe very ill indeed if now, two years down the line, we acted as if we had simply not listened, as if the period of reflection counted for nothing and as if we wanted simply to turn the clock back to before summer 2005.

Kelvin Hopkins (Luton, North) (Lab): My right hon. Friend is making admirable efforts to distinguish what is on the table now from the treaty, but the reality is that Chancellor Merkel, Mr. Barroso and others are determined to get through what they had before either piecemeal or all in one go. My right hon. Friend is making the case strongly, but is it accepted in Europe and is this not just a way to manoeuvre ourselves past the possibility of a referendum?

Margaret Beckett: This is not a matter of manoeuvring. In the conversation on Sunday night among the General Affairs Council, it was clear that for a large number of member states that have ratified the constitutional treaty the notion of abandoning that treaty and instead having an amending treaty of the kind that we and others have suggested is extremely painful and difficult. Indeed, that idea has been resisted

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until this present time. We must all recognise what is required, if we are to reach an agreement over this weekend.

Mike Gapes (Ilford, South) (Lab/Co-op): If there is an agreement such that the Government feel able to say after the weekend that there will no longer be a need for a referendum, may I take it that that position will be made explicitly clear to the House next week? If so, will the Government, in view of the importance of parliamentary and public engagement on those matters, set out how Parliament will be involved in any process towards an intergovernmental conference under the Portuguese presidency, particularly if that might be held during the recess or shortly after the House resumes in the autumn?

Margaret Beckett: My hon. Friend has made an important point, and I will certainly take heed of his concerns. I was about to send a note to the shadow Foreign Secretary and others who are particularly concerned stating that my right hon. Friend the Prime Minister will make a statement on Monday. I will not be here, because I have an engagement in the United States that I am unable to change. I assure my hon. Friend the Member for Ilford, South (Mike Gapes) that my right hon. Friend is aware of his questions.

Sir Malcolm Rifkind (Kensington and Chelsea) (Con): The Foreign Secretary is making a powerful and important speech. May I ask her a specific question? When she said that the Government will not accept any new treaty that would require a referendum in this country, did she include in that any new treaty that provides opt-outs for the United Kingdom but that ensures that many of the aspects of the original constitution are still in place for the rest of the European Union?

Margaret Beckett: The balance of treaty proposals is a judgment that we can make only at the weekend, when we will see the proposed amendments to the ideas advanced by the German presidency. As the right hon. and learned Gentleman knows, we can only make that judgment at that point.

If it comes down to deal or no deal at this European Council, the UK Government are clear, as I said on record in Brussels on Monday, that no deal might be better than buying any old pig in a poke.

Mr. David Drew (Stroud) (Lab/Co-op): I am pleased to hear what my right hon. Friend has said about the possibility of no deal. Does she agree that if other countries choose to put the revised treaty to their people in a referendum after a deal is done, the British people should also have that opportunity?

Margaret Beckett: No, I do not accept that. Apart from anything else—my hon. Friend may not be aware of this—the Irish Government have a constitutional requirement to have a referendum, so there is no question but that there will be at least one referendum. Whether there will be more than one is entirely another matter.

As I said a little earlier, this Council meeting will also acknowledge the wider achievements of the German presidency: things that Europe's citizens will actually see and feel. Those include an agreement to open up Europe's energy market and make it more competitive, action to cut mobile phone charges, and sharing information between police forces to tackle cross-border crime. And, of course, at the last European Council in spring, we saw Europe at its best. The EU took a vital step not only in leading the global response to one of the greatest threats that we face—climate change—but in so doing beginning the process of creating the world's first low-carbon and energy-efficient economy. If we make that transition successfully, it will mean that Europe, and the UK, will have a competitive economic advantage for perhaps a generation to come. Similarly, the EU has recently agreed the services directive, which is set to add £2.5 billion, and up to 135,000 jobs, to the UK's economy.

So Europe as it now stands can deliver and is delivering. It would not be in crisis—it would not be paralysed—if no agreement on institutional reform were reached.

Mr. David Heathcoat-Amory (Wells) (Con): If the European Union is working so well in the way that the Foreign Secretary describes, why do we need an amending treaty or any extension of majority voting?

Margaret Beckett: The right hon. Gentleman has perfect timing, if I may say so. We on the Labour Benches are absolutely clear that we want such an agreement because it would mean that Europe could deliver even better and more efficiently. It would not be a crisis if we were unable to secure an amending treaty, but it would be an opportunity missed.

Mr. Christopher Chope (Christchurch) (Con): Will the Foreign Secretary give way?

Margaret Beckett: I will, but for the last time.

Mr. Chope: If Europe is working as well as the Foreign Secretary says, what harm could be done by putting the whole issue of whether we wish to retain our status as a member of the European Union to the British people in a referendum?

Margaret Beckett: I do not intend to get involved in yet another wrangle about whether Britain should leave the European Union, but I notice that the Conservatives are, as ever, perhaps not entirely of one mind on the matter.

When this Government came to power in 1997, we inherited from the Conservative party an acrimonious and stagnant relationship with our European Union partners in which Britain had mostly been represented by, at best, an empty chair, with our voice not even being heard. The rest of the European Union viewed us with a mixture of confusion and frustration. The result was that we had little or no influence in the European Union and could not lead the European debate in the directions that we wanted. The attitude that the Conservatives had then, which some clearly still hold, was not only an abdication of responsibility, and with

it influence, but was based on a circular argument. So sure were they that Europe was a bad thing and that the UK could never achieve anything in the European Union that they very rarely did. That was, and is, a self-fulfilling prophecy that did immense damage to our national interest.

Under this Government, the position is very different.

Stephen Hammond (Wimbledon) (Con): Will the Foreign Secretary give way?

Margaret Beckett: If the hon. Gentleman will forgive me, I must get on.

Last week, the French Minister for Europe, Jean-Pierre Jouyet, told *Le Figaro*:

"I want France to be at the centre of thinking in Brussels, which is currently dominated by the British and Germans".

Can anyone in this House imagine such an opinion being aired in Paris when the Conservatives ran this country's European policy?

Mr. Hands: Will the Foreign Secretary give way?

Margaret Beckett: I will not do so any more.

Positive engagement leads to positive action: the biggest reform of the common agricultural policy for 50 years; reform, after 40 years, of the sugar regime; and, for the first time ever, a budget whereby similar-sized economies such as France and Italy are making payments on a par with our own, which, despite all Margaret Thatcher's talk of rebates and hand-bagging, is something that the Conservatives never came even close to achieving. We have, for the first time, European security and defence policy missions beyond Europe's borders. We have, as I said, bold action on climate security and energy security. Through the Hampton Court agenda, we have brought a new focus on reinvigorating the European economy and on investment in the future. Just last year, UK exports to continental Europe were up by 24 per cent. to £150 billion.

Over the next two days, the European Union has the opportunity to agree improvements that will make it work even better. If it takes that opportunity, Europe will be stronger and more effective. That would be good for this country and for the people of this country. This Government have always recognised that a strong UK in a strong Europe is the only way in which to face the challenges of the next decade and the next century. It is for exactly that—a strong UK in a strong Europe—that the Prime Minister and I will argue in Brussels.

1.15 pm

Mr. William Hague (Richmond, Yorks) (Con): I have, as ever, listened with care to the words of the Foreign Secretary. The part of her speech when she reminded us that she was opposed to British membership of Europe in 1975, and that we should not therefore come crying to her about its faults, was said with some feeling, by contrast with the other parts of the speech, which were perhaps drafted in the Foreign Office and gave the rest of us a lecture about being more positive in our attitudes to engagement with the European Union.

No doubt there are some areas of agreement between what the Foreign Secretary said and the case that I want to put to the House. Nevertheless, as she acknowledged at the beginning of her speech, matters have now moved on sufficiently in European affairs that we have all had to prepare a new speech for this occasion. Very important things may be about to happen in the European Union over the next few days. Tomorrow, the European Union's Heads of State and Government meet to try to negotiate a treaty of fundamental importance to the EU's future. The European constitution, which was emphatically and rightly rejected by French and Dutch voters two years ago, is in many substantial senses being revived. That constitution was, as the Belgian Prime Minister put it at the time, the "capstone" of a "federal...state". The German Europe Minister of the time said that it was the

"birth certificate of the United States of Europe".

If the Government accept parts of that constitution under another guise, let us be clear that they risk taking another significant step away from what the European Union ought to be—a community of nations working together intimately for mutual benefit—and towards the integrated state that some in Europe honestly wish for, but that has never been the desired goal of the people of Britain.

The Government's response to the efforts of other Governments to revive the constitution has been, in our view, truly extraordinary. As French and German leaders have proclaimed their views and sherpas have rushed round EU capitals, our Government have spent a great deal of time denying that any negotiations have been taking place. That has demonstrated neither forethought nor leadership. After the constitution's rejection there was, understandably—the Foreign Secretary referred to it—a pause for reflection. There has since been a debate about Europe's future to which the Government have made no notable contribution over the past two years.

I believe that this will go down in history as one of the great wasted opportunities for Britain to set the terms of debate on Europe's future. The federalists had seen their great achievement—a constitution for Europe, to which this Government agreed—rejected by the voters. It was clear that the goal of ever closer political union was out of tune with what many of the peoples of Europe wanted. That was the time for British leadership to push for the only model of European Union that can work for all of Europe in the long term—a flexible, open Europe. It was time to look again at some failing policies.

Today's Europe is ready, in large parts and for the first time, to listen to that alternative vision. Enlargement has profoundly changed the dynamics of the European Union. Countries such as the Czech Republic and Poland do not want ever closer political union; they have been calling for a different direction. In the Netherlands, political leaders have reflected deeply on the referendum result and the relationship between the European Union and the nation state. Yet instead of taking the lead, the Government have buried their head in the sand for most of the past two years. On Sunday, the Foreign Secretary said on the BBC that she now finds the prospect of the summit "nerve-wracking"—not something to strike terror into other

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countries' negotiators, I am afraid. This should have been a time for a confident British Government to give a lead to those who question the need for a new treaty.

Michael Connarty (Linlithgow and East Falkirk) (Lab): I thought that the right hon. Gentleman would expand on exactly what constitutes an open Europe before moving to personal attacks. I respect the right hon. Gentleman's views and he knows that I like his writing, too. Are you saying that you wish to repudiate the Single European Act and Mrs. Thatcher's work in Europe? Is that what you mean by going back?

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I am not saying anything. I am sure that the hon. Gentleman means the right hon. Member for Richmond, Yorks (Mr. Hague).

Mr. Hague: No, I do not repudiate the Single European Act. I do not make personal attacks on the Foreign Secretary; I merely make personal teasers now and again, simply to pick up on her comments from time to time. I am not one for personal attacks.

I emphasise to the hon. Gentleman that there is a strong case—which I have set out in lengthy speeches; I am happy to send him copies—for a more open and flexible model of the European Union, which allows some powers to come back to the nation states of Europe and some powers to pass down from the European Union to the nation states. The Czech Government are asking for that in proposing their flexibility clause. There is a different model and this country should be its champion.

Angus Robertson: Will the right hon. Gentleman clarify the Conservative party's position on fisheries? It has done a flip-flop on its policy on that subject in the past 12 months. Is it in favour of withdrawing from the common fisheries policy? That was the position just over a year ago.

Mr. Hague: We want great change in the European Union's fishing policies because the CFP has been a disaster environmentally and economically. We have ruled nothing out in the way in which we achieve those changes. We will have more to say about that in future.

Ms Gisela Stuart: I agree with some of the right hon. Gentleman's ideas on the way to create a reformed European Union. When did his party leader last discuss them with Mrs Merkel?

Mr. Hague: My right hon. Friend will have discussed them when he met Mrs Merkel during the leadership election. I discussed them with her when I met her in Berlin last year. My right hon. Friend discussed those plans with other European leaders such as Mr. Sarkozy, who has since become the President of France. There is no shortage of discussion between the Conservative party and European leaders. Indeed, those discussions moved Mr. Sarkozy to send a good wishes message to the Conservative party conference last year. The hon. Lady need not worry about such matters.

Mr. Hands: I agree with my right hon. Friend that the Government have had their heads in the sand. That is especially true in recent weeks, when according to the diary of the *Bundesregierung* website, Mrs Merkel held one-to-one meetings with the Polish leader—on 15 May—the French leader, the Danish leader and the Swedish leader, and also had discussions with Ireland, Belgium, Italy, Hungary, Lithuania and so on. Meanwhile, our Prime Minister has been on a legacy tour and failed to stand up for Britain's interests when he was most needed in the past six weeks.

Mr. Hague: My hon. Friend makes the fair point that the farewell tour has distracted the Prime Minister.

Margaret Beckett: Let me make two points. First, extensive conversations have taken place on the telephone—which exists—between the German Chancellor and my right hon. Friend the Prime Minister. Secondly, the right hon. Gentleman might have noticed that the Prime Minister attended the G8 meeting.

Mr. Hague: Now we know that conversations have taken place, but they are distinct from negotiations in the Foreign Secretary's world. Earlier, she said that discussions had taken place about the future of the constitution, and now she says that there have been conversations. That sounds suspiciously like negotiations, which she denies, to the rest of us.

Mr. Tobias Ellwood (Bournemouth, East) (Con): My right hon. Friend refers to conversations and discussions, but we require action. It was noticeable that the Foreign Secretary was unable to give an example of what she has done during her tenure and Great Britain's presidency. Does my right hon. Friend agree that the Government could have achieved the introduction of a common European gas market, which would have helped control gas prices in the UK, especially given that Russia has an increasing influence over prices?

Mr. Hague: That is another thing that people may seek. I do not claim that the Government have achieved nothing. Under the German presidency, with our Government's encouragement, an important achievement, to which the Foreign Secretary referred, was made at the European summit a few months ago on climate change. However, on constitutional change and the run-up to the summit, the Government have not made the case for an alternative vision of the future of Europe.

Several hon. Members *rose—*

Mr. Hague: The debate is becoming a Conservative party Question Time, which is premature, although it will be necessary in future. I shall therefore give way only once or twice again.

Mr. Charles Kennedy (Ross, Skye and Lochaber) (LD): The thrust of the right hon. Gentleman's critique of the Government is rightly the proper use of British influence. If, in due course, he found himself occupying the post of Foreign Secretary and exercising powers and authority on behalf of a future British Government, his early days would be dominated by his leader's wish

to withdraw from the European People's party and cast the new amorphous and intriguing group that might emerge from the British Conservatives in the European context. Will he give us a wee update on how he is getting on with that interesting scenario?

Mr. Hague: Speaking of amorphous groupings, I do not know whether the right hon. Gentleman is one of the Liberal Democrats who is looking to be in the Cabinet next week. That grouping would be very amorphous. Perhaps his interest in how a Foreign Secretary should behave is partly motivated by those negotiations.

Mr. Kennedy: For the record, given that we are both former leaders, I am delighted to say that answering such questions is now well above my pay grade, as it is above the right hon. Gentleman's.

Mr. Hague: I see. The right hon. Gentleman's successor as party leader might agree to his joining the Cabinet. That is especially interesting. The Conservative party's commitment to forming a new group in the European Parliament with our Czech colleagues in 2009 is categorical. I am sure that the right hon. Gentleman will show even more interest in it at that time.

Mr. Frank Field: The shadow Foreign Secretary has made much of an open Europe policy, which devolves power downwards. Does he accept that there are instances when power should be centred in Europe and that the way to build a new Europe is on an agenda such as climate change, on which there is agreement in Europe that sovereignty sometimes needs to be given to a greater authority? That is the way to build a new Europe—on an agenda of genuine issues rather than the theoretical basis with which the bureaucrats endlessly confront us.

Mr. Hague: I largely agree with the right hon. Gentleman. Climate change should form an important part of building a genuine European agenda. However, he should not believe that that means that more power should be located in the European Union. The Foreign Secretary told the European Scrutiny Committee last week that everything on climate change

"can all be done, is being done and has been done within existing treaties."

That is the way to proceed. Institutional change is not required.

Mr. Cash: I am much encouraged to hear my right hon. Friend say that we want some repatriation of powers, which is crucial. However, that poses the question of how we can achieve that, because we also want to achieve economic competitiveness. If we could not achieve our objectives through negotiation with other member states by tackling the problem through invading the acquis, will he reconfirm the party's vote last year on the Legislative and Regulatory Reform Bill, in this House and in this House of Lords, to override the European Communities Act 1972 when necessary and require the judiciary to obey the latest inconsistent Act of the Westminster Parliament?

Mr. Hague: In that vote, we simply recognised what we understand as the constitutional position, which the Prime Minister restated last week: that the House has ultimate sovereignty. However, it is not necessary to expand on that further today.

The Government are again faced with substantial parts of the constitution, which they privately but forlornly hoped would go away if they said nothing about it. The German presidency's approach was spelled out in the questionnaire that it sent to European capitals a few weeks ago. It referred to preserving the substance of the constitution while making the necessary presentational changes. Such an approach is a profound mistake. I think that the Foreign Secretary believes that it is a mistake. As the Laeken declaration in December 2001 recognised, the crucial question is how the EU can be brought closer to its peoples. There can be no surer way of worsening the democratic deficit and disconnection between EU institutions and peoples than ignoring the verdict of the voters.

There are those who say that the EU is a project pushed forward by a political elite who do not care what ordinary people want because they think they know better, so what better way to confirm that argument than by saying that if the people democratically reject the EU constitution, we will just bring it back with a few presentational tweaks? If people do not feel ownership over the EU, they will steadily turn against it, which would not be in Britain's or Europe's interest. Further political integration must have the people's permission. In our view, political integration has already gone too far. Either way, however, it should be for the British people to decide.

The Prime Minister appeared to recognise that when he agreed that there should be a referendum on the EU constitution. He famously discovered his reverse gear—we all watched him doing it in the House in April 2004—by saying, "Let battle be joined". With the zeal of a convert, he gave cast-iron assurances that the British people would have their say. During the general election campaign, he told *The Sun*:

"We don't know what is going to happen in France, but we will have a referendum on the constitution in any event"—

and that, he told *The Sun*, was "a Government promise". He went even further by saying:

"What you can't do is have a situation where you get a rejection of the treaty and then you just bring it back with a few amendments and say we will have another go."

The Government have absolutely no democratic mandate to bring in parts of the constitution without a referendum of the British people. That is why, if there is a new treaty that transfers competences from Britain to the EU by bringing back parts of the constitution, we are clear that there must be referendum. That must apply whether the transfer of competence is handed over on day one of the new treaty or whether a ratchet effect is initiated that will see power shift to the EU as decisions and judgments are made over the years.

The Minister for Europe (Mr. Geoffrey Hoon): Did the Maastricht treaty transfer competences to Brussels?

Mr. Hague: It most certainly did, and I shall make three points here. First, the Minister is clearly trying to make a point about consistency. He will recall that

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Labour MPs voted for a referendum on that occasion, so the argument about consistency can be made either way. Secondly, I remind the Minister that the most important thing in the treaty was the provision to join the euro if the Government wished it in the future—and on that, the Government of the time offered a referendum. Thirdly, I put it to the right hon. Gentleman that the situation is different now from what it was 15 years ago because the arguments have changed and the peoples of this and other countries have moved on in their belief that political integration has now gone far enough. That is why further political integration requires their democratic consent.

Kate Hoey (Vauxhall) (Lab): I was one Member who voted against the Maastricht treaty and who wanted a referendum. Does the right hon. Gentleman agree that it might help Labour Members who want a referendum if any changes are made to give more powers to Europe if he admitted that sometimes the Conservative party as well as the Labour party can get it wrong? Perhaps the Conservatives were wrong not to allow a referendum on the Maastricht treaty.

Mr. Hague: I readily admit that politicians of all parties get things wrong, but I would have to give longer thought to the particular question of whether we were wrong about Maastricht. As I said, however, the consistency argument can be levelled against the Minister for Europe, but the hon. Lady has made her point.

The Government's position on whether there should be a referendum is more than a little unclear, and the Foreign Secretary has just added a twist to it in her speech. Perhaps the Minister for Europe will be able to expand on it when he winds up the debate. The Prime Minister has said that there will not be a referendum on the treaty. The Foreign Secretary said a few days ago—despite having stood on a manifesto promising a referendum—that she preferred a model of Government without referendums. I believe that she said yesterday to the Select Committee that we would be able to tell on Monday whether it would be necessary to have a referendum, but today she has said that the Government will not agree to anything that requires a referendum in their judgment, which means, of course, that it will not be necessary to work anything out on Monday. There are several contradictory statements there.

The Chancellor has said that we will have to wait and see and the Minister for Europe, who is now being touted as the Chancellor's close ally—I have to tell him, however, that the Chancellor has about 330 close allies on the Government Benches at the moment, all hoping for what the right hon. Gentleman is hoping for next Thursday afternoon, namely, a telephone call with encouraging news—says that it will all depend on the final package. What is the Government's view? Will they keep or break their promise? Will they let the British people decide or will they try to ignore them?

While they are at it—again, the Minister could deal with this in his winding-up speech—can someone in the Government clear up another intriguing point in their position? Both the Prime Minister and the Foreign Secretary have made much of the fact that the new treaty will not have the "characteristics of a constitution", but what are those characteristics? The Government have persistently refused to say what those characteristics are. It is wholly illogical to claim that a treaty does not require a referendum because it fails to pass the test of characteristics, and then be totally unable to say what that test is. That is wholly of a piece with the Government's utterly confused and disjointed approach to this matter.

The Government have had eight different policies in the past seven years. In 2000, the Prime Minister explained:

> "It is perhaps easier for the British than for others to recognise that a constitutional debate must not necessarily end with a single, legally binding document called a Constitution".

In 2002, he said that

> "we do need a proper Constitution for Europe".

By 2003, the current Northern Ireland Secretary was saying it was just a "tidying-up exercise", and not important enough for a referendum. Later that year, the Prime Minister said that holding a referendum would be

> "a gross and irresponsible betrayal of the true British national interest"—

in other words, it was too important to hold a referendum on this issue. Despite that, he was soon in favour of exactly such a referendum to resolve "once and for all" where Britain stood in Europe. It was "time to decide" what was "our destiny", so we should let "the issue be put".

Yet that vital statement of mission and purpose went the way of every previous statement on this subject. It was as if Nelson had said:

> "England expects every man to do his duty"—

but then said, "On second thoughts, perhaps not, as we might do this in a few years' time or forget it altogether". Now, the Prime Minister says, having agreed to the constitution then, that we do not need a constitution after all and that we must "listen to the people", which apparently means not asking them what they think. We now find that the constitution, which he had described as a "success for Britain" needs four "major changes", without which Britain will veto the new treaty, although there is no explanation of why these red lines were apparently not a problem when the whole thing was negotiated the first time round.

The Government have had so many positions that they are now recycling the old ones. On Sunday, the Foreign Secretary told the BBC that the whole business was intended to "tidy up the rule book", taking us back to the position of the Northern Ireland Secretary four years ago. That is the consistency, vision and backbone of a jellyfish. That is what we have had from the Government in recent years.

Mr. Nick Raynsford (Greenwich and Woolwich) (Lab) *rose—*

Mr. Hague: As the Prime Minister's former chief economic adviser said the last time the constitution was on the table:

> "The Government never saw the discussions on the Constitution as an opportunity to stand back and think clearly about the appropriate political and economic framework to sustain the EU... the Government's response was tactical rather than strategic"—

and nothing has changed since.

Mr. Raynsford *rose—*

Mr. Hague: I really must proceed, but I may give way one or two more times later. It is already becoming a long speech.

Instead of accountability, we have had desperate secrecy. Never before have I known three chairmen of Select Committees, all from the governing party, express such strongly and similarly worded frustration over the Government's behaviour. The Chairman of the European Scrutiny Committee has called it "non-transparency". The Chairman of the Foreign Affairs Committee has had to write to the Foreign Secretary to complain of the

"failure of accountability to Parliament".

The Chairman of the Home Affairs Committee has pointed out that the Government have refused to say what position, if any, they have on the vital issue of whether criminal justice should be moved from the intergovernmental third pillar to full Community competence.

Indeed, when the Foreign Secretary told the European Scrutiny Committee last week that

"nothing that you could really call negotiations has taken place",

we could not work out whether she had been kept so utterly out of the loop by the Prime Minister that she simply did not know what was going on, or whether she had a completely different understanding of the word "negotiate" from the rest of us. That very day, the French President told reporters how he and the Prime Minister had agreed the basis of a new treaty and the German Foreign Minister informed MEPs in Brussels how near to a conclusion he had brought the talks. Was that position reached without the Foreign Office being involved in any negotiation of any kind? That is an alarming thought, if it is true.

When the Prime Minister set out his so-called red lines on Monday, it was the first time that Parliament or the British public had heard what the Government's view was. Indeed, it must have come as quite a surprise to the Foreign Secretary, who told the European Scrutiny Committee that nothing was going on at all, and that in any case

"the less I say about what we might in principle accept and what we might not, the more I preserve the maximum amount of negotiating space to resist anything that I think is not in Britain's national interest".

The Prime Minister took a different view on Monday. His remarks deserve serious scrutiny, because what he did not mention was more significant than what he did. He said nothing about the proposed permanent EU President, nothing about a single legal personality for the EU, nothing about the proposed primacy of EU law over our laws, and nothing about the hugely important points buried in the small print of the original constitution. He said that there would be no qualified majority voting on any provision that

"can have a big say in our own tax and benefits system".

So would qualified majority voting that had a small say be all right? Will the Minister enlighten us on that when he winds up the debate?

The Prime Minister said that he would not agree to anything that

"displaces the role of British foreign policy".

So why not put the case earlier that the Foreign Secretary, evidently uncomfortably, had to put to Foreign Ministers a few nights ago? She put the case against qualified majority voting and against an EU Foreign Minister having a diplomatic service in the European Union. The Prime Minister also said that he would not accept a treaty that allowed the charter of fundamental rights to change UK law. But would it be acceptable to give the charter legal standing so that it could change EU law, which would ultimately affect this country? He said that he would not agree to give up our ability to control our common law and judicial and police systems. Does that mean that the veto over criminal justice will be kept and that, crucially, criminal justice will remain in the intergovernmental third pillar?

It has taken weeks, while other Governments have staked out positions, proposed new articles and campaigned for their views, for our Government to set out their so-called red lines, four days before the summit itself. Those red lines turn out not only to be red herrings but, on examination, to prove to be so carefully phrased by the Prime Minister that he could sign up to an EU treaty that transferred substantial powers to the EU and enacted much of the constitution and yet not breach his four red lines. The Prime Minister could give the charter of fundamental rights legal standing, move criminal law to Community control, and agree to a Foreign Minister in all but name with an EU external action service and European embassies, a permanent President of the Council, a common asylum policy, widespread extension of qualified majority voting elsewhere and a broadening of EU competence over employment policy—and still say that his red lines had not been breached. Those so-called red lines in the sand are but chaff thrown up to con the British public that the Government want simply to defend the British national interest, when their central priority is to avoid holding a referendum at all costs.

The Foreign Secretary gave the game away when she said that any treaty that, in the Government's judgment, required a referendum would not be signed. The idea is that the great leader will go forward on behalf of the British public, and that we do not have to worry because he would not sign anything—would he?—that would require the people to trouble themselves with casting their vote. That is a patronising attitude towards the electorate and a breach of the Government's election promise.

Mr. Raynsford: As the right hon. Gentleman has been making a point about the importance of clarity, will he tell the House whether his party would seek any changes to the present framework in Europe and, in particular, whether it would seek a referendum on the proposal made by the hon. Member for Gainsborough (Mr. Leigh) that we should reconsider our membership of the European Union?

Mr. Hague: No, I do not agree with that and will not be proposing a referendum on that subject, either now or at the next general election. We have put forward our preferred model for the development of the European Union—the right hon. Gentleman will be added to the list of Members to whom I must send my seminal

[Mr. Hague]

speeches on these subjects—and I could go on about it at even greater length than I have been doing. However, the immediate issue at hand is what will happen tomorrow and on Friday at the summit.

If we had a Government with a clear vision for a modern Europe, the negotiations at the summit would present not only challenges but opportunities. The Foreign Secretary has mentioned one or two of the relevant points. The Dutch Government have proposed giving national Parliaments the right to block legislation that breaches the principle of subsidiarity. For far too long, and to the deep frustration of many on both sides of this House, this important principle has had no proper enforcement mechanism. The Dutch proposal at least attempts to provide it with an effective one and we urge the Government to support it, and not just to treat it with sympathy, as the Foreign Secretary said a little while ago.

The Czech Government have proposed a flexibility clause that would allow member states to return powers to national control where appropriate. For far too long, the EU has been a one-way ratchet, taking powers from member states but unable to return them. We hope that the Government will support the Czechs on that imaginative proposal. Perhaps they should have put forward the proposal with the Czechs and campaigned for it across Europe.

The Government declare themselves neutral on the question of voting weights, but I am not sure that Ministers have entirely thought the German proposal through. In particular, the new system, with its exact correspondence between population and voting weight, will make it harder to admit large but poor countries into the European Union. Indeed, some suspect that it was devised with that purpose in mind. Given the fundamental importance of the goal of Turkish membership of the EU, that area needs to be considered very carefully indeed.

However, the biggest omission of all by the Government is that they have missed the opportunity to say what I suspect the Foreign Secretary believes, namely, that we do not need a new treaty for Europe's countries to act together. It is simply not true that a Europe of 27 is not working with the old rules. As the Foreign Secretary has admitted, the EU is coping perfectly well without new rules.

Yes, the Prime Minister should go to the summit saying that no deal is better than a bad deal—but he should also have been saying for a long time that the time for political integration is over, and that the time to look outwards to the great challenges of global warming, global poverty and globalised competition must begin. The EU's focus should be on practical issues that matter—a point made earlier by the right hon. Member for Birkenhead (Mr. Field)—such as success in the world trade round, going further with the single market and improving the emissions trading scheme to create long-term incentives for business to invest in green technology. Those should be the priorities and we do not need a treaty to accomplish them, as the Foreign Secretary has made clear several times.

The Prime Minister should point out those facts to some of his colleagues. He should be advising other leaders to respond to the unhappiness in their own countries, rather than choosing to ignore it in his own. He should be saying that Britain does not support a revived constitution. If he did these things, and if he had done them over the past two years, he would at last, in Europe, have something that he could call a legacy.

Several hon. Members *rose—*

Mr. Deputy Speaker: Order. I must remind the House that Mr. Speaker has placed a 12-minute limit on Back-Bench speeches, and that that operates from now.

1.48 pm

Michael Connarty (Linlithgow and East Falkirk) (Lab): I should like to say to the right hon. Member for Richmond, Yorks (Mr. Hague) that if he wishes to send me any of his writings, he should not send me anything that I can read in *Hansard*, because I have already read those, and I am not convinced that he is not still just playing the game. If he were ever to become Foreign Secretary, he might take a more positive view of the need for an amending treaty—or a number of amending treaties—to allow Europe to continue to advance.

The right hon. Gentleman talked about the backbone of a jellyfish, and about the need for the Government to be responsive and reflective. As the Chair of the European Scrutiny Committee, I believe that we have made remarkable strides in the past two years. Perhaps there was not a dialogue or a conversation, but there was certainly one-way traffic from those of us who did not think that the convention would bring in a proposal for a constitution, which was unnecessary, and that what should have been proposed was an amending treaty. That would have taken on the recommendation in the Laeken proposals to get closer to the people of Europe.

I would like to see the introduction of a red card. Such a card would be held not by the Government using the Whip, but by Parliament, where we could have a free vote on whether to demand that something be taken back by the Commission. There is now talk of an orange card being added to the yellow card. Anything better than a white card will suit me. The role of Parliaments should be strengthened with regard to the decisions that should be taken at this level under subsidiarity. I do not mind whether that involves repatriation on an item-by-item basis or a method of preventing the Commission from creeping—a term I use often—even further along with its proposals.

I am concerned that those who are demanding a referendum are not really debating the constitution proposals, but are trying to portray the European Union, as it currently stands, as a malevolent force. I do not see the European Union as a malevolent force, and I am sure that the shadow Foreign Secretary does not, although some of his Back-Bench colleagues might. I see it as a positive arrangement. It does need amendment, and he is wrong to think that an amending treaty is unnecessary. It is clear that the Commission is too large, and that the proposal to bring a series of presidencies into one consistent presidency title and process works. Recently, we went to Germany

and then Portugal to see the informal troika arrangement. Rather than distinct changes from presidency to presidency, a consistent synergy and purposefulness can be achieved from one presidency to the next over five presidencies. The proposal is similar to that whereby the European Parliament renews its officers after a two-and-a-half-year term.

Mr. Robert Goodwill (Scarborough and Whitby) (Con): Will the hon. Gentleman give way?

Michael Connarty: I will not take interventions at the moment.

We need to consider seriously whether we would accept an amending treaty if the constitution is not introduced.

I agree that those who spend time in either the European Parliament or the European Commission have a tendency to go native. Perhaps those who get tied up in European Council meetings also move increasingly close to the Commission's view. We must find a way of countering that, and the concept of a stronger card than a yellow card would deal with that. Clearly people went native on the convention, which was taken over by Giscard d'Estaing and other powerful figures and members of the Commission. They produced a treaty for a constitution, which was not what we thought they were setting out to produce. That has since been repudiated by the members of the convention from this Parliament—both the member representing the Opposition, who signed up to an amended treaty, and the member representing the Labour Benches. Questions have also been raised about whether the then Minister for Europe has doubts about what he signed up for. I could not necessarily be accused of undergoing that process, either at the time or afterwards. Last week, in a speech on the future of Europe, I said:

"The UK"—

both Parliament and people—

"will not be lectured, hectored or bullied"

into signing a treaty detrimental to the people of the UK.

We should pause to consider some facts. Many people outside do not necessarily understand the matter being discussed, and they are confused by the language that we use. People might want to read a good note in the Library about the concept of treaties. There is only really one treaty—the treaty of Rome. Every other treaty has merely amended the treaty of Rome. Even the treaty of Amsterdam—which changed all the numbering of the original treaty of Rome—and the Maastricht treaty were amending treaties. The treaty proposed by the convention, however, would have been different. It would have been a new treaty, because it collapsed all other treaties and proposed a constitution. People reacted against that more than anything else.

Even the shadow Foreign Secretary talked about EU law, but my understanding is that there is no EU law; there is EC—European Community—law. All the directives and regulations are EC directives, not EU directives. If the hon. Member for Stone (Mr. Cash)—he has left the Chamber quickly, probably to attend my Committee—is correct that the EC is to be changed to the EU, that would be a significant and fundamental matter, which I have not heard addressed by those on our Front Bench or anyone with whom I have debated the issue over the past couple of years. I would like that to be clarified.

What made the constitutional treaty a constitution were the fundamental points addressed by the Prime Minister. It is irritating that we have not been able to have an open dialogue during the period of reflection of the past couple of years. At the Liaison Committee, the Prime Minister made clear what he believed those points were. I am sorry that the shadow Foreign Secretary did not think that that changed the nature of what is proposed from Europe. Those with whom I have debated the issue in the European Parliament, COSAC meetings and future of Europe debates are certainly of the opinion that if the four points referred to by the Prime Minister are taken out, it will not be the constitution that they voted for. They do not want us to take those points out, but they should be taken out.

The Prime Minister made the position clear:

"What it does not need is a Constitutional Treaty or a treaty with the characteristics of a constitution, to put it in the words that the Dutch have used."

He continued:

"First, we will not accept a treaty that allows the Charter of Fundamental Rights to change UK law in any way."

Other countries want that and have spoken strongly in favour of it. If UK law is not affected, we should not stand in the way of those countries, because, as I think the shadow Foreign Secretary was saying, other countries have the right to make their decisions independently and to sign up to them.

The Prime Minister went on:

"Secondly, we will not agree to something which displaces the role of British foreign policy and our foreign minister."

It is wrong to hold out as a threat the idea that those doing peacekeeping on behalf of the EU in, I think, 16 countries, should not be supported by some kind of bureaucracy that allows them to continue such fundamental work. That should not replace ours, or our seat at the UN, and the Prime Minister has made it clear that he would not allow that to happen.

The Prime Minister continued:

"Thirdly, we will not agree to give up our ability to control our common law and judicial and police system."

That means that justice and home affairs, as recommended by the Home Affairs Committee, should not be transferred from the third to the first pillar, and should not therefore become subject to qualified majority voting. That is fundamental.

The Prime Minister went on:

"Fourthly, we will not agree to anything that moves to Qualified Majority Voting, something that can have a big say in our own tax and benefit system".

In other words, we still have the veto. He made the position clear:

"we must have the right...to determine it by unanimity."

Those four fundamental changes have been the result not just of the comments made by Opposition Members but by members of the European Scrutiny Committee, the Foreign Affairs Committee and like-minded people across the Chamber. I hope that that will change fundamentally the outcome of the Council

[Michael Connarty]

meeting. If so, we will be talking not about a new constitution but about another amending treaty to the original treaty of Rome, which does not do any of the threatening things that the shadow Foreign Secretary has suggested. If he were in the Government and negotiating, at any time in the future, with his European counterparts, I am sure that he would agree with most of the common-sense proposals left in the original treaty. Some of them could be stripped out, and some of them, especially proposals relating to the power of parliaments, as opposed to the power of Executives, could be strengthened; I would certainly support that.

The institutional changes might founder on the Polish problem. When Poland signed up to the treaty of Nice, it was given a great deal, whereby it would have 27 votes, and Germany would have 29. Of course it signed up to that. It was rather strange that the convention then brought forward a proposal that would give Germany twice as many votes as Poland. How can one ask a country to enter a new system, and then change the voting balance? A wondrous system has been suggested whereby the number of votes a country has should be based on the square root of its population. Actually, it is quite simple: if Germany had nine votes, the UK would have eight votes, and Poland would have five and a half—alternatively, those countries would have 18, 16 and 11 votes respectively.

We need to deal with those institutional matters to get a solution. Agreement should not founder, however, on the myth that if the four fundamental parts of the amending treaty are taken out, a referendum will be required. I do not like referendums; they are not a sensible part of the system of government of this country. We have a liberal press, who would run the referendum according to what they thought the conditions were. With the best will in the world, even people like me, who are Euro-anoraks, could not make people understand the complexities of what we were voting on. It would be an emotional vote.

I hope that people will stop all this posturing, and wish the Prime Minister well in the coming Council. I hope that he will get an amending treaty that will safeguard Britain's position, and I shall certainly support him in that.

2 pm

Mr. Michael Moore (Berwickshire, Roxburgh and Selkirk) (LD): Our debates on European affairs are among the most reliable features of the parliamentary calendar—reliable in that they turn up on schedule twice a year, and reliable in the predictable way in which they unfold—and that comforting familiarity has been on display in the Chamber again today.

With a few topical flourishes, today's debate so far has been almost a rerun of the many debates on Europe that littered the period before and after the constitutional treaty finally appeared on the scene in 2004. It has been characterised by precious little being given away by the Secretary of State, save hints at red lines that have been well trailed in the media, and precious little being held back by the shadow Foreign Secretary, the right hon. Member for Richmond, Yorks (Mr. Hague), who demanded that pretty well anything resembling a treaty—let alone a constitution—should merit a referendum. The hon. Member for Linlithgow and East Falkirk (Michael Connarty) made a characteristically robust speech.

I make no apologies for entering into the spirit of the afternoon by going over some old ground myself. However, as we have also observed today, there are topics other than the amending treaty that deserve some of our attention, and I hope to touch on one or two of them later.

This year marks the 50th anniversary of the treaty of Rome. Whatever our thoughts about the future, we ought at the very least to reflect on that, and on what has been achieved in the interveming time. In the course of the expansion of the European Union from six to 27 member states, communist and fascist states have been transformed, and the risks of war within Europe have been largely put behind us. Democratic values and institutions have been the priorities for many countries striving to join the European Union, and those values have become entrenched once the countries have joined. Similarly, their prosperity has increased many times as they have become embedded in Europe's trading system and economy of nearly 500 million people.

Over the last five decades Europe has learnt to work as a whole, and to tackle problems that are beyond the control of individual countries. In an era of globalisation, climate change and international terrorism, the requirement for countries to work together has not dimmed. Britain has been a beneficiary of that co-operation, not least in dealing with terrorism. We should remember that one of the suspects involved in the failed attempts to bomb the London Underground two years ago was extradited from Italy within days of his arrest in Rome. Such a fast-track process has only been made possible by co-operation in justice and home affairs. It is just one example of the importance of being part of the European Union. Rather than displaying the ambiguity of some in the Labour party or the barely concealed antipathy of many Conservatives, the Liberal Democrats' approach recognises the importance of the European Union and the importance of the United Kingdom's playing a full part in it.

Mr. Goodwill: The hon. Gentleman spoke of new European member states putting aside some of their communist and fascist past, but does he not agree that in countries such as Italy, Austria and Poland, proportional representation has allowed political views of that kind to rear their ugly heads again?

Mr. Moore: I do not wish to be distracted into a debate on voting systems, tempting as that might be. The point is that by embracing those countries within the European Union, we have strengthened their democratic traditions and the values that underpin their Governments and way of life in this modern era.

It is now some two years since the French and Dutch referendum votes cast Europe into what was politely termed its "period of reflection". The Liberal Democrats welcome the German presidency's efforts to leave behind that period of doubt and uncertainty, particularly as the recent accession of Romania and

Bulgaria has only emphasised the inadequacy of the current institutional arrangements. However, we need to move beyond the current navel-gazing: the time has come for the Union to refocus on the real tests in Europe and abroad. Globally, the EU's combined political and financial clout should be used to tackle global problems, not least in furthering international development as a force for good in the fight against poverty.

Kelvin Hopkins: The hon. Gentleman suggested that the European Union could do better in the world as a collective than as a group of individual states. Surely that does not apply to aid, in respect of which Britain, for example, does a much better job than the European Union. Is there not a case for saying that although some of the very strong countries such as Germany, France, Italy, Britain and many others could work as a loose collective if they needed to, individually they can do tremendous work in the world, and indeed may be held back by the restrictive nature of the European Union?

Mr. Moore: I respect the hon. Gentleman's view, but I do not agree with it. I acknowledge that difficulties that may arise, but I believe that when countries can work together they can get more from their pound or euro than they necessarily can on a bilateral basis.

Europe needs to accept that it must enhance its capabilities on the global stage, and it needs to look carefully at the way in which it does that. In the context of the growth of India and China, Europe still has much to do to address the economic disparity among its member states, and to complete the single market in line with the objectives of the Lisbon agenda. Those are some of the real challenges for Europe and its leaders—challenges that affect everyday lives in our constituencies and those of our European counterparts. It is on those issues that people look for action, not constitutions and their associated trappings.

To deal with those key issues, however, we need a new institutional settlement. It is unsustainable to continue arrangements designed for a Union of six nations when there are now 27. There are obvious areas crying out for reform. For a start, it is essential for the principles of conferral, subsidiarity and proportionality to be put explicitly at the heart of the Union and its operation. We desperately need to tackle the lack of transparency in the institutions, and to clarify the roles of European and national Parliaments.

It is pretty obvious that the Union needs more continuity and direction in delivering its agenda, so it makes sense to replace the six-month rotating presidency with a longer-lasting arrangement. Equally, the large—to an increasingly embarrassing degree—Commission creates unnecessary bureaucracy, and should be slimmed down to create a more efficient and effective body. There is surely no disagreement about the fact that we need more efficiency, effectiveness and transparency in the Union. The need for institutional reform should unite us all. If only!

Three years ago we supported the constitutional treaty as a package that was, on balance, in the interests of Britain and the European Union as a whole. The treaty was certainly not perfect, however, and it raised important constitutional questions. Indeed, we believed that it contained some measures that altered the balance of power between the Union's institutions and the member states sufficiently to require a referendum.

There are many reports on the current state of negotiations on the successor treaty, but we do not know for certain what will be presented at the Council meeting this weekend. The Foreign Secretary repeated today what she has said in the past—that she will not reveal her negotiating position in public—but as the shadow Foreign Secretary observed, not everyone has been quite so discreet. The Prime Minister and the Chancellor have allowed the media to know their views, which have been well trailed by Members who have spoken today. They are all perfectly valid, but there is a rather hackneyed feel to them. That is not surprising, as they bear more than a passing resemblance to the red lines that were set out—and not breached, the Government told us, thanks to opt-outs and emergency brakes—in the original constitutional treaty. It is surely more than a little implausible that a mini-version of that treaty will seek to breach them now. As the shadow Foreign Secretary said, the red lines could more honestly be described as red herrings.

Mike Gapes: The hon. Gentleman referred to his party's previous position of support for a referendum on the constitutional treaty, but he also said that the current situation was not yet clear. Has he seen the draft intergovernmental conference mandate document produced by the German presidency? It would change some aspects of the constitutional treaty's proposals. If he has seen that document, does he believe on the basis of it that the Liberal Democrats will still support a referendum?

Mr. Moore: The hon. Gentleman tempts me into dangerous territory. I have seen the mandate—it has been kicked around—and there are many different interpretations of it. As I will come on to say, we will do best to wait and see the actual documents before making judgments, rather than get ahead of ourselves.

If the outline—or the detail—of an amending treaty emerges from the summit this weekend, that will be welcome. Of course, if the Government do not succeed in their declared aim of much reducing the scope of the treaty, we will have to consider carefully how it should be ratified. We firmly believe that any significant changes, other than overdue institutional alterations, ought not to be introduced by stealth, and we will have to assess the text carefully to determine if a referendum is the appropriate way forward again. We cannot make that assessment at this stage. We will undoubtedly return to this issue time and again. We seem cursed to do so—and no doubt an excited public can barely wait.

The summit has an ambitious agenda, but we must hope that time will be found to discuss some pressing foreign policy issues. In particular, there ought to be an urgent discussion about the situation in Kosovo. Some eight years have now passed since NATO intervened to halt the murderous campaigns by Serbia. The "transitional arrangements" which were put in place then are now unsustainable. As many others have done, I visited Kosovo earlier this year, and the tension there was obvious. It is clear that the desire for independence

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and autonomy cannot be contained indefinitely. If there is no progress, there is a genuine risk of a new crisis.

We know that there are difficulties in the Security Council about the way forward. There are reports in today's press about the latest initiative; perhaps the Minister will comment on that in his speech. We must be careful, particularly in the light of Russia's position. The threat of the veto remains a key obstacle. There is a danger that the carefully worked out proposals put forward by Martti Ahtisaari will be scuppered.

We have a particular responsibility to the people of Kosovo, who are fellow Europeans. The European Union is central to the future status of Kosovo. Preparations for civilian support for the Administration are already under way and any new settlement is likely to be policed by an EU mission. It is therefore imperative that the European Council agree a robust position that can withstand Russian and Serbian attempts to prevent a solution. Britain's and Europe's interests in this dispute and in the region are clear and legitimate. The intervention in Kosovo was one of the high points of the Prime Minister's foreign policy, but it remains unfinished business.

There is one other foreign policy issue that is rarely far from our minds, and which will demand time from the heads of Government this weekend. The serious and destabilising events in the occupied territories in the past fortnight have rightly already occupied some of our time in the House this week. Financial aid is essential to the ordinary Palestinians, who are most affected by these events but who have least say in them. Over the past year, aid has been severely restricted as a result of Hamas winning the Palestinian elections, with the Israelis holding back tax revenues and the European Union joining others in restricting the flow of funds through the temporary international mechanism.

There are serious problems with Hamas; we cannot duck that. In particular, its stated intent to obliterate the state of Israel is repugnant. But international attempts to force it to recognise Israel or to force it out of office have so far failed, and now the military wing of the organisation has asserted itself over the political wing. Hamas and Fatah are solely responsible for the violence of recent times, but the international community has failed to make any progress on the key Quartet principles by marginalising the political wing of Hamas.

Peace, the recognition of Israel and acceptance of previous agreements are nowhere in sight. There will have to be a new approach when the immediate priority of humanitarian aid is resolved. The United States, Israel and the European Union have already decided to restore direct funding to the Palestinian Authority and its emergency Government, which we welcome. However, the new reality in Palestine is that there are two Governments: one in Gaza and one in the west bank. Given that the emergency Government have little or no influence in Gaza, it is essential that the European Union explore ways to ensure that vital aid reaches the desperate and impoverished people there as well. That must be a priority for the European leaders later this week.

The risk of failure at this week's summit is high. Europe desperately needs to show that it has found a new direction and sense of purpose after two years of introspection. It needs to show that it can lead on the key foreign policy issues of the day. While leadership in our country is changing hands, we cannot afford to be distracted. More than ever, it is vital that the United Kingdom finally play a central part in Europe and help to make a new European Union a reality.

2.16 pm

Mike Gapes (Ilford, South) (Lab/Co-op): Last July, the Select Committee on Foreign Affairs published a report on developments in the European Union, in which we said:

"Although the Treaty is not dead, it is comatose and on life support. At some point, Europe's leaders are going to have to decide whether to switch it off. We conclude that the Treaty establishing a Constitution for Europe is unlikely ever to come into force, although attempts may be made to enact some of its provisions by other means."

The Foreign Secretary yesterday told the Select Committee that many EU countries had been in denial about the facts that we pointed out. I have to say that not every member of our Government was saying last year that the treaty was dead; there was obviously a diplomatic reluctance to say so, even though everyone in this country knew that there was no prospect of a treaty that had been rejected in France and the Netherlands being endorsed in the United Kingdom.

We are where we are, and the negotiations this weekend will be difficult. Not only have 18 countries ratified the constitutional treaty, but about three others would do so through their Parliaments if they thought that there was any point. Other Governments, including ours, are in a different situation. The French and the Dutch rejected the treaty, the Poles have a particular position and the Czech Government also have some problems. It is not only the UK that has difficulties, red lines or concerns, but it will not be easy to get agreement on the basis of what has been put forward so far.

I have read the draft intergovernmental conference mandate document produced by the German presidency and made available yesterday, and I have studied certain aspects of it. It is unfortunate that Members of this House and parliamentarians across Europe have had such a late opportunity to consider it. As I have already said, I believe that whatever comes out of the negotiations at the weekend, if it is decided that we in this country will not conduct a ratification process by means of a referendum, there must be thorough engagement by parliamentarians. I do not like referendums. I agree with Clement Attlee's remarks about devices of demagogues and dictators—a phrase that Baroness Thatcher also used in a debate in this place.

We need Parliament to be sovereign on these matters—Parliament as the expression of the popular will, able to engage in, debate and consider such provisions clause by clause. If and when we get something that can be put forward for ratification, it is essential that we have a parliamentary process leading up to the intergovernmental conference envisaged under the Portuguese presidency.

If that conference is not to be held until September, October or even November, we need to have established a mechanism in the meantime. If something tangible emerges next week, I will consult my Committee colleagues about how we can consider such a process, even through the recess. We have experience of that: the Minister for the Middle East came before our Committee last September, when the House was in recess. I cannot give an undertaking in that regard because my Committee will have to take the decision, but I certainly hope that Parliament will consider these proposals in detail before any ratification process is concluded, and before the intergovernmental conference is held. The long summer recess does present a difficulty, given that the Portuguese presidency starts at the beginning of July.

Kelvin Hopkins: Although I am absolutely in favour of a referendum, I have great sympathy with my hon. Friend's view that we should have a strong debate before any agreement is reached. However, given what happened at the end of the British presidency, when the Prime Minister at the last minute gave away a deal on the budget without reference to anybody and astonished his fellow leaders in the European Union, does my hon. Friend fear that that might happen again?

Mike Gapes: No, I am not fearful of that, because I believe that these issues have been flagged up sufficiently. I am prepared to accept the Foreign Secretary's assurance that there will be no agreement, except on the basis that she outlined. We will have to wait to see what happens next week.

We hope that we can engage in detail in this process, both up to the beginning of the Portuguese presidency and beyond. It is clear that getting such legislation through this House will not happen quickly—it must also go through the other place—so intensive debate into 2008 will, presumably, be required, taking up many hours. I remember well the hon. Member for Stafford, who is sitting on the Back Benches—

Mr. William Cash (Stone) (Con): Stone.

Mike Gapes: I apologise. I believe that the hon. Gentleman's constituency was once called Stafford and Stone.

Mr. Cash: Stafford and then Stone.

Mike Gapes: I thank the hon. Gentleman. I remember his lengthy contributions to and interventions in the various debates in 1992 and 1993, and the discussions after the Maastricht treaty. I look forward to the continuation of that tradition in this House.

I do not want to delay the House for too long, but I must say that I agree very strongly with the remarks made by the hon. Member for Berwickshire, Roxburgh and Selkirk (Mr. Moore) about the importance of the situation in Kosovo. The Foreign Affairs Committee was recently in Russia, and it is very clear to us that there is a real problem—a potential blockage of a United Nations Security Council resolution that would permit deployment of UN forces and EU police in Kosovo post any settlement. There is a danger, flagged up by the recent remarks made by President Bush in Albania, that if there is no Security Council resolution, there might be a unilateral declaration of independence. If the Americans—and then, presumably, organisations such as the Organization of the Islamic Conference and other bodies of international opinion—were to recognise that, there would be a big problem within the EU.

The EU today is united around the Ahtisaari plan, but if that plan is not to be implemented, or is blocked or vetoed in the Security Council, there is a danger that that unity will go. We know what happens when such events occur. We saw what happened in the Balkans with the premature recognition of Croatia and the consequential divisions among EU states. EU unity and a collective EU voice on these matters over the coming weeks and months are vital.

I want to touch on some related matters, such as the vital role played by Mr. Solana in developments in the Balkans and in the engagement—so far unsuccessful—with the Iranians, as well as his general work. It is undeniable that the current foreign policy arrangements in the EU are a mess. Having an external relations commissioner as well as a representative of the Governments is confusing. The draft German treaty has an interesting formulation. It states:

"The terminology used throughout the Treaties will reflect"

the change, and

"the term 'Constitution' will not be used, the 'Union Minister for Foreign Affairs' will be called [XXX]"—

there are not four Xs, only three. We therefore have to find out what that denomination will be. In evidence given to our Committee yesterday, the Foreign Secretary that it might be very sensible not to call that person a Foreign Minister; otherwise, when they go on missions to different countries, they would be seen only by the Foreign Minister concerned and not by, for example, Mr. Larijani in Iran or another such person at a higher level.

However, there are more serious points relating to the external affairs representation of the European Community. Last year, the Foreign Affairs Committee was very critical of the fact that while the Foreign Office's budget was being frozen, the EU seemed to be establishing "embassies" in a number of areas around the world and representatives who were called "ambassadors". The EU clearly needs a presence in different countries—an office—but it does not need a fully fledged, bureaucratic and massively staffed foreign ministry. Such a presence raises very difficult issues and, for various reasons, it is not helpful. It might be of benefit to some of the smaller EU countries that are not themselves able to have diplomatic representation everywhere in the world, but it will create great difficulties for larger countries, and particularly for those—including us—who are permanent members of the Security Council, and who have Commonwealth networks and other international roles.

When the Minister replies to this debate, I hope that he can clarify the Government's position on the external service of the European Union; on the role and title of "XXX" and how that post will be seen in future, including in relation to the work carried out by individual Governments; and on the permanent presidency of the Council of Ministers, if that post is

[Mike Gapes]

also to be established. I am grateful for the opportunity to speak on these matters today, and I hope we will have further such debates in the very near future.

2.28 pm

Mr. David Heathcoat-Amory (Wells) (Con): These Europe debates are not simply formulaic; they are about the powers of this House and, by extension, of the people we represent. There has been a transfer of power, authority and decision making from this House to the European Union over many years, but if this constitution, as amended by the German proposals, goes through in anything like this form, it will be a giant step—a further emasculation of the powers of this House and an erosion of national self-government.

Mr. Quentin Davies (Grantham and Stamford) (Con): Will my right hon. Friend give way?

Mr. Heathcoat-Amory: Will my hon. Friend allow me to develop my argument a little further?

Of course, there should never have been a constitution in the first place. The Government did not want one, and Governments of other member states never called for one. The Convention on the Future of Europe, on which I had the honour to serve and to try to represent the interests of this House, was not told to write a constitution for Europe. We were told to simplify Europe and to create a democratic Europe closer to its citizens. It all got captured by the Brussels machine, and it forgot reform and wrote a constitution instead. That is what the Prime Minister signed in October 2004.

As we know, that constitution was rejected convincingly by the voters in France and Holland. The Prime Minister then appeared to enter a phase of repentance. I remind the House that last year in a speech in Oxford he said:

"we locked ourselves in a room at the top of the tower and debated things no ordinary citizen could understand."

I agree with the Prime Minister on that, but he has done nothing to correct the problem. We are now back in the tower. Indeed, the situation has got worse. The Convention on the Future of Europe at least met in public, and I and others could report to the House on what was happening. The Government could also table amendments, and they tabled hundreds of them. Not many were accepted and they did not really like the final text, but at least we could discuss the British position. This time, it is all being done in secret, and that is a disgrace.

Reference has already been made to the strictures of the Select Committees, and I agree completely with what the hon. Member for Ilford, South (Mike Gapes) said about the importance of parliamentary scrutiny. I will serve as best I can on his Committee to try to subject the text to proper scrutiny. I am pleased that the Committee unanimously placed a marker when we censured Foreign Office Ministers for their refusal to come to our Committee. The same was done by the European Scrutiny Committee, on which I also serve, to give its views about what is happening in Europe.

To make matters worse, all the way through the Convention on the Future of Europe, the Government told us sanctimoniously about the need to open up Europe, bring the citizens along and close the gap between the voters and leaders, but they do not do that at home. We are trying to export democracy to the middle east and we criticise China for its lack of democratic institutions, but when it comes to our own procedures, Ministers do not even tell us what has been happening in the negotiations.

Kelvin Hopkins: I agree with much of what the right hon. Gentleman says. Does he agree with the suggestion made earlier by the Liberal Democrat spokesperson that some of the countries in eastern Europe that have gained democracy might have it for only a short time before it is shoved upwards to the European Union? They might have only a short period of real, genuine national democracy between living under Soviet rule and the rule of the European Union.

Mr. Heathcoat-Amory: I entirely agree with the hon. Gentleman. It is an irony that in many cases those countries have given up rule from Moscow and swapped it for rule from Brussels. Their liberation was an immensely important event in the history of Europe. However, having achieved self-government, they are now in the process of giving it up.

The Liberal Democrat spokesman repeated what the Government often say, which is that we need a new rulebook because we cannot operate with 27 members under a rulebook designed for six. That is false. The Prime Minister said that we would suffer deadlock or paralysis if we did not have the constitution. In fact, the pace and volume of European Union business has increased with every round of enlargement. The European Scrutiny Committee has to deal weekly with a blizzard of new directives, regulations, proposals and decisions from Brussels. The idea that we need more majority voting for more laws is a fantasy. Let us hear no more about why we need this new treaty, or whatever it is called, to make Europe work effectively.

We have on our hands a massive extension of majority voting that, by definition, is a diminution in the powers of this House. It means that we will not be able to block unpleasant or unwelcome proposals. The constitution brought majority voting into 63 new areas, which is far more than any other treaty. The Single European Act, under Mrs. Thatcher, introduced it to 12 new areas.

The red lines that the Prime Minister has drawn refer to only two extensions that he does not want—those into tax and social security. He has carefully crafted those red lines so that he can claim a triumph. However, I presume that all the other extensions of majority voting will be accepted. They are certainly not ruled out in the German document, of which we have only just received a copy.

The Foreign Secretary appeared before the Foreign Affairs Committee yesterday, but—as we have heard—she said nothing. She had nothing to say. She said that no substantive discussions had taken place, thus repeating her earlier remarks, but we know that the Prime Minister has been having discussions with other Heads of Government, and, back in January, two officials were appointed to negotiate on this very text.

The sad fact is that the Foreign Office has been cut out of the discussions. I find it very sad that at a time when Europe is crying out for reform—there is a coalition position on the need for reform—the Foreign Office has nothing to say about it.

We know that Europe is inefficient, wasteful and has lost the confidence of the public, but all that the Foreign Secretary does is sit tight, let the worst happen and then try to make the best of it.

Mr. Cash: Will my right hon. Friend give way?

Mr. Heathcoat-Amory: If my hon. Friend will forgive me, I am under some time pressure but as he knows, I respect his views.

Incidentally, I hope that the Minister for Europe, who is in his place, goes to the conference tomorrow. Yesterday, the Foreign Secretary said that she did not know whether he was going. I was Minister for Europe once and I went to all the summits. It would be a further denial of democratic accountability if the Minister for Europe were not among the army of officials and diplomats who go to the summits. Again, that is a sad reflection on the status of the Foreign Office in the negotiations.

The German presidency document, which we have only just seen, includes some radical proposals, such as the single legal personality. We know that the Government do not like that. It is referred to specifically in the document, which means that the present intergovernmental pillars of the European Union are to be collapsed, in favour of a single legal personality, so that such matters as policing and criminal justice would be decided by majority voting. The Home Office has recently complained about how its laws, especially anti-terrorism measures, have been overridden by the European convention on human rights, so how can the Government even contemplate any reference to the even stricter EU charter of fundamental rights—also in the German document—or any extension of majority voting into that area? It would be supervised by the European Court of Justice, which would decide any dispute. At a time when we are already feeling the pressure of having our judgments about our own security overridden by the European Union, the Government will apparently sign up to a further massive extension.

I am one of the sad people who occasionally look at the constitutional text, which runs to 511 pages. We know that the Prime Minister has four red lines, so some of the pages may be removed, but what will happen to the other 500-odd pages? Do the Government agree with them? There is nothing in the German IGC text that suggests that the rest of the constitution is to be forgotten. Thus we will have, by the back door, the revival of the great majority of the constitutional text—without it being called a constitution, of course. It includes such things as an energy chapter; the security and marketing of energy is to come under the EU.

Now, I am an internationalist. I believe in reaching treaty agreements with states all over the world on matters such as climate change, global warming, energy, extradition and global security, but that is quite different from irrevocably handing over powers to a law-making body that will decide such matters on our behalf by majority voting. Those difficulties can be solved only by a referendum, as was promised by the Prime Minister. The sorry story of the zig-zags towards and away from national referendums is a text-book example of the victory of expediency and party advantage over the national interest.

During the Convention on the Future of Europe, the Government steadfastly and emphatically opposed any referendum, then did a sudden U-turn. The parliamentary Labour party, which had voted against a referendum one week, a few weeks later trooped through the Division Lobby in favour of one. Then the French said no in their referendum, so the Prime Minister changed his mind and said that Britain would not have one. Then the Labour party manifesto said that there should be a referendum on these matters, but recently the party has gone back on that and said that no referendum would be held. Now, it appears that it is saying that there may be a referendum.

That is not the way to deal with an electorate already sensitised to the loss of their powers and whose disillusionment about politics and the political process is very deep. The Prime Minister should keep his promise on the referendum. He wanted to put the matter, although not the red-line issues, to a national vote. He said:

"Let the issue be put and let the battle be joined."—[*Official Report*, 20 April 2004; Vol. 430, c. 157.]

I want to make a final point, about the transfer of power to which I have referred already. It is not some dry, academic exercise but has to do with the essence of democracy. Who makes decisions, and where? To whom are they accountable? Are they voted in, and can they be removed? Those are the questions that need to be answered, and they are crucial. This House is a forum where majorities come and go and Governments change, where laws are enacted and withdrawn. That is what democracy is about. Handing such matters over to another jurisdiction, irrevocably, means that we will be losing the powers of the people we represent. We should let them decide whether they want the constitution.

2.42 pm

Mr. Austin Mitchell (Great Grimsby) (Lab): First, I must say how much I enjoy these six-monthly games between the Eurocreeps and the Eurolags. They are always an entertainment, and it is always interesting to participate in a regurgitation, each time in a new light, of arguments that we have been making for the past 25 or 30 years.

At the moment, we face a new danger. We are formulating our views on the European constitutional treaty, but in a couple of days decisions will be taken that will remain largely uninfluenced by those views. Then, as usual, we shall find that the Government have climbed down from their good intentions and that they are putting to us a treaty that is less than acceptable.

This six-monthly reunion is a poignant moment. It comes at the end of what was supposed to be a period of reflection that turned into a comedy hour reminiscent of the "Dead Parrot" sketch in "Monty Python". The EU is trying to breathe new life into a dead parrot. The hon. Member for Berwickshire, Roxburgh and Selkirk (Mr. Moore) said that Europe

[Mr. Austin Mitchell]

was being led in a new direction, but the truth is that it is being led back into the dead-end street that it tried and failed to enter in 2004.

The period of reflection became a prelude to the attempt to give a new birth certificate to what is nominally a new constitution. The German Chancellor, Mrs. Merkel, has made what is happening absolutely clear. She has taken away the trimmings of the constitution, and put up some sops for the British Government to knock down easily, as long as they accept the substance of the proposals—which bring back the old constitution in the new form of a treaty. In fact, the old constitution was a treaty too, and the new proposals adopt the same form.

Of course, the word "constitution" is not used. To my great regret, the national anthem of the EU has gone too. I have a great fondness for Beethoven's Ninth, which was also the national anthem of the failed Rhodesian state under Iain Smith. It has been misused many times, by Europe and various other entities, but I like the music and regret its deletion.

However, dropping the trimmings means nothing, as the promised treaty creates a legal entity to which this country will surrender some of its sovereign powers. We are bringing in by the back door what the electors in France and Holland threw out by the front. Our electors, if allowed to, would do the same.

I cannot see why the German Chancellor is going down this path, as Germany's economic problems have been caused by the euro. As the dollar falls, the euro is bound to rise, thus making German industry and exports less competitive. The funny money flowing out of the dollar will go into the euro, and the consequential economic damage in Germany, which is already precluded from having the big expansion of demand needed to stimulate its economy, will be severe. Instead of dealing with Germany's real problem, however, Mrs. Merkel is determined to go down the dead-end street that is the constitution and give the kiss of half life to the dead treaty.

Mr. Quentin Davies: Is the hon. Gentleman aware that the German economy is currently growing at 2.7 or 2.8 per cent. per annum? That is roughly the same as the British economy.

Mr. Mitchell: Certainly, and I am also aware that the Germans are already trying to deflate their economy by increasing value-added tax.

Mr. Davies *indicated dissent.*

Mr. Mitchell: Well, that has had a deflationary effect. I am alarmed by the rise in the euro. It will go on, because the dollar will continue to fall, and it is a simple statement of fact that a higher euro will damage the German economy. It has certainly damaged the French economy, and Germany exports a lot to France, so the two countries are tied together to that extent.

All the arguments for trying to revive the dead treaty have been put forward today, although the hon. Member for Berwickshire, Roxburgh and Selkirk added some new ones, saying that we must agree to the new proposal in order to help Kosovo and deal with Hamas. I had not thought those matters were pertinent to the constitution, but all the other arguments are being trundled out.

Yet Europe moves in mysterious ways, even if it does not perform any wonders, and what has been happening is a perfect illustration of that. The EU constitution is an artefact and product of the European elite, who for a long time have imposed their views on the people of Europe. If the European people do not like the elite's views, that is too bad: if they vote against a treaty, let them have another referendum and give them a chance to rethink. Alternatively, the result of the original referendum can be interpreted as a vote on another issue, and not on the pristine beauties of the constitution.

The constitution is an elite artefact and committing our country to it is to commit ourselves to the sort of imposition that I have described. It is the opposite of democracy; it is plutocracy as a system of government gone mad.

Mr. David: Will my hon. Friend clarify whether he is arguing against the treaty changes or against the EU?

Mr. Mitchell: I do not see why such a clarification is necessary. The tenor of my argument is that the constitution is unnecessary, and that it is being foisted on British and European opinion in an attempt to reintroduce it by the back door without a referendum. If that is not clear, I despair. The argument is not about the EU: it is about whether we should go further down the dead-end street of a stultifying constitution that will increase the power of the centre and diminish the sovereignty of the EU's component parts. That is the essence of my argument.

No doubt at the end of the day, there will be a treaty called a constitution that will go further towards creating a Eurostate as a legal entity, which will mean further sacrifices of UK sovereignty. Our Government said that there are four red lines that must not be crossed—ils ne passeront pas. Unfortunately, they are an attenuated version of the six red lines we laid down in 2004, and although we did not actually achieve them then the Prime Minister still accepted the constitution and signed it. Now we are down to four red lines and I fear they will be surrendered just like the others. Two of the 2004 red lines have already been surrendered by acceptance of the constitution.

We have accepted even more than that in our efforts to show good will to Europe. At the end of the British presidency we accepted a doubling of our net contribution over the next seven years, which will be a horrendous burden on the British economy, yet it was blithely accepted in return for concessions on the common agricultural policy that we cannot obtain because it will not be renegotiated until 2013. That indicates a state of mind about Europe that gives me no great faith in the stand that is being taken.

A report from the Swedish Institute for European Policy Studies analysed and compared the comments of European leaders. It noted:

"Blair's influence is typically seen as less extensive than his spin-doctors make it seem, and with the important exceptions of the Lisbon process and transatlantic issues"—

that is, Iraq—

"he is not really in the game, although destroying the games of others."

That describes a very unsuccessful performance, which I hope will not be repeated at the dawn of socialism next Thursday.

Kelvin Hopkins: Would not the Prime Minister have been much better in the game if he had chosen not to make a deal on the budget last time and taken a stronger line with Europe?

Mr. Mitchell: My hon. Friend is exactly right. We would have been in a stronger negotiating position now if we had not been waffling about whether to have a referendum but had said adamantly that we would put the treaty to a referendum of the British people. It would have been clear that we would never get the British people to accept large chunks of the constitution, so as unanimous agreement was needed our negotiating position would have been stronger and the demands on the British Government would have been less. Our inability to take a firm negotiating position has weakened us all along.

I was not excited by the statement of my right hon. Friend the Foreign Secretary that we shall not agree to any treaty that requires a referendum. The Prime Minister has already told us—last week—that the treaty does not require a referendum so there will not be one, thereby abdicating the position before we had even reached it. We should have insisted on a referendum, because that is necessary for any sacrifice of the sovereignty and powers of the British people. We are giving up their powers, not ours. We are abdicating our responsibilities to them.

I regret the fact that in consideration of matters European the Labour party and, to a degree, the House do not speak for England. Our Euro-enthusiasm does not represent the people of the UK. I know that critics say that the people of this country are misled by Murdoch and Dacre, but that is to assume that the people are fools. In fact, they have basic instincts about Europe and they want no further surrender of powers. If we reckon to abdicate those powers without consulting the people we shall produce alienation and division that will tell against us in the long term.

My fear is that we shall climb down, as we did in 1939. Once again, Poland is on the front line. We are not even promising to come its aid this time, although it would be commendable if we did so; we are leaving the fighting to Poland and not putting up a very convincing argument.

Next week we shall probably discover that the red lines have turned orange and possibly even green, because Europe is reinventing itself as an environmental organisation that will lead the battle against climate change. The Government have the voting strength to put through almost anything they want, but if they accept the treaty that calls itself a constitution two problems will arise. First, we shall weaken UK sovereignty and hand over to the European state powers that belong to the British people. We shall strengthen the development of a European superstate and frustrate the possibility, which exists at present, of Europe developing along a new path, of looser and more flexible associations that are appropriate to a Europe of 27, and not a Europe dominated by France and Germany as it has always been. I want Europe to develop in a natural fashion, not to have solutions imposed on it by the European bureaucracy and the two dominant powers—France and Germany.

The second problem, which is more important for us, is that we shall increase the alienation of the British public. They no longer believe us and our conversations and statements about Europe are one of the main reasons why they do not believe politicians. We promise one thing but another thing happens. We talk in incomprehensible gobbledegook about transferring powers from an intergovernmental pillar to a bill of rights that is not a bill of rights, and to a court that will not adjudicate on them—although it almost certainly will. The whole dialogue is incomprehensible, and what the public see is a betrayal of their deepest instincts, which are not enthusiastic about Europe. The public are sceptical; they are saying, "Thus far and no further", which is what we should be saying about the treaty.

2.57 pm

Mr. Charles Kennedy (Ross, Skye and Lochaber) (LD): Listening to the hon. Member for Great Grimsby (Mr. Mitchell), my great personal friend of more than 20 years, with whom I share almost 25 years coterminous service in the House, I reflected that this is the first time that we have spoken back to back. He will understand me when I say that the ghost missing from this feast is Sir Julian Critchley—we miss him much.

Although as I speak from an unashamedly pro-European perspective I largely and fundamentally disagree with the hon. Gentleman, there is none the less a sense in British politics and in wider European politics that one door has closed, or is closing, and another one could be opening. The closing door is the ending of the Blair premiership, mirrored by recent events on the continent—the leadership changes in France, Germany and Italy, and even in Belgium—and the failed referendums following the earlier votes cast by the French and the Dutch.

As has been said before, despite the big obstacles that face us, Europe now has the potential for a fresh start. We have heard that phrase many times over the years, but we now have a real opportunity, although I agree with the hon. Gentleman that the terminology and conduct of the debate, and the incomprehensibility of much of it, is in itself enough to put people off, never mind judging the merits or demerits of particular arguments. We need the arguments to be properly engaged, especially those of us on the pro-European side, because we have too often been guilty of allowing much of the case to go by default.

It is not good enough for us to lament the fact that we have a Eurosceptic press in this country, because Parliament could be doing a lot of things—they were referred to during the Foreign Secretary's speech—that would improve the substance and quality of the debate about Europe. For example, we could have a regular designated European issues day on the Floor of the House, where many of the things that go through, and are never reported or analysed properly outside certain hard-working Committees and never really get the intensity of scrutiny that they should command, could be much more in the public gaze. We could have a Secretary of State for Europe operating at Cabinet level. I certainly agree that it would be extraordinary if

[Mr. Charles Kennedy]

the Minister for Europe were not at the summit. I hope that he can confirm that he will definitely attend, because it would be strange indeed were he not to do so.

Let us consider our own procedures in the House. I remember being here for Question Time one Monday afternoon at half-past two, all those years ago. The Berlin wall had come down that weekend. William Waldegrave was the Minister at the Dispatch Box and an emergency request was moved by my colleague at the time, Russell Johnston MP, as he then was, saying that surely the House of Commons could debate the implications of that monumental development, which was way beyond our wildest imaginings—but alas no. Speaker Weatherill was very sympathetic, but the procedures of the British House of Commons did not allow us to diseuss in the mother of Parliaments the fall of the Berlin wall the Monday after the weekend it happened. We are right to make our critiques of Europe, but we should look in the mirror sometimes and consider the way in which we do things here, as well.

Mr. Hands: I am glad that the right hon. Gentleman mentioned that. I also checked the *Hansard* for the debates in the weeks following the fall of the Berlin wall. Will he confirm that the first person to call for the new eastern European democracies, as they were to become, to join the European Union, was my right hon. Friend the Member for Horsham (Mr. Maude), the current chairman of the Conservative party?

Mr. Kennedy: I am sure that the hon. Gentleman is correct and I am happy to say so. Without wishing to be over-partisan, I have to say that that shows a clearer reading of the situation following the fall of the Berlin wall, vis-à-vis the former East Germany and West Germany, than Mrs. Thatcher achieved at the time—if the hon. Member for Hammersmith and Fulham (Mr. Hands) recalls his history.

Mr. David: On the point about improving the procedures of the House, does the right hon. Gentleman think that it might be worth exploring the possibility of establishing a European Grand Committee to bring together Members of this House and of another place, Members of the European Parliament and perhaps our British Commissioner from time to time?

Mr. Kennedy: In the words of the song, "What a swell party that is." Anything that gave greater legitimacy to those with an elected parliamentary position—or I suppose, where the House of Lords is concerned, an as yet unelected parliamentary position—and enabled them to come together and scrutinise what is coming out of the European Commission would be a healthy development. Under the new Prime Minister—I want to refer to him in a moment—we may see some more imaginative thinking in that respect.

There is no doubt that every British premiership—of successive parties—since de Gaulle famously first said "Non" to Macmillan has been profoundly affected by Britain's role in Europe. We saw that with the success of Edward Heath in getting us in and with Harold Wilson's machinations in holding his party together while Callaghan carried out the supposed renegotiation—whether it was or was not—and the referendum that followed. We saw it with Mrs. Thatcher's rather schizophrenic relationship with Europe. She was the person who pushed through the single market—in reality, probably something more far reaching than anything that will be decided this coming weekend—but at the same time she was an arch Eurosceptic. We saw it with John Major, who started out by being friends with Helmut Kohl and by saying that we must be at the heart of Europe but who ended up in the quagmire of Maastricht. Those of us who were involved remember that night without end, when the Conservative nightwatchmen, in particular, kept the House going and going—quite properly—using parliamentary procedures to put their case.

In terms of the coming summit and the change of premiership in our country that accompanies it, I want to point out that the present Prime Minister missed two golden opportunities if not to finalise, certainly to largely settle down much of the European debate in domestic British politics. Following the 1997 general election victory, I think he could have carried a referendum on Europe. That is also true of the 2001 general election victory. The referendum might have been on the principle of a single currency or, later on, the issue of a constitution. Either way, he would have carried the case. More lately, British politics has been largely a case of waiting for Gordon. However, with the current Prime Minister, it has been a case of "Waiting for Godot" in so far as European policy has been a two-act play—the only problem is nothing happened twice. I hope that the new Prime Minister will learn that lesson.

The present Prime Minister became a bit like the Grand Old Duke of York. He kept assembling all the pro-European forces from across the political spectrum and outside formal party politics. He marched us up to the top of the hill on more than one occasion, only to march us all down again. It was dispiriting and a great waste of time. My neighbouring MP, my hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander), who was involved with Britain in Europe, will remember as vividly as I do the high hopes at the launch in December 2001. What became of it all? It was a campaign, but it did not appear to have a figurehead or a cause, even though there was so much talent available.

Broadly speaking I endorse the Government's red lines and their stance on the referendum generally—that is, I did until I heard the Foreign Secretary today. I do not know whether this is deliberate or whether it is simply a cock-up, but over the last week every time a Minister, from the Prime Minister downwards, has opened their mouth about a referendum—this could be clever, subtle tactics, although I have to say I am not sure about that—the picture has become more muddied. Every utterance seems hellbent on sowing more seeds of confusion about the Government's position.

I have always said to my friends on the Eurosceptic end of the argument that those who are sceptical—honourably so—about Europe should be most in

favour of the referendum on the constitution, as they are now, but that they should argue for a constitution. A constitution is the one thing that will codify properly for the first time what Europe can and cannot do, where the line of accountability falls, what the jurisdiction is and what the right of appeal mechanism for individual citizens will be if they feel that they have been let down, abused, or undermined in terms of their civic rights as a result of a European institution.

When I was our party's European spokesman, I voted on the issue in a free vote 15 years ago. The vote was split about 50:50. Interestingly, it was a generational split. People such as Russell Johnston, David Steel and Bob Maclennan voted against a referendum on Maastricht. Those of us of a slightly younger generation voted for a referendum. None the less, I took the view then and I still do now that, at some point, perhaps not as a result of this weekend's machinations—we will see what if anything emerges from this country's point of view, and I endorse what my hon. Friend the Member for Berwickshire, Roxburgh and Selkirk said—but as surely as night follows day, there will have to be some kind of European referendum within domestic British politics. Perhaps it will not be on this issue. There was no referendum on the currency issue. Perhaps there will be a referendum on something else in a few years' time, but, one way or another, we have to lance the boil when it comes to the European issue. I cannot see how we are ever going to achieve that either in this forum, as we go about our discussions on European policy, or in the parliamentary European forum, where there are such frustrations built in.

I hope that the new Prime Minister will provide leadership. That leadership is all the more essential, because the leadership of the Conservative party, as the second half of this Parliament wears on, is going to veer more and more—for reasons that we understand—in a UK Independence party direction. That is no good for proper engagement on the issues of substance. Indeed, the most startling comment made by the shadow Foreign Secretary was an almost throwaway aside towards the end of his speech, when he said that the Conservative party saw no need to revise or revisit the existing arrangements for the 27 members of Europe because the EU was working perfectly well from that point of view. Are we to understand that the British Conservative party wants to keep a rotating EU presidency while there are 27 members of the EU, with perhaps more to come in a few years? Does that make sense? Do we want a Commission of that size? Have the Conservatives spoken to people in the Commission who say that one of the net effects of the way in which things are constituted with 27 Commissioners—everyone must have their slice of pie and their national Commissioner—in addition to the slowness and bureaucracy attached to such a large Commission, is the fact that Mr. Barroso, the President of the Commission, inevitably brings to himself more authority because the body is too big to function properly? Unless the Commission's present arrangements are streamlined, it will become less democratic than it would be as a result of implementing the practical issues that must be considered.

I hope that the Government will adopt a sensible, constructive approach and I wish them well in the coming discussions. A good and true friend, which our country should be to Europe, is not an uncritical one. However, simply standing on the sidelines berating everything that emerges from Brussels without a sensible reform package cannot be a good way forward, either. In the longer term, we need the broad pro-European forces in Britain to regroup and re-engage. If that does not happen, our status as a country will diminish in Europe and the world. We will thus suffer economically and politically. That would be bad for not only our domestic aims, but our wider global aims and aspirations. There is therefore a need to inject fresh energy, idealism and integrity into our domestic European debate. If we did that, it would be beneficial for UK politics in general.

3.12 pm

Nia Griffith (Llanelli) (Lab): At this point of the debate, hon. Members have already made many valid points. I welcomed the opening remarks of my right hon. Friend the Foreign Secretary, in which she outlined the areas that should remain the concern of individual nations. She also mentioned areas on which there is already EU co-operation. I do not wish to repeat the excellent clarification of the situation given by my hon. Friend the Member for Linlithgow and East Falkirk (Michael Connarty), the Chairman of the European Scrutiny Committee. Both he and the Foreign Secretary are aware of, and sensitive to, the need to find an appropriate level for decision making.

The Government have recognised and implemented the principle of bringing decision making as close to the people as possible, both through the devolution settlement and the Government of Wales Act 2006, which enables the Assembly to reflect the will of the people in the new legislative competence orders. Likewise, my hon. Friend the Minister for Local Government has been working hard on both the Government's local government legislation and making the Sustainable Communities Bill workable. Again, he has the aim of practically bringing power as close to the people as possible.

I welcome the Government's cautious approach to the EU negotiations. I am confident that my right hon. Friend the Prime Minister will not be signing away the so-called red line issues. He will be aware of the feelings of the House. I have no doubt that the negotiations will be difficult because the member states have such differing views. However, there might be room for some sort of tidying-up measures, and there is certainly a need to make the presidency more cohesive. The six-month presidency can lead to things becoming fragmented, depending on the negotiations between countries at the time of handover.

As my hon. Friend the Member for Caerphilly (Mr. David) said, we need to ensure that we strengthen the role of national Parliaments. At the recent COSAC meeting that I attended, we found that the Dutch and the French were strong allies on that issue. Their parliamentary delegations were supportive of the idea of national Parliaments having greater involvement. That was extremely significant because they had probably studied the constitution, as it first was, in more detail than any other EU colleagues. They clearly see the need for a strong voice for national Parliaments.

[Nia Griffith]

With such focus on the constitution, I would not want us to forget the important matters on which we are already co-operating, one of which is tackling climate change. We must ensure that the EU emissions trading scheme is effective. Its first phase unfortunately got a bad reputation because of some Governments' lax approach to setting appropriate emissions levels. I have the privilege of being a member of the Committee that is considering the draft Climate Change Bill. We have taken evidence from a broad range of interested parties, including leaders in business and manufacturing. They welcome the framework of the Bill and its target of a 60 per cent. reduction in emissions by 2050. However, many refer to the importance of EU and worldwide attempts to limit emissions. When we took evidence by video link from California, it was clear that people there also valued EU initiatives in the field.

The Foreign Secretary has a detailed understanding of the EU emissions trading scheme, so I ask her to use her influence with her colleagues in the Department for Environment, Food and Rural Affairs and her role in Europe to help to ensure that the scheme is appropriately implemented throughout Europe so that a level playing field is created for UK industry. She will be well aware that the effectiveness of the first phase of the ETS was seriously marred by the fact that some EU countries allocated carbon quotas too generously. It is important that a Union of comparatively rich and influential countries take a lead on the issue.

Even under existing arrangements, there has been helpful co-operation on issues such as terrorism, as the hon. Member for Berwickshire, Roxburgh and Selkirk (Mr. Moore) said. We need to use the existing channels so that we can co-operate on cross-border crime. In particular, we must tackle the despicable practice of human trafficking, the very existence of which is a real disgrace to a European Union that likes to pride itself on its progressive and civilised traditions. While it is important that we are not blind to the shortcomings of the EU, we must continue to use the existing channels to tackle the major issues that concern us all.

3.17 pm

Mr. Quentin Davies (Grantham and Stamford) (Con): We all know people who have identity crises of one kind or another. They do not really know what sort of people they want to be, what their values are, or what sort of life they want to lead. Such people are among our friends and relations. Some do not know whether to get married, while others do not know whether they should get divorced. Some do not really like the job that they are doing, but cannot think of one that they would rather do, while others cannot quite make up their mind about where they want to live. On the whole, most of us treat such people sympathetically. We tend to hope that with the passage of time and the advent of maturity, they will be able to sort things out and feel happy in a role that they have consciously chosen for themselves.

When it comes to our membership of the European Union, that description sadly applies to a large number of people in this country and the majority of members of my party, both on these Benches and in the country as a whole. Of course, there are many exceptions on both sides of the argument. I pay tribute to colleagues such my right hon. Friend the Member for Wells (Mr. Heathcoat-Amory) and my hon. Friends the Members for Aldridge-Brownhills (Mr. Shepherd) and for Stone (Mr. Cash), who have always taken part in these debates. Those men know very clearly where they stand on this issue and have taken immense time and trouble over 20 years to master the brief. They have expended energy, and when their stance was not in fashion in the party they suffered owing to the damage caused to their careers and the great pressure that their colleagues exerted on them. However, they have not been put off standing up to speak what they believe to be the truth that they feel they must proclaim to the House and the nation. I sincerely admire them for that; they are great parliamentarians. Other colleagues have signed some sort of petition or undertaking calling for us to get out of the European Union. Still other colleagues have not signed, but have put it about that they sympathise with that call.

On the other side of the party, there are those of us who have a long track record in standing up for the European Union and who believe that it is the most magnificent asset created by the generation immediately preceding us, which we should do everything possible to nurture, strengthen and hand on to future generations in an even more effective and democratic state. The European Union has, after all, been the framework in which we have enjoyed unprecedented prosperity in western Europe over the past two generations. It has been a major factor for world peace and a pole of stability in the world. It is the institution that has enabled countries to make an astonishingly successful and rapid transition from communism to democracy, and it has diffused and dissolved the appalling ethnic and national conflicts in eastern Europe that have been endemic for centuries.

It is now clear to us that the European Union is the only vehicle available to us to address the major challenges and achieve our major collective purposes in the years ahead. Among those challenges are global warming—which has rightly been mentioned so often in the House this afternoon—energy security, and relationships with difficult, unpredictable, autocratic Governments in countries such as Russia and Iran.

It is an inconceivably naïve illusion that such countries or Governments, or those of India or China, would take much notice these days of Her Britannic Majesty's ambassador or Her Britannic Majesty's principal Secretary of State for Foreign Affairs sending them a note indicating that he or she was not entirely happy with their conduct. Such things would have worked well 100 years ago, but they do not work now.

If we want to contribute to a world trade agreement; perhaps to a global emissions trading scheme in due course; or, in the immediate future, to get acceptance for quotas for carbon emissions, which we desperately need; and if we want to have an impact on world terrorism or world poverty, we can no longer use the purely national instruments and institutions that we used with great pride for centuries. There is a natural human tendency not to adapt to new conditions—a natural psychological inertia. Many people are very attached to those institutions and believe that they represent the end of the story.

I very much hope that the current position may change. Ever since I have been in the House I have hoped that people would wake up and recognise that the idea of one foot in, one foot out makes no sense. That is the most hopeless and helpless approach to getting the best out of any relationship in life or any institution. One cannot run a family, a business or a country that way, and one cannot get the best out of the European Union that way. As a country, we must grow up and decide which way we are going.

If we are staying in the European Union—my colleagues on the Front Bench are not currently calling for us to leave it—let us throw ourselves into it with wholehearted commitment, not agreeing to anything that happens to be suggested, but making it clear that we are thoroughly committed to the success of the venture, that we are 100 per cent. part of it, and that we recognise it as essential for achieving our national purposes in the future. At that point, we should say clearly that we want to take a pragmatic view of the powers, rule changes or mechanisms that need to be revised from time to time.

It is absurd to say that there should not be another instance of qualified majority voting. "No more qualified majority voting," I hear my hon. Friends saying from the Front Bench. "We are not going for that. It is beyond the pale. No more powers should go to Brussels." That is not a pragmatic view—it is a dogmatic view that ill serves the interests of this country. There are many situations in which it is very much in the national interest that there should be more qualified majority voting. That goes for many parts of the third pillar, justice and home affairs. We should be having a pragmatic argument, not an essentially childish argument about no more of a particular type of decision-making mechanism.

The great Margaret Thatcher did not believe that. She brought in and pushed through the House a Single European Act, which introduced the concept of qualified majority voting. Now the heirs and successors of the great Margaret Thatcher are saying mindlessly, "No, no, no. No more increases in qualified majority voting. Whether or not that is in the national interest, we are dogmatically opposed to it." I tell my hon. Friend the Member for Rayleigh (Mr. Francois) on the Front Bench that I have no sympathy with that point of view. I cannot and will not go along with it. I hope that he appreciates that.

Let me deal with some of the concrete opportunities that we have in the next few days at the European summit for real progress in making that valuable institution even more effective. It is abject nonsense to say that there are no practical reasons for the proposals for new mechanisms and rule changes. For example, the Commission currently consists of 27 people. A number of us in the House have sat on the boards of quoted companies. I cannot conceive of a board of a company comprising 27 people and operating effectively. It defies imagination. It is glaringly obvious that something needs to be done about that. We have an opportunity in the next few days, so let us do so.

I take as another example the External Relations Commissioner and the High Representative. I have the honour to sit on the International Development Committee and I see the whole time how dysfunctional that distinction is. Developing countries—the same goes for developed countries, although I do not happen to get involved so much in that context—need an interlocutor from the European Union who can take part in the same conversation, in the same room, at the same time about the whole range of issues that need to be discussed between us, including aid and trade, which are the responsibility of the External Relations Commissioner, and the human rights issues, foreign policy, anti-terrorism measures and so on, which are the responsibility of the High Representative.

That makes no sense at all. If, instead of Mr. Javier Solana and Mrs. Ferrero-Waldner going round the world on the same plane, one is present but not the other, they will be able to cover only half the agenda. As we all know, if international relations are to be successful, they depend on packages being put together. The present situation is nonsense. We have the opportunity to do something about it—let us make sure that we do so.

The same is true of the presidency. The idea of a country holding the presidency for six months and then not again for another 15 years makes no sense. It leads to a total lack of continuity. The idea of asking Malta, whose population is slightly less than that of the city of Bristol, to provide the whole bureaucratic structure to manage the business of the Union for six months makes no sense. I do not say a word against the Maltese. I would not think that Lincolnshire was capable of taking over the conduct of the European Union's affairs for six months, and I have the highest admiration for the people of Lincolnshire.

We need to get away from dogmatism and get back to the good Conservative principle of pragmatism—the good Conservative principle of taking a fair-minded, open-minded look at the national interest and being brave enough to draw the conclusions that emerge from that.

3.28 pm

Kelvin Hopkins (Luton, North) (Lab): I am pleased once again to have an opportunity to speak on European matters. I disagree profoundly with the hon. Member for Grantham and Stamford (Mr. Davies), who gave his game away by talking about Europe as a company, with a managing director running the show. Government is about democracy—choices, competing philosophies and people choosing which philosophy to be governed by. That is what democracy is about.

I commend the Foreign Secretary on doing the best possible job with an almost impossible brief. She is a very competent Minister whom I have always admired, but on this occasion she has had a difficult job to do. I congratulate the shadow Foreign Secretary on his speech, which as usual was witty, intelligent and competent, and I agree with almost everything that he said. The difference between the shadow Foreign Secretary and myself is one of political philosophy. I want the British people to continue to have the right to choose to be governed by a Conservative Government, governed by Conservative principles, or a Government of democratic socialism, which I would support. If we do not watch what Europe is doing, we will not have the choice in future.

We are at another significant moment in the European Union saga. There is another attempt to

[Kelvin Hopkins]

bounce Britain and other member states into a legally binding constitutional treaty by another name. We have seen a week or two of spin and counter-spin in our media. There is no doubt in Chancellor Merkel's mind what she wants; she is pretty plain in what she says. She wants to get the treaty through in one form or another, either in pieces or by deception. Our newspapers have been full of leaks, I suspect from different addresses in Downing street, and perhaps the Foreign Office as well. I hope that the Prime Minister will not mind my suggesting that he has hung on as long as possible to get his deal on Europe and to dig a hole for his successor to fall into. I hope that his successor will not be taken in by that and will make his own decisions when he becomes Prime Minister in nine days' time, which I look forward to very much. I hope that he will have a much more sensible, pragmatic and democratic approach to Europe than the present Prime Minister, who has been rather gung-ho about matters European.

This week we are in danger of a pretty dodgy deal being stitched up, effectively without the consent of this House and certainly without the consent of the British people. I, for one, want a referendum on whatever comes out of the summit, if it is agreed by our leaders. If there is no agreement, that will suit me fine, and it would suit the British people fine. The people of Europe would be quite happy to muddle along with the status quo. The skies will not fall in and life as we know it will not change. We will just carry on. Many things are wrong with the EU. I would like to see many dramatic changes, making it more democratic, and more powers being given back to Parliaments. If the treaty does not go through, it may upset Chancellor Merkel, but it will not upset many other people, certainly not the British people, who would probably have a little drink to celebrate.

As I say, I am confident that the Foreign Secretary will fight our corner behind the scenes. She portrayed a little less enthusiasm for all things European by mentioning the fact that she voted no in the 1975 referendum. I myself was chair of the Luton "Vote no" campaign at that time, so there is no secret about my views. Unlike others, who may have wobbled a bit, I have not changed. However, I have thought about European matters ever since. I keep talking about Europe, but it is the European Union. Europe is a geographical entity and the EU is a political and economic construct thrust upon part of Europe, because we must not forget that quite a bit of Europe is outside the EU, so I must refer to the European Union, not to Europe.

To those who say that they are gut Europeans I say, "So am I." I love everything about Europe, except the European Union. I am European in every sense, culturally, politically and historically. I go to Europe for my holidays and I love European culture, particularly European music, and I have even been known to drink a glass or two of European wine, which is splendid stuff. I am absolutely in favour of Europe. I even struggle to speak a few European languages—not very well, but I do try. None the less, I do not believe that the European Union as it stands is good for Europe or its peoples. I believe that we should move towards a much looser association of democratic independent states, working together on matters of mutual benefit.

The hon. Gentleman talked about what great things Europe could do, but there is no reason why we cannot co-operate to do those things without the structures that have been imposed upon us. We could perfectly well work together in this peaceful world. We have a great deal in common politically; certainly the people do. Broadly speaking there are socialists, social democrats and conservatives in Europe, and some liberals as well. We would get along without such structures and we could do all sorts of good things, perhaps rather better, if we were not corralled into this straitjacket called the EU. It would suit us all if there was no deal

The "better off out" campaign has been launched recently, but I am not signed up to it. I do not want to be destructive in the sense of walking away and saying, "A plague on all your houses." I want to co-operate with other European nations. But that campaign does have some points. The most recent figures for Britain show that there are tremendous disadvantages in our membership of the EU, which are not balanced by advantages. Our gross contribution to the European budget is £12 billion a year rising to £20 billion by 2013, which is a lot of money. Our current net contribution is about £4.7 billion, which will rise to £7 billion by 2013, largely as a result of the deal, of which I have been so critical, done by the Prime Minister at the end of the British presidency. There are other problems, too. The common agricultural policy costs us an estimated £15 billion a year in food prices. We could save people a lot of money on their weekly shopping simply by not having the CAP, which we should get rid of.

I am in favour of some regulation, but it has been estimated that European regulation costs as much as 2 per cent. of GDP, which is £45 billion a year and rising. That is a vast amount of money. Sensible, democratic socialist regulation would be less onerous, but it would still have an effect on the economy. Economic growth is about 0.5 per cent. less than it would be were we not constrained by the European Union. Over 10 years, that would amount to £65 billion in economic growth, which is a vast sum of money.

People often talk about how the trade balance is advantageous to us as a trading nation. We have a gigantic trade deficit with the European Union—it is about £2.5 billion a month and possibly £30 billion a year—and it is a structural deficit. One hopes that because we are not members of the euro, we may see some reduction in the value of our currency relative to the euro, which would help our trade balance. A structural trade balance strongly implies that we have a misaligned currency. At least we are not part of the euro, which means that we can do something about it.

Finally, I support what the Czechs have been saying about a Europe in which more power is devolved back to Parliaments, which I would welcome. I have already mentioned agricultural policy and aid policy, and the point also applies to the common fisheries policy. We have the longest coastline in Europe, and we suffer the greatest disadvantage from the CFP. It is obviously nonsense that we signed up to the CFP in the first place. If fisheries policy were repatriated to member

states, it would benefit us and the situation would be much fairer. Other areas should also be returned to national Parliaments, and I would not like to see more economic power given to the European Union.

We have a lot to offer the peoples of Europe, because we are more pragmatic and realistic about Europe than many other countries, and it is interesting that the peoples of Europe are starting to wake up to that. Until the referendums in France and Holland, and indeed the referendum on the euro in Sweden, many people in Europe were sleepwalking. The European Union was like motherhood and apple pie—something that people went along with—but people do not think that any more.

People are looking more critically at Europe. Perhaps as a result of some of the debates that we have had here, people in Europe are aware that there is a choice. The French and the Dutch people have started to make that choice, which I want others to have. I want to see a much more democratic Europe to which we can all sign up, with which we are all at ease and on which we can work together democratically. I do not believe that the constant drift towards the formation of a centralised superstate with power in the hands of bureaucratic and political elites is what the people want. It is certainly not what I want. Mr. Barroso has rejected what he calls "à la carte Europe" in favour of a Europe that is centralised and run by bureaucrats. That is completely unacceptable, and we should say so. I am sure that the Foreign Secretary will say that.

We have got a message to get out to citizens in Europe: we want more democracy, and I am sure that they do, too. I look forward to a drift away from a centralised superstate towards a more democratic association of member states in a new European community, not a European Union.

DEFERRED DIVISION

Mr. Deputy Speaker (Sir Michael Lord): I now have to announce the result of the deferred Division on the motion relating to road traffic.

The Ayes were 362, the Noes were 60, so the motion was agreed to.

[The Division Lists are published at the end of today's debates.]

European Affairs

Question again proposed, That this House do now adjourn.

3.39 pm

Mr. John Randall (Uxbridge) (Con): This is the first time that I have taken part in one of these debates on European affairs, not because I do not have a great interest in the subject but because there are always many Members who want to speak. We have already heard some very good speeches. I do not necessarily agree with all of them, but they have been well made and from a principled position. My right hon. Friend the Member for Wells (Mr. Heathcoat-Amory) more or less summed up my views. I was going to echo the point of view expressed by the hon. Member for Luton, North (Kelvin Hopkins)—that Europe is more than the European Union—but my hon. Friend the Member for Grantham and Stamford (Mr. Davies) stirred up something that I wanted to say when he talked about business, and how a big board could not be run in the way the presidency is run.

As the House may know, I am a retailer by trade with a small independent store in Uxbridge. During the past 20 years, we became a member of the Association of Independent Stores—an admirable body that gives independent stores such as ourselves many advantages. For example, we can get better prices as a buying group. However, the association does not tell me everything. It does not tell me what days I can open, what hours I can open, or where I have to place three-piece suites and which ones I should buy. As an association of independent stores it works very well.

In the past 30 years, the face of Europe has changed dramatically. We have heard about the fall of the Berlin wall. New countries have come into existence, some of which were never countries before, and some that were proud countries that had been subsumed, mostly by the Soviet bloc. Of course, we all welcome that. The European Union has, in many ways, given those countries something to look forward to being part of.

One part of our continent remains rather unsettled—the Balkans. I could not let this opportunity to raise that subject pass, especially when I saw on the Front Bench a different Minister from those who have had to listen to my Adjournment debates in Westminster Hall. That is not because I am obsessed with the subject but because I believe that it is a very important area for Europe, and because, as in the case of so many of these difficult areas, we rather want to ignore it and wish that it would go away—but of course it will not.

We are now at a crucial time with regard to the final status of Kosovo. Unfortunately, its final status in the post-conflict world was never thought out properly. Forces went in, although I have a slightly different view, in terms of some aspects, as to whether the humanitarian intervention was quite as it was portrayed. Nobody thought about what was going to happen afterwards, and now the pendulum has swung the other way as regards ethnic cleansing. Kosovo has an almost entirely Albanian population; a lot of the Serbs have been driven out. Many are waiting to go back, in refugee camps or in camps for the internally displaced. There are some very sad places in Kosovo

[Mr. John Randall]

where people who were burned out of their homes three or four years ago are living in containers. As far as I can tell, most of Europe is ignoring those people's plight.

Kosovo is a poor country. It is not only the Kosovan Serbs who are suffering; there are huge problems in that part of the world. However, we have the reached the position when, apparently, final status must be sorted out. I say "apparently" because I do not understand how we can unilaterally impose a solution on any set of people, and I am afraid that that is being done. Although a solution can be imposed for a while, it simply creates a problem—perhaps not for the next few years or even a generation, but for the future—that will never be solved.

Let us consider what we have done in this country with regard to Northern Ireland, the incredible advances in the peace process and the position that we have reached today. Ten or 20 years ago, it would have been impossible to imagine the personalities who are in Stormont today sharing power. However, that achievement has taken time and patience. At times, deadlines have been set and passed because the opportunity of achieving peace was too precious to say, "Sorry, that's the end of it." I am therefore greatly concerned about the position in Kosovo.

Daniel Kawczynski: My hon. Friend knows that the President of America visited Albania last week and, to great satisfaction, called for independence for Kosovo, which Albania wants. Does my hon. Friend agree that an American President interfering in such a difficult, specifically European issue, is rather problematic?

Mr. Randall: It was far from helpful, but I understand why the President said that at the time. I am not entirely sure that, even in Europe, we understand the complexities of some of those matters. America may have competencies in many areas, but I am not sure that the Balkans is one of them.

However, we are where we are. I fear that if we are not careful, we will have a genuine problem in the coming years. All I ask from the Government is that when the matter is being discussed they should not try to reach a quick-fix solution, because that will not last.

When I last visited Kosovo in February with the all-party group, it was apparent that Kosovo has become de facto an independent state. I believe that Serbia recognises that it will never get direct rule from Belgrade over the area, and that is welcome. The sticking point is that we have arbitrarily changed the boundaries of a state. Kosovo is recognised to be part of Serbia, and for us to say that that can be changed will set an awful precedent around the world. Our Government, America and the Contact group, with the exception of Russia, disagree and claim that it will be a one-off. Things do not work like that. I cannot understand how Republika Srpska would not say, "You've allowed Kosovo to become independent. We want to join up with Serbia proper. Why can't we do that?" We have only to look a bit further towards the Caucasus to Abkhazia and Ossetia to find other problem areas. There is no easy answer, but we must not rush into a solution.

The Chairman of the Foreign Affairs Committee takes a serious interest in the region, but he was slightly in error when he said that the countries of the European Union were at one on the matter. Perhaps that just applies on the surface, but underneath, there is a great deal of concern about what would happen if boundaries and borders were changed anywhere, but especially in Europe.

I ask the Government to look seriously into the various possibilities. I wonder whether it would be possible to provide something like a lease, whereby perhaps for the next 99 or 100 years Serbia held a lease on that part of the world, knowing full well that it had no control over it. It is the feeling of belonging to those heartlands that is so important to recognise.

Mr. Hands: Does my hon. Friend agree that one of the key considerations in any settlement should be the right of the Serbian people to go to Kosovo, particularly in view of the incredible heritage for the Serbian people that can be seen there? The Serbian people want to be able to visit the monasteries and other sights that are so important to their nation, but that should be possible while preserving the self-determination of the Kosovars.

Mr. Randall: I agree, and I am sure that people will acknowledge that that can happen. When we travel to Kosovo and see those sacred sites surrounded by barbed wire and heavily armed international forces, it makes us realise that the reality is not the same as what is being said. I will leave it there.

I am very concerned that when we speak of Europe in the House, we are talking about the European Union. It is, of course, fundamental—and something about which many of our constituents have grave concerns—but we need to recognise that there is a wider Europe. If the EU is to be of any importance, it has to grasp that fact. I cannot really see how we could ever have a single European diplomatic force with European embassies, because so many different views are represented among the different European countries. It would be a wonderful world if that happened, but I am not a dreamer and I believe that we have to be pragmatic. That is why the EU, this country and the contact group have to take a serious look at what is happening in Kosovo and Serbia.

Serbia has made some advances. The new Government are looking much more to the west and to European-oriented government. They have provided much more help in finding suspected war criminals, and two more have recently been found. I believe that Carla del Ponte herself has said that it would not be helpful at this stage for a settlement to be imposed on the area. That is my one plea: we must get this right, because of the consequences if we do not.

Mr. Quentin Davies: The whole House is listening with great attention to my hon. Friend, who knows an awful lot about this subject and speaks with great feeling. Has he considered whether the European Union itself might ultimately be the only solution to the problem? It has already solved so many problems in areas such as Alsace-Lorraine or Alto Adige-Sudtirol—areas where blood has been shed through the centuries. Once countries come together within the

European Union, exactly where the frontier happens to be is no longer such an existential matter and problems can be resolved. Is it not possible to envisage a solution under which Albania, Kosovo and Serbia are one day all in the European Union? Might not that provide the solution that my hon. Friend is looking for?

Mr. Randall: Strangely enough, I agree with my hon. Friend, but that is a long way in the future. In the long-term future, that may well be the only solution, under which the Balkan countries could become a working group rather as the Baltic countries have become today. Perhaps the goal is for that to happen within the EU, but it will certainly not happen straight away, particularly if the EU becomes more difficult and more constricted, with more and more regulations. That is why I personally favour, for the very good reasons that my hon. Friend expresses, a much looser association so that we can get these countries in more quickly without having to wait a long time, with the horrendous prospect of even more bloodshed to come if we do not get it right.

3.54 pm

Stephen Hammond (Wimbledon) (Con): It is an honour to follow my hon. Friend the Member for Uxbridge (Mr. Randall), who spoke with such passion on a subject that he knows a great deal about, and to contribute to this afternoon's debate.

It seems to me that on 1 January this year, it was absolutely clear to everyone that the period of reflection after the rejection of the treaty by the Danish and the French was over. The trouble was that it became all too clear to too many of us that for many countries and Governments, including our own, it had been a period not just of reflection but of hibernation. The opportunity for the period of reflection to become a period of renegotiation and reconsideration had been lost. We are under no illusions. Chancellor Merkel has always made it absolutely clear that she wanted to resurrect and breathe new life into the constitution, and she is right to do that because it is her stated aim and it is what the German presidency is going to do.

The EU has been enlarged. The right hon. Member for Ross, Skye and Lochaber (Mr. Kennedy) said earlier that those on our Front Bench had not mentioned the need for a new direction, but he was wrong. My right hon. Friend the Member for Richmond, Yorks (Mr. Hague) had actually asked the Foreign Secretary why she thought we needed a new direction if everything was going so well. We have always been clear about the fact that the enlarged EU needs a new direction. It does not need a more centralised, more controlled bureaucratic body to which we surrender more national powers. My right hon. Friend has made it clear on several occasions that his vision is of a looser amalgamation, with a well regulated single market and an attempt to unbundle and repatriate further powers.

Many people in the House and beyond will find it ironic that the Prime Minister, in his last act, is seeking to take the EU in a direction that many of us deem inappropriate. Such a move would be particularly unpopular with the British people and unnecessary for the future of Europe. The Foreign Secretary said that some of the member states that had ratified the constitution were experiencing difficulty in going back and accepting a mere amending treaty. That may be so, but it is a matter for them. It is for us to stand up and ensure that our national interests are being protected by the Government.

For many years, I worked in the City as an investment analyst, and I saw a huge amount of development in the way in which companies funded themselves. We used an analysis that we called the duck analysis: if it looks like a duck, walks like a duck and sounds like a duck, it probably is a duck. If the amending treaty has the content and the intent of the EU constitutional treaty, it probably is a constitutional treaty, and it probably—no, definitely—will transfer power. Any reasoned analysis will therefore have to ask whether the amending treaty is inimical to the constitutional treaty, where the transfers of power will take place, and what negotiating stance our Government are taking to protect our national interests.

It must be clear to everyone that the EU constitutional treaty of 2004 was a step towards greater integration. It had two aspects. The constitutional aspect would have given the EU legal personality, and given EU laws supremacy over national laws. It would also have merged three pillars into one. The institutional aspect would have resulted in an elected full-time President, and a new Foreign Minister to replace the high representative and the external affairs commissioner. Qualified majority voting would have become the general procedure.

It is still unclear whether the amending treaty would confer legal personality on the EU. We shall have to wait and see, but President Sarkozy has suggested in recent statements that he intends to support the Spanish proposition that it should do so. There is already a proposal for an EU Foreign Minister who would have the power to speak on foreign affairs at the United Nations without the power of national veto, and the power to speak on matters beyond the common foreign policy. All the institutional input that would have resulted from the constitutional treaty is still there in this so-called amending treaty.

The Foreign Secretary once again defined some of the characteristics of the Government's position, what would be acceptable to the Government and where the red lines would run. She said that Britain would not accept a treaty that allowed the charter of fundamental rights to change UK law in any way. She also said that the Government would accept a charter of fundamental rights that brought together existing laws, but she did not say whether the Government would accept a charter that changed EU laws and, through that, UK laws. Will the Minister therefore clarify what "in any way" means to the Government?

The second red line relates to the acceptance of anything that displaces the role of British foreign policy. The Foreign Secretary referred this afternoon to agreeing a common but not a single foreign policy. Does she therefore agree with the Spanish position that there will be European embassies? Do we really want a tower of Babel? That must be unacceptable. Do we really want an embryonic EU foreign service to jump out of the so-called amending treaty? Again, the red line seems open to interpretation.

[Stephen Hammond]

Supposedly, Britain will not agree to anything that moves qualified majority voting into our tax and benefits system, or that gives up control of our legal, judicial and police systems. Again, however, the Foreign Secretary has given no clarity to those red lines. Could not moving criminal justice to a Community competency give the EU competence to make third-country agreements over extradition, which will affect the United Kingdom?

Angela Watkinson (Upminster) (Con): My hon. Friend will have noted that the Foreign Secretary said in her opening remarks that she favoured qualified majority voting where it is in the interests of this country. Does he agree that QMV per se will lead inevitably to decisions that may not be in the interests of this country, and that will be outside our control?

Stephen Hammond: I do agree with that, as it is the logical conclusion of what the Foreign Secretary said this afternoon. As my right hon. Friend the shadow Foreign Secretary said, the red lines might be red herrings; they might defend British interests, but they might also be entirely worthless. Unless the Government, in their winding-up, give some clarity on the red lines, we are entitled to say that the red lines will give us no protection whatever.

The Foreign Secretary, in her concluding remarks, alluded to that popular television programme "Deal or No Deal", when she said that the Government will not do a deal at any price. That is fair enough, but if what is in the box called "amending treaty" is actually a constitutional treaty—I think that this is proven—whatever the banker offers is not high enough.

The House should also remember that there is huge cynicism about politics at the moment. All too often, the public believe that we say one thing, mean another and do yet another. What they want are politicians who stand up and say exactly what they mean, and then act accordingly. The Prime Minister said, "Trust the people", on which we wholeheartedly support him. In 1997, he promised a referendum if powers were moved. He also said, and we accepted, that the British people wanted a referendum on the 2004 treaty. Our position is absolutely clear: we want a referendum if the so-called amending treaty transfers powers to the EU. According to any even brief analysis, it is likely that the amending treaty, even after this weekend, will transfer powers. Therefore, let us trust the people.

Finally, there is the issue of the Government's mandate to act. At the general election, the Prime Minister said that he would serve a full term. Within two years, however, we are to have a new Prime Minister, unelected and without a clear mandate. At a time when the will of the British people is that no further powers should be transferred to Europe, but the so-called amending treaty will do exactly that, there is all the more reason for the Government to trust and respect the British people, and offer them a referendum.

4.4 pm

Mr. William Cash (Stone) (Con): I have looked at the mandate of the intergovernmental conference. I have also listened with great interest to the Foreign Secretary, having cross-examined her recently in the European Scrutiny Committee, where she admitted in so many words that she did not know the position of the United Kingdom Government or, indeed, of the European Union.

The mandate has been produced by the German Government. I have no doubt that they are pressing ahead with the proposal because they believe it is in their national interest to have a European constitution, or something so close to it as not to make a real difference. I am glad to say that, after a good deal of pressure, my party decided to vote against the constitution in principle—on a famous day last year when the Government went through the Lobbies to support it.

The European constitution would have completely undermined our parliamentary traditions and democracy. The fact that the new proposals do not contain the repeal provisions that are in the constitutional arrangements—I had to draw that to the Prime Minister's attention a couple of years ago, which I think had some bearing on the fact that we ended up with a referendum—is not specifically a point in their favour. Obviously we would not want the existing arrangements to be set out in the context of repeal, but as I said to the Foreign Secretary— and it should be carefully noted—under these proposals not only will there be a single legal personality, but

"The word 'Community' will throughout be replaced by the word 'Union'".

"Throughout" means throughout all the treaties. The mandate describes the so-called reform treaty as an amendment which will consolidate the treaty on the European Union and the treaty establishing the European Community. The treaty establishing the European Community is to be called the "treaty on the functioning of the EU". The mandate would consolidate all the existing treaty arrangements, with amendments, as indeed did the European constitutional treaty. Anyone who examines the transitional provisions will see that they included provisions for repeal and amendment.

The mandate states not only that

"The word 'Community' will throughout be replaced by the word 'Union'",

but that

"it will be stated that the two Treaties constitute the Treaties on which the Union is founded and that the Union replaces and succeeds the Community."

It then proceeds to the question of primacy.

We discussed the meaning of primacy a couple of years ago. It is well established, following the case of Costa *v.* ENEL, that there is an existing primacy in the European Union. I happen to take grave exception to the way in which it operates under sections 2 and 3 of the European Communities Act 1972, which is why I raised with my right hon. Friend the Member for Richmond, Yorks (Mr. Hague), the shadow Foreign Secretary, the question of the legislative supremacy of this House. It is completely absurd for us to be in the position of legislating simply because a decision has been made at European level, irrespective of the impact on the ordinary everyday lives of the people of this country.

Mr. Hoon: We have engaged in this debate over the past 15 years, but it is important to discuss the point that the hon. Gentleman has raised. Is not his criticism

of the provision relating to the supremacy of Community law a criticism of this House and this Parliament, given that this House and this Parliament passed a provision in the 1972 Act accepting the supremacy of Community law?

Mr. Cash: Yes, it most emphatically is such a criticism. It was an enormous mistake to have done that in that way. An amendment of mine to the Legislative and Regulatory Reform Bill—new clause 17—was supported by my party in the Commons and the Lords. It proposed in certain circumstances to override the 1972 Act, and, crucially, to require the judiciary to give effect to that latest expressly inconsistent enactment passed by this House on behalf of the electorate who put us in power.

Nothing is set in concrete forever; even the Minister will accept that things cannot remain static forever. In some circumstances, repatriation has blatantly become necessary. That is the sentiment of the British people, and it is probably also the sentiment of most other European countries. We must achieve the mechanism to deliver that, in the interests of the voters. *[Interruption.]* Is the Minister expressing approval? I think he must be, as he cannot disagree with my point. *[Interruption.]* I invite him to get up and disagree with me, by all means. We are talking about an important principle: democracy.

I do not dispute that the primacy of European law has been an established principle. That was set out under the Costa *v.* ENEL case of 1964—before we entered the EU—and there have been many other cases since. However, let me make my point on this subject by drawing an analogy with what happened in the 19th century, another time of enormous constitutional change. There was supremacy of Parliament before the passing of the Reform Acts, but it cannot be said that the supremacy of Parliament before the Reform Acts was the same as its supremacy after them. It was a new supremacy of Parliament, endorsed by its democratic accountability which came from everyone having been given the vote. Despite all the obfuscations and opaque and academic arguments about sovereignty that there are, the point I am making is simple. The question is whether the people of this country have the right to make the law through their elected representatives in line with their wishes in general elections.

The draft mandate states:

"Concerning the primacy of EU law, the IGC will adopt a Declaration recalling the existing case law of the EU Court of Justice."

That is an unexceptional statement until that primacy is related to the new functions that are being conferred. Those new functions involve a structural change in the relationships between the United Kingdom and Europe—and between the United Kingdom Government and Parliament and the electorate of our country. That is a fundamental structural change. When we impose that new primacy, although there is no repeal provision as such, the proposed constitutional arrangements are so close to the existing ones under the treaty that the Minister and the rest of his party voted for, that any distinction that was made would be a distinction without a sufficient difference. That is the key point. If that argument stands up to scrutiny, which I believe it does, then it follows that we must have a referendum.

Something else follows as well. I am taking the trouble to explain my points on the mandate document because they are important. Between now and next Monday when the Prime Minister returns to the House and tells us what has happened over the weekend, I invite the Government to consider the following idea. Many people agree with me about the new mandate, and if am right it follows that there is a case for expressing a refusal to accept the proposals which is far more potent and useful than the case for offering a referendum. I ask my Front-Bench colleagues to listen to what I am about to say, too.

Although there is no technical opportunity to exercise a veto because the meeting is not an IGC—which seems to have escaped some people's attention—it could be made clear that we will not accept these proposals on the following grounds: first, they confer further powers; secondly, this represents a fundamental change; and thirdly, it is perfectly clear that the provisions would be unacceptable to the people of this country.

Mr. Hoon: I am grateful to the hon. Gentleman for giving way again. There is a logical flaw in what he his saying. He accepted a few moments ago that this Parliament accepted the supremacy of European law in the 1972 Act. If that is the case, this provision is not changing anything, and there is no need for a great debate about a provision that is not changing anything. It is the hon. Gentleman who is seeking to change something. I assume that there are some basic, fundamental membership rules of the Conservative party that have to be acknowledged and recognised. If someone wishes to change them, they either are able to do so or have to leave.

Mr. Cash: I have already made abundantly clear what my argument on primacy versus new primacy amounts to, and I do not need to repeat it.

The plain fact is that there is a whole raft of provisions that certainly require a referendum. I would like to see a referendum on all the existing treaties, and it so happens that on the Order Paper there is an early-day motion in my name, supported by well over 50 Conservative MPs, effectively endorsing that proposal. We have reached a watershed, and although we have reached various watersheds before, this one is fundamental because of the rejection of the constitutional treaty two years ago by France and the Netherlands.

Mr. Bernard Jenkin (North Essex) (Con): The Minister for Europe has simply made the same excuse for not having a referendum as the Government used to make in respect of the constitutional treaty, before they conceded that they had to have a referendum on it because it represented a fundamental change.

Mr. Cash: Absolutely; I entirely agree with my hon. Friend. The problem with this Government is that they are riddled with inconsistencies.

We have reached critical mass in terms of the accumulation of powers, which have gradually built up, treaty by treaty. We have been through the black hole of the constitutional treaty itself. Now there is an attempt to retrieve the situation, and despite the fact that it

[Mr. Cash]

makes no substantial difference, to continue to pursue the idea, subject only to the Minister for Europe's saying just a couple of days ago that there might be a referendum. However, we need to make it crystal clear that there should be a referendum. Because of the nature of this treaty—its accumulated text and its cumulative effect on the various functions—there must be a referendum on it, as if it were a referendum on all the existing treaties. I suspect that when the text of the treaty ultimately emerges, that is more or less what we will be dealing with. My early-day motion could turn out to be the basis on which we have to proceed—that there will be a referendum on all the existing treaties.

Although the treaty under discussion is called an amending treaty, it will consolidate all the others. It tries to pretend that it is something else but fails to make a sufficiently different distinction, and, finally, presents the British people with a simple question, which the new Prime Minister—the present Chancellor of the Exchequer—is going to have to run with. We have been watching him appoint people such as Jon Cunliffe—people who devised the five economic tests; the Foreign Office is being denuded of its influence; and the influence of people who clearly have a very Eurosceptic view is being carried into No. 10. All that gives me some hope that we will possibly end up with a new dispensation under the new Prime Minister.

Finally, it has been said that we will have a charter of fundamental rights that is different from the previous one, but which will nevertheless have legal value; however, if possible, it will be kept out of the clutches of the European Court of Justice. I have never heard so much tosh. As I said in *The Times* the other day, this is absolute rubbish. Well established case law shows that the charter, however it is referred to in these arrangements, will be part and parcel of the jurisprudence of the European Court of Justice. Much more needs to be said about this issue, and I am sure that my hon. Friends will continue this debate. However, I say with 100 per cent. certainty that we need a referendum. These proposals should be vetoed anyway, and we should jolly well have—

Mr. Deputy Speaker: Order. The hon. Gentleman has had his 12 minutes.

4.20 pm

Mr. Richard Shepherd (Aldridge-Brownhills) (Con): I enjoyed the exchange between the Minister for Europe and my hon. Friend the Member for Stone (Mr. Cash), if only because the Minister has woken up. There is a placidity to these debates normally. I shall not follow that exchange, other than to note that all European treaties are of a constitutional nature. We need not fool around: the constitution was the last endeavour, and it is not called that any more, but from 1972 onwards, we have had a framework document—the originating treaty—that has governed the relationship of this House, this people and this nation to developing institutions in Europe.

Most of us in Britain—simple souls such as myself—did not understand the seriousness or greatness of the design. Why should we? I was outside the House in 1972. I believed in free trade areas and the decision was presented to the public as a free trade deal, so that was simple. But when I became a Member of Parliament, I began to read the documents and see what they actually entailed. The treaty is a clever, slowly evolving—not so slowly, because it is now rapidly accelerating—attempt to change the very nature of the Government of the UK. Other nations must speak for themselves.

The Foreign Secretary graced us with the inadequacy of her knowledge about the process by which we will arrive at our position over the next couple of days, and she bewildered us in that she has to maintain the position that, although we will have—or may have—a treaty, it will, if it does not meet the red lines that have been constructed by the Government but necessitates some change, be somehow not constitutional. That is what we are arguing about. We went from 1972 to the Single European Act, which Mrs. Thatcher ultimately said she would not have signed if she had known what would happen. She repudiated the decision in a sense, and to begin with I did not understand the difference between a single and a common market. America is a common market. The European government, in its approach to the market, is a single market. Which do I prefer? I prefer the common market, in which each of us competes, strives and controls, within the state system, what we judge to be best. That is not the ambition of that organisation.

By 1992, we had an opt-out. Unfortunately, the Prime Minister-to-be put conditions on it, but it contained a single currency. What does the treaty say about a single currency? It says that it shall be irrevocable and irreversible. Those are not words to be taken lightly. Having been told about the mutability of human life, we begin to appreciate that the treaty is a solid construction, with ambitions to be a grand and great constitution and to make the UK clearly, through usage and the passage of time, a subservient or subsidiary constituent of the union of Europe.

The European Economic Community became the European Community in 1992 in the treaty of union, in which the word "economic" was a limitation on the powers of the European Court. The burden of my argument is that whatever comes before us will be the first snapshot and opportunity—which I would take at every point of change—for people who were not born in 1972, or who did not understand what was happening, to have a vote on whether these arrangements should be allowed to take away a constitutional trust.

This country formed its own arrangements. We are in conflict about legal systems—about the civil versus the common-law tradition. There are many differences, but this Chamber, which Churchill called this "little room", reflects something deep—the trust of those who send us here.

Mr. Hoon: I am grateful to the hon. Gentleman for giving way. We do not always agree in these debates but I have always admired his commitment to parliamentary democracy and sovereignty. We have only ever had one national referendum in this country. How does he equate his commitment to parliamentary sovereignty with his apparent support for referendums?

Mr. Shepherd: Very easily. I believe in the Locke premise, which is that we cannot give things away without reference to the people. Churchill said that the people are sovereign, and I believe that we are merely

their representatives. When this or any Government attempt to sell off or assign to others responsibility for judgments on great matters of public policy, that is a matter beyond our competence. It is a matter for the competence of the people as a whole, after an informed debate leading to a referendum. That is what I am arguing for.

I understand that the Minister for Europe may not know his Locke, but the thinking about these matters is very old. I can reconcile my approach, because the sovereignty of Parliament and democratic Government that we now espouse and promote—I am here by virtue of it—began with the autocratic dictatorship of monarchy and progressed through oligarchy. Our struggle has always been to hold the Crown in check, and that is what we do in this Chamber. Unfortunately, the Prime Minister's majority means that the Crown is now with him in Downing street, but that is no excuse for us if we forget what our business is and where the trust of those whom we should serve lies. That is why the EU cannot satisfy the democratic question.

I had not intended to indulge in that flourish. I was going to talk about Roman Herzog, the German Chancellor between 1994—the time of Maastricht—and 1999. After his time in office, he researched the extent of his country's Government, looking at some interesting figures for the total number of so-called legislative instruments that had been passed. He found that most of the laws in force in Germany were no longer passed in the German Parliament, but in the EU.

It is hard for us to get to grips with that. When the Minister for Europe was Leader of the House, and therefore Chairman of the Modernisation Committee, we wanted to find out the extent of European legislation. Our inquiry was never concluded, but the Cabinet Office suggested that 40 per cent. of legislation came from Europe. When I asked about that figure, it disappeared from the Cabinet Office website, but figures from the German Ministry of Justice comparing the number of legislative processes in that country between 1998 and 2004 with the amount of EU legislation in the same period found that 84 per cent. of all laws were passed in Brussels, and only 16 per cent. in Berlin.

What was former President Herzog's conclusion? In translation, he said:

> "We have to ask whether the Federal Republic of Germany can still be unequivocally described as a parliamentary democracy."

That is at the heart of why some of us are taking part in this debate. Can we be described unequivocally as a parliamentary democracy? I do not doubt that the balance of the legislative process in this country would reflect that of Germany, or of Lithuania.

I mention Lithuania, because it ratified the original constitutional treaty before it had been published in the European news circuit. Come on the new political classes that govern with their strange elections. What does public opinion matter? The document was a joyous expression; it had 400 inaccuracies after translation. We may be forming a union in which people expound their views by hallelujah choruses, but this Chamber to the last will go line by line through the detail of the constitutional arrangements that affect it.

The Minister is quieter now. Perhaps I have exhausted him, but the Foreign Office must pull itself together—or rather the Foreign Secretary must do so. We are in an absurd position. Two days before an important discussion about how the European Union will see its way through the misconceived judgments of the French and Dutch electorates, we are listening to a Prime Minister who is going out of the door having endorsed the constitution. That is the difficulty; he actually endorsed it.

The Prime Minister promised us a referendum should the constitution come about, although all his fingers and toes were crossed—we understand that—but the man who could endorse that and the Cabinet that could agree leave us doubtful as to their intent. I no longer trust the processes whereby Government proceed and accede to the European Union. It is disgraceful that we do not engage—that there is no way forward, no repatriation of powers and no understanding of what this country needs. That is why we must have a referendum.

4.31 pm

Willie Rennie (Dunfermline and West Fife) (LD): I was not a Member in the 1990s but I watched the great European debates about Maastricht, so it is a great honour to follow speakers such as the hon. Members for Aldridge-Brownhills (Mr. Shepherd), for Stone (Mr. Cash) and for Grantham and Stamford (Mr. Davies). It is easy to see why this place must have been electrifying during those debates in the '90s—*[Interruption.]* Labour Members shake their heads—perhaps they had a different experience.

I apologise to the House for arriving late. Unfortunately, I was in Uxbridge for five hours being fitted for a gas mask for a forthcoming trip with the Select Committee on Defence. It was a frustrating experience. I thought that the congestion across the Forth bridge was bad until my experience of Uxbridge congestion, which was much worse.

This morning, I was reading about possible coalition deals with Labour, so when I saw the empty Labour Benches this afternoon I wondered whether crossing the Floor would increase my chances of being called to speak. However, I reassure Labour Members that we have no intention of crossing the Floor today.

I entered the House 15 months ago and this is my first European debate. I took part in a debate on the EU-China relationship in a European Standing Committee scrutiny session, which was attended by the Minister for Trade—I am sorry that he is not on the Treasury Bench at present. During that debate, we exposed a number of issues relating to China—on Africa, human rights, trade and the environment. They offered examples of why Europe is a good thing—why Europe can contribute to our nation and the rest of the world. If we were acting alone, we would not have the same influence on China as the EU has, which is why it is important that we have confidence in the EU, even with all its faults, and work with it to achieve a better world.

I do not go along with the approach of the hon. Member for Luton, North (Kelvin Hopkins), which is to muddle along in Europe. That gets us no further forward. Like many Conservative Members, we recognise that there are many faults in the EU, but muddling along is not the way to sort out the

[Willie Rennie]

difficulties. My right hon. Friend the Member for Ross, Skye and Lochaber (Mr. Kennedy) made an inspirational and honourable speech, which showed why we should be enthusiastic for Europe.

I will give the House two quick reasons why we need to reform. They are quite simple reasons and I am sure the public would understand them. Having 27 members of the Commission is completely unacceptable. It is not a way to run any kind of business or democracy. That is why we need to rationalise. To have any hope of building relationships with countries outside and within Europe, we need more than a six-month presidency of the European Union.

Mr. Hands: The hon. Gentleman is repeating the mantra that the EU cannot cope with 27 Commissioners. Can he give us an example from the last three years of when the EU has been stymied by having 25 or 27 Commissioners and has been unable to put forward its business?

Willie Rennie: The hon. Gentleman has pointed out many faults with the European Union in the past. I am sure that having 27 members of the Commission is one of the reasons why we are not able to advance. He is much more knowledgeable than me and can come up with many more examples than I can.

During the '90s, I was often in eastern Europe, where I took part in training for the Westminster Foundation for Democracy. I often came across European countries that were extremely enthusiastic about joining not just NATO, but the European Union. They saw membership as providing access to the modern world and as a way of improving their economies and internal processes. I wish we could inspire that enthusiasm for Europe, which has existed in the past, in this country.

There is enthusiasm for Europe in my local area. Rosyth ferry port provides access to the ferry to Zeebrugge. That is extremely popular with traders, as well as visitors to the European continent. West Fife Enterprise gives access to European grants to try to provide new opportunities for young people in training and enterprise. We even have motorbike shops that trade in euros. For that to happen is a sign of the enthusiasm for Europe in Fife.

I want to make two quick points before I move on the main thrust of my speech. Yesterday we found out that there has been movement on the official legal recognition of whisky. [HON. MEMBERS: "Hear, hear!"] I hear cheers from Members, and quite right too. It is a great drink. I am sure that whisky producers in Scotland will welcome the legal recognition and that there will be the required economic boost. A slightly more negative point relates to the food supplement regulations that are being introduced. The efforts by the European Union to control the maximum limits on food supplements, vitamins and mineral are a negative step. I hope that the Minister will consider those proposals; I am sure that the Government are doing so already.

I wish to discuss Turkey, whose accession to the European Union has been 40 years in the waiting. In Europe, we have secured more than 40 years of peace and prosperity among member states, but we have often looked towards our boundaries to try to expand that peace. Turkey is one of the immediate neighbours that we should look to engage with further and ultimately welcome into a further expanded European Union. The European Economic Community promised Turkey membership, albeit conditionally, more than 40 years ago, and we have often repeated the commitment since. Turkey has been seeking integration into Europe ever since, economically and, as far as possible, politically. It has launched major internal changes to facilitate membership. Not admitting Turkey once it meets the EU standards would be extremely damaging.

We will all be aware of the recent political troubles in Turkey involving the ruling AK party and the debate about the election of the President. Of course, Turkish membership of the European Union is not just around the corner because stringent criteria must be met for it to be able join—and rightly so. The oppression of the Kurds in eastern Turkey cannot simply be forgotten, for example. However, the fact that the death penalty has been abolished is a hugely encouraging sign of progress. The issues that stand in the way of membership are not insubstantial, however, and will take time to resolve.

The current Turkish Government have presided over a number of consecutive years of substantial economic growth. Evidently, it would be folly to rule out the membership of such a diverse and strategically important country as Turkey. Members of the European Union should not create artificial barriers or unexpected hurdles. If Turkey fulfils its criteria, it is entitled to accession, but we should make it clear that Turkey cannot qualify on economic grounds alone and that pluralism, the rule of law and freedom of speech must be realities, not merely aspirations.

Britain has been robust in its support for the enlargement of the EU. In 2004, we supported the accession of 10 new countries to the EU, while in 2007, we have supported two more member states. We should maintain that position because a diverse and large Europe will benefit us all.

The Defence Committee, of which I am a member, has been scrutinising the European security and defence policy. We examined the importance of the policy during trips to Washington, Canada and European countries. As we try to meet the challenges of terrorism and rogue states, we need to ensure that we work together for the benefit of us all and the freedoms and rights that we protect in this country. However, the concept of simply relying on NATO is ill conceived.

The scaremongering of Eurosceptics, with their usual anti-European stance, is predictable on this front, as it is on many fronts. They complain when other countries try to introduce more qualified majority voting in the EU, presumably because they do not wish to be railroaded by those countries, but when it comes to NATO, they attempt to railroad other countries into participating in conflicts for which there is little domestic support. I encourage members of NATO and the EU to do their fair share in conflicts such as that in Afghanistan. Such countries have often not stepped up to the plate or reduced the number of caveats to their participation. However, it is extremely unreasonable simply to require them to participate in conflicts when they have difficulties at home. The approaches on NATO and the EU seem to conflict.

Mr. Shepherd: Does not the hon. Gentleman see the distinction between the European Union, which has a legislative aspect, and an organisation under the Washington treaty that is not legislated for by this place and, ultimately, cannot be mandated?

Willie Rennie: The hon. Gentleman makes an appropriate point. I am talking about the approach to the organisations. I am trying to make the broad point that we seem to try to lay guilt on other countries for not playing their part in NATO, but we reject other countries' attempts to encourage us to become wider members of the European Union. There is in an inconsistency in the approach.

Mr. Ellwood: I am sorry to challenge the hon. Gentleman, but I think that there is an inconsistency in his argument. NATO has a straightforward remit. I will be curious to hear his views on this, but if there is any concern, it is the struggle over whether member nations should participate in both NATO and the rapid reaction corps with 60,000 members that the European Union is trying to set up. I do not believe that it would be possible to be part of both. At the moment, colonels and commanders are double-hatting, but they cannot be in two places at once.

Willie Rennie: The hon. Gentleman has a great deal of knowledge about this matter, but, in principle, he is wrong. There is no reason why we must have a simple process in order for things to work. Many comparisons regarding soft and hard power have been made between the ESDP and NATO. There is no reason why we cannot work together on different conflicts to try to find suitable strengths. If it takes the ESDP to make member states take on their responsibilities outside the boundaries of NATO and the EU, we should use that route. We must recognise that countries have problems with which they must deal, so it is not appropriate simply to demand that they play a greater part.

Mr. Ellwood: Perhaps the hon. Gentleman is right that the European Union can play a role on soft power. However, Bosnia is a great example of the European Union failing to provide the troops or the initiative to solve a problem. It was not until America came along—indeed, until NATO came along—and the Dayton peace accord was signed that we got peace in the Balkans. That would not have happened if the situation had been left to the EU alone.

Willie Rennie: I recognise that these matters are not simple and that there are often system failures. The fact that NATO and the ESDP do not communicate effectively is one reason. We need to work together. Just because it may seem on the outside that there is duplication or overlap, that does not mean that the two systems cannot work side by side. There is blind adherence to maintaining NATO, without considering a similar European body. That is inappropriate.

In conclusion, we need to work together through the European Union and other international bodies so that we can advance the cause of Britain in a larger whole, rather than working on our own.

4.45 pm

Mr. Greg Hands (Hammersmith and Fulham) (Con): Like my hon. Friends the Members for Uxbridge (Mr. Randall) and for Wimbledon (Stephen Hammond), I have not previously spoken in a European Affairs debate. I understand that such debates take place twice a year. I was warned that it would be dangerous to speak in the debate, as I would become for ever part of a mythical group of people called "the usual suspects". I was intrigued by that. I was also intrigued to hear the hon. Member for Great Grimsby (Mr. Mitchell) earlier describing an additional two species called the Euro-creeps and the Euro-lags.

I am struck by the fact that on the Government Benches there are virtually no suspects present. Despite the fact that this is a fundamental debate about the future of this country, the future constitutional arrangements of the European Union and its interaction with the United Kingdom, there are no Labour Members in the Chamber other than two Back Benchers, a Parliamentary Private Secretary and a Whip, as well as the Minister for Europe. It is a pretty poor show.

As a new speaker in the debate, I ought to outline some of my background. I am genuinely pulled two ways on Europe—between my heart and my head, or between my personal life and my political life. At various times for my degree I studied the German, Czech and Turkish languages. I lived and worked in Germany for over two years. I had been to 25 of the 27 EU countries, excepting only Cyprus and Malta, before I was aged 30, both on personal and on business travel. My wife is half German and half Russian. The language of choice for us at home is German. My daughter is being brought up bilingually, as my other children will be, and she holds two EU passports.

My constituency has the second largest number of EU residents anywhere in the country after Kensington and Chelsea. From a personal point of view, I should be a total enthusiast for the European Union and everything that it stands for. However, that is not the case. Why am I opposed to the current direction of the EU? Probably because I believe that it needs fundamental change. I strongly believe that we must be in Europe and make the case for a Europe that is in our mould. We have many declared and potential allies since expansion, to whom we are not talking enough. That is especially the case with the present Government. We want a grouping of sovereign nation states able to trade freely with one another, co-operating on areas of common political interest. Change is desperately needed. According to the European Commission's own figures, by 2050 Europe's share of world output will fall to only 10 per cent. The US will be on 26 per cent. at that time. That means that in just 40 years the average American will be twice as well off as the average European.

In February, I attended a speech on Europe by my right hon. Friend the Member for Witney (Mr. Cameron) at the Movement for European Reform. The speech had a great deal to commend it. My right hon. Friend spoke about how the EU, rather than focusing on itself, gaining more powers and expanding its remit, should focus on becoming what he called the 3G Europe, concentrating on global poverty, globalisation and global warming. I would add a

[Mr. Greg Hands]

fourth G—global terrorism. We should add to that list sovereignty and the paramountcy of Parliament in making UK law.

Much has been said today on the EU constitution, and there are real fears that the same treaty has come to us dusted off that was previously presented in 2004. Last month, I was in the audience for a speech in Potsdam by Angela Merkel's right-hand man, Thomas de Maizière, the chief of the Chancellor's office and the Federal Minister of Special Affairs. De Maizière was applauding the content of the EU constitution while criticising moves made more than two years ago to call it a constitution. His words were: "You don't name the baby until after it's born." The implication was clear: the baby was a great thing but should not have been called a constitution until after it had been ratified.

Kitty Ussher (Burnley) (Lab): The hon. Gentleman will recall that I was at the conference, sitting practically next to him, and I want to probe him on other comments made by Thomas de Maizière. Please correct me if I am wrong, but when asked, I think by the editor of the *Financial Times*, when it would be appropriate for Angela Merkel to hold discussions with the Leader of the Opposition on the state of Euroscepticism within the British press, Thomas de Maizière very clearly replied, "Never, for as long as the Conservative party plans to leave the European People's party." Is not that a damning indictment on the hon. Gentleman's party's policy?

Mr. Hands: I am delighted to be given the additional minute and to talk about the role of the Members of the European Parliament. It is of interest to me that, on 7 June, Labour Members of the European Parliament voted for the motion, which stated:

"To achieve a settlement of the ongoing constitutional process of the EU that is based on the content of the constitutional treaty, possibly under a different presentation."

That is exactly the same thesis as was put forward by Mr. de Maizière in his comment that the baby should not be named until it is born.

Mr. Ellwood: I do not believe that my hon. Friend will be able to do justice to the matter in one minute, so I intervene to try to give him a second minute.

Mr. Hands: I am extremely grateful.

Mr. Deputy Speaker: Order. I am in danger of taking time out of the hon. Gentleman's speech, but only to say that I do not think that that practice should be encouraged.

Mr. Hands: Thank you for your guidance, Mr. Deputy Speaker.

My hon. Friend the Member for Wimbledon spoke about the Government being in a period of hibernation on the constitution, having done very little during the past two years.

Kitty Ussher: In an attempt to add an extra minute, I was wondering whether the hon. Gentleman would answer my earlier question.

Mr. Hands: Yes. The answer is that the hon. Lady should be careful about throwing stones in glasshouses. If she looked at what the Socialist group of MEPs was presenting in terms of a deeply federal Europe, she would be genuinely alarmed. If I were her, I would more closely examine her own side first.

I have been looking at the timetable for the past six weeks in the lead-up to this crucial summit. I have been going through all the press releases put out by the German federal Government, the Bundesregierung, and comparing the movements of Angela Merkel and her wheeling and dealing to try to secure a deal on the European constitution with the complete lack of such activity by our own leaders.

I mentioned earlier that the German Chancellor had had one to one meetings with the leaders of Poland, France, Denmark, Sweden, Ireland, Belgium, Italy, Hungary, Lithuania and so on. It is fascinating to compare what she was doing with what the Prime Minister, the Chancellor of the Exchequer and the Deputy Prime Minister were up to at the same time. For example, when Angela Merkel was meeting the President of Poland, the Prime Minister's office was trailing that, as part of his legacy tour, he would love to go back on "Blue Peter". When the German Chancellor was meeting the new French President, our Prime Minister was on a plane to Washington. Obviously, going to Washington would usually be important, but as part of a legacy tour, when the constitution is up for negotiation, where was he? When the German Chancellor met the Danish leader, Mr. Rasmussen, on 22 May, our Prime Minister was doing an interview with Brian Williams of NBC, talking about how popular he is in the United States. On it goes. When the German Chancellor was meeting the leaders of Sweden, Ireland and Belgium, our Prime Minister was in Sierra Leone.

I also had a quick look to see what the Chancellor of the Exchequer has been doing. I went to his website, "Gordon Brown for Britain", which includes a section called "Follow Gordon" that allows people to follow his progress around the UK. The site helpfully includes a huge map of Europe that extends to Slovenia, Sweden and Italy. However, the map of Europe is absolutely blank, because he has not made a single visit to Europe or met a single European leader in six weeks, other than his conversation with Mr. Sarkozy on the telephone, because he has been too busy shadow boxing at the Labour party hustings. At a time when we have no Government to represent us and fight our corner in Europe, our right to govern ourselves is being given away.

The Government have been incredibly evasive. Last week, my hon. Friend the Member for Stone (Mr. Cash) asked the Foreign Secretary to come clean on what discussions she has had with the Prime Minister and the Chancellor on the constitution. Her reply was brief, even by new Labour standards:

"All these issues are discussed among all members of the Government at all times."—[*Official Report*, 5 June 2007; Vol. 461, c. 119.]

That was an incredibly helpful and informative answer.

Germany has been saying that the EU is unworkable without a new treaty and the constitution. Again, I shall refer to the federal Government press release published on 14 June:

"A new treaty is to prevent gridlock within the EU, even with 27 or more member states."

There is significant evidence that there is no gridlock in the EU. I happen to sit on the European Scrutiny Committee, and every week we consider an enormous pile of documents, including the latest directives, Green Papers and White Papers from the Commission. I shall pick out three examples from recent weeks, because all the evidence indicates that there is no gridlock in the EU.

First, there are the foreign prisoner repatriation regulations. I got in there on the right of UK victims of crime to be told whether a foreign prisoner who has been repatriated will be released, which is a fundamental part of UK law on victims of crime. Unfortunately, that particular EU document does not contain any regulations about notifying victims of crime in the event of such a prisoner being released from a foreign jail.

Secondly, there is funding for integration and community cohesion. It stands to reason that the integration of minorities into societies and countries is, almost by definition, a job for nation states and national Governments. It is difficult to conceive how a supranational body can be in charge of integration, but there is a new EU integration fund. I agree with exchanging best practice, but for the EU to have competence on the integration of minorities is fundamentally wrong and potentially disastrous.

Thirdly, we have already heard about the European security and defence policy. An amazing document on the progress made on the ESDP during the German presidency came before the European Scrutiny Committee last week. It mentions civilian capabilities, military capabilities, the European capability action plan, various battle groups and operational activities. A group of countries is effectively behaving like a state through the ESDP.

I want briefly to discuss one subject other than the future of the EU, namely, our relations with Russia, which, surprisingly, have not been raised in this debate. Relations are certainly worsening, which is a problem. Last week, I was interviewed by a Russian business magazine, *Profil*, and the interviewer could not work out why people in the UK are upset about the Alexander Litvinenko affair. I had to explain that the man concerned was a UK citizen—whether or not one agrees with aspects of our asylum and immigration system, he was, nevertheless, a UK citizen, and he should have been protected by the UK Government. In my view, he was badly let down. A British citizen was assassinated in cold blood in a restaurant, hotel or bar somewhere in London by the use of a radioactive isotope, which is deadly serious in every sense.

In terms of our relations with Russia, the key area to consider is how we are engaging, or not engaging, with the countries of the former Soviet Union. Almost all the disputes that are happening between the west and Russia have at their heart countries from the former Soviet Union—they concern the war memorial in Estonia, the direction of political change in Ukraine, energy through Ukraine and Belarus, Georgia's bid to join NATO, oil deliveries to Lithuania, gas pipelines, and so on. Britain and the EU need to engage a lot more.

Finally, I want to throw out an idea that brings the two things together: whether it is possible for Russia to join the EU. I think that that is fundamentally possible. Are we going to say that Russia is the only country in Europe—the only Orthodox country; the only Slav country with a Slavonic tongue—that cannot join the EU? We should seriously consider that, because it would do the EU an enormous amount of good, as would the accession of Turkey when the conditions are right. Obviously, an awful lot has to change.

5 pm

John Bercow (Buckingham) (Con): It is a genuine pleasure to follow my hon. Friend the Member for Hammersmith and Fulham (Mr. Hands), who is, as we have all seen and heard, as educated, cerebral and dextrous a contributor to our debate as we could hope for on this important occasion.

I confess that my starting point is somewhat different. For 34 years, under successive Governments of both colours, Britain has been a member first, of the European Community, and subsequently, of the European Union. That is because a judgment was made that it was in our interests to be so. My view is that it remains in our interests for two principal and highly compelling reasons, the first economic and the second political. The economic argument has not fundamentally changed—if anything, it has strengthened. The arguments made in support of initial entry—the opportunity of massively expanded trade, the creation of a vast new raft of jobs, the deregulation of markets and increased consumer choice—seem to me, if anything, more potent now than they were back in 1972. That is because, first, a great deal has been achieved since then in terms of liberalisation, consumer choice and competitive capitalism, and secondly, there was then a market of 250 million or 350 million people, but there is now a market of well-nigh 500 million people.

Secondly, there was and is a political reason for our membership. We were conscious, as we are now, of a huge number of challenges which, with good will and flexibility among member states, can be more effectively tackled together than if we insist on choosing to consider matters only for our individual constituent nations. In the process of trying to overcome some of the transnational problems that beset us, we seek also to promulgate and disseminate essentially democratic values that we nurture and cherish in this country, and which we recognise as underpinning the democracies of other member states of the European Union. The reality is that if one is in government, whatever the anxieties, frustrations and disappointments, one probably acknowledges that when it comes down to it and one has to make a choice, it is more sensible to be part of the European Union than not to be part of it or so to detach oneself from the mainstream as effectively to neuter one's influence. We can all make Eurosceptic speeches—I have done so myself and can do it virtually in my sleep—but I would politely suggest that there is a difference between what one does when one is charged with the responsibilities of government and what one does, or says, when one languishes in the impotence of opposition. My personal view is that we should put the issue of membership to bed.

[John Bercow]

Let me underline the argument for the avoidance of doubt. Of no fewer than six Prime Ministers —Ted Heath, Harold Wilson, Jim Callaghan, Margaret Thatcher, John Major and the present Prime Minister—none has seriously entertained for one moment the notion of exit or departure from the European Union. That is the starting point. We need to be in there, punching our weight and making a contribution. We need to try to be constructive at all times on every issue.

Kitty Ussher: Let me try to pursue the point that I attempted to make earlier, but to which I did not get an adequate answer. Following the hon. Gentleman's chain of logic, would it not be unwise for the Conservative party to leave the European People's party if that means that the Chancellor of Germany will not speak to his party's leader?

John Bercow: That is a fascinating intervention, to which I would happily respond in appropriate detail and with all my arguments marshalled on another occasion. If the hon. Lady is interested in joining me for a cup of tea, for which I am happy to pay, I am willing to debate the matter with her at another time. However, I shall not be diverted, even by the quick-wittedness of her interventions, from the central thrust of the argument on which I should like to focus.

The logical corollary of accepting the principle and practice of continued membership is recognition of the need to co-operate. There must be a basic predisposition for members of the European Union to try to co-operate. Moreover, co-operation in the European Union is not a one-off instance or an isolated act but a continuous and recurrent process, which is implicit in our commitment to membership. It is striking and interesting that several hon. Members from different parties have acknowledged the merit of co-operation but paid lip service to or genuflected at it. They have not gone on logically to develop the argument and to explain in what respects, for what reasons and in what instances co-operating is worth while.

Let me therefore give some examples of working together on a co-operative basis, which is indispensable for the future interests of the United Kingdom, irrespective of the outcome of the forthcoming Council meeting and any subsequent intergovernmental conference. First, let us consider defence co-operation. European Union countries spend approximately £250 billion a year on defence procurement. I should have thought that it logically followed from that state of affairs that it is worth trying to co-operate to achieve better value for money and interoperability of personnel and kit, and to safeguard and promote this country's defence industrial base. That argument is almost unanswerable. Perhaps that can be done under existing arrangements and does not require an extension of legislative power, but one does not need to take an absolutist stance. The issue is how to advance and bolster the UK's interests.

Let us consider co-operation on energy policy. It is manifestly clear that it is to our advantage for energy policy purposes and in the attempt to combat climate change to try to pool our resources and hunt as a pack. We all know that we need significantly to free up the energy market and that there is a commitment to try to ensure 20 per cent. renewables use in future. That requires collective action. We also know that there are huge gains to be made in energy efficiency. Several hon. Members have alluded to the reality that China is a growing power, that there are concerns about Iran, that India is an increasingly significant force in the world and that, as my hon. Friend the Member for Hammersmith and Fulham pertinently reminded us, there is Russia.

For security of supply, seeking to marshal our resources and maximising our value for money, it makes a great deal of sense to try significantly to extend defence co-operation in the European Union.

Mr. Hands: On defence co-operation, it is worth thinking about a project such as the Tornado fighter, which was set up by four sovereign countries. Indeed, when it was first set up, Spain was not even a member of the EU, so it is perfectly possible to have co-operation and joint effort without having the EU—but my hon. Friend has already said that.

John Bercow: That may well be so—for the time being.

The point that I would like gently to underline to all colleagues is that one does not need to die in the ditch on an abstract principle, which is in a sense a violation of the Conservative tradition, unless one needs to do so.

Mr. Jeremy Hunt (South-West Surrey) (Con): I hesitate to say this because I so rarely disagree with anything that my hon. Friend says. I am listening very carefully to his argument about the importance of co-operation. Does he agree that one of the biggest concerns of the people of this country is that all too often, co-operation within the EU is about doing deals behind closed doors? It feels to many people like decision-making power through their elected representatives is being taken away from them and becoming a process over which they have no control. Will my hon. Friend address that concern, about which many people feel strongly?

John Bercow: I understand the point, I recognise the concern and there is an extent to which I share it. I politely suggest to my hon. Friend, however, that that concern does not invalidate the merit of or need for co-operation. It underscores the importance of having greater transparency, which is partly a matter of scrutiny by this House. We need dramatically to improve our procedures in that regard and perhaps those of the EU as well.

I would like to warm to my theme of co-operation, which I think is true in respect of a number of aspects of the challenge to tackle crime. Cross-border crime, for example, is estimated to cost the EU something in the order of £20 billion a year—a huge sum of money. If we ask people, "Do you want the European Union to control criminal justice policy?" they will say no to that, but if we break down the issue into a series of bite-sized chunks, people are much more amenable to the argument. If we ask about the exchange of data, the contribution of Europol or the role of Eurojust, I

believe that there is growing recognition that it is simply not sensible to die in a ditch and insist on the preservation of complete independence where that independence tends to entail an element of impotence—*[Interruption.]* Others have had their opportunity to contribute and I am going to develop my argument.

I happen to believe that asylum policy is also an area on which we should co-operate. It was referred to en passant by my right hon. Friend the Member for Richmond, Yorks (Mr. Hague), who spoke from the Front Bench about the pursuit of a common European asylum policy as though that were somehow a bad thing. Actually, as I have been arguing for the last two years in pamphlets and elsewhere, it would be a good thing. Why? Asylum is a phenomenon that confronts all EU member states and a great many other countries to boot. If we want seriously and effectively to tackle the growing phenomenon of asylum shopping, to share the responsibility for people seeking sanctuary, and to sign up to and enforce the principle of non-refoulement, we need some sort of collective agreement.

Let me simply say that I do not know whether there will be a deal; I do not know whether it will be a deal worth having; and I do not know whether the House will judge it to be a worthwhile deal. What I do know is that the issues will not go away. We really have to take a hard-headed, pragmatic and self-interested view of how we can advance the cause of United Kingdom plc.

I strongly agree with a great deal of what my hon. Friend the Member for Grantham and Stamford (Mr. Davies) had to say. The Commission is too large and it should be reduced. I happen to think that merging two roles—of the High Representative and the External Affairs Commissioner—that currently operate entirely separately would, as my hon. Friend suggested, make a great deal of sense. Like my hon. Friend, I am a member of the International Development Committee and I believe that it is manifest and arrant nonsense for the European Union to be represented by two separate individuals giving conflicting impressions. I also think that the rotating presidency as it operates at the moment is corrosive of the interests of the EU and, yes, we can look for a simpler, better and more efficient deal in terms of qualified majority voting.

There is a slightly neurotic strand to some of the critics' arguments. On the one hand, people are hugely critical of the European Union and flay it at every turn, but on the other, when suggestions for reform, improvement, transparency and efficiency are made, they then seem somehow to retreat into the laager that suggests that any change must necessarily be for the worst. That seems to be a mistake.

Let us return to the best tradition of British foreign policy making, which entails a degree of pragmatism, of jealous regard for the national interest, and of recognition of the need for flexibility. The British national interest should come first, second and third in our deliberations over the next few weeks, and in the months and years ahead.

5.15 pm

Daniel Kawczynski (Shrewsbury and Atcham) (Con): I do not want to get into a competition with my hon. Friend the Member for Hammersmith and Fulham (Mr. Hands), who made a very good speech—but I feel that I have an even stronger claim to being socially and continentally minded. He informed the House about the languages that he spoke; I speak five European languages fluently, I have lived in Sweden, France and Poland for a total of nine years, and I have a Polish grandfather, now deceased, and a totally unpronounceable foreign surname. Despite that continental pedigree, however, I feel increasingly alienated by further EU integration.

Rightly, a great deal has been said in the debate about the constitution, and it is vital that we should now have a referendum. I am the chairman of the national campaign for a referendum, which has cross-party support. I am grateful that the hon. Member for Luton, North (Kelvin Hopkins) is here, because he is a key part of that organisation. In *The Times* newspaper today, there is a full-page article from an organisation called Speak Out asking members of the public to ask their Member of Parliament to lobby on the need for a referendum. The Chancellor of the Exchequer says that he will have a new kind of Government and that he will be a Prime Minister who listens to the people. It seems, however, that he will listen to the people, but not on the issue of a referendum on the European Union.

Kelvin Hopkins: Does the hon. Gentleman agree that listening to the people and then moving on without taking any notice is different from listening to them and acting on what they say?

Daniel Kawczynski: I concur with that 100 per cent.

So much has changed since 1972 when we entered the then EEC. As I mentioned to the Foreign Secretary, there are millions of people like me who, because of when they were born, have not been consulted on the process of further European integration. I was three years of age when the referendum took place, so I did not have the opportunity to cast my vote.

Everyone talks about the importance of the European project gathering pace and moving forward, but no one mentions the potentially huge backlash that we will face in 20 or 30 years' time if we continue to ignore people and to refuse to allow them to have referendums, and if we suddenly find ourselves in a European state. People will start to rebel against that, and it might be excessive to say so, but there could be serious social tensions as a result.

Shropshire is having a huge public consultation on proposals for a unitary authority at the moment. People are being consulted through referendums on an issue as parochial as the way in which our local councils are run. The Government also gave a referendum to the people of the north-east on the regional assembly, yet they are not prepared to give the British people a referendum on the vital issue of the new constitution. The Foreign Secretary likes to call it an amending treaty, but it is nevertheless a constitution that will impinge on our sovereignty.

The problem with the European Union is its size. It has 27 countries with huge differences in culture and focus. The constitution is trying to nibble its way towards the one-size-fits-all concept; it wants all of us to be in a one-size-fits-all straitjacket. When I was in business, as many Conservative Members have been, I

[Daniel Kawczynski]

worked for a telecommunications company for many years, and my job was to try to create a pan-European strategy so that we could better service our international customers. That was extremely difficult to manage, because when I tried to get those in other European countries to comply with a common pan-European strategy, they were not interested. The French wanted to do their own thing, as did the Swedes and the Germans. It is difficult to force such proposals through.

My hon. Friend the Member for Aldridge-Brownhills (Mr. Shepherd), in a typically excellent speech, mentioned the fact that Lithuania passed the constitution before it had even been published. Today, in anticipation of this debate, I met the Estonian ambassador and three Estonian MPs. I tried as hard as possible to convince them, on the House of Commons Terrace, to be more Eurosceptic, and to be against the constitution. I failed miserably. The Estonians are very keen on the constitution, and 85 per cent. of Estonian citizens want a constitution.

I spoke with Marko Mihkelson, the chairman of the EU affairs committee in the Estonian Parliament, who made some relevant comments. He said that Estonia, as a relatively small country, had been a member for only three years, had had serious tensions on its border with Russia, was concerned about gas supplies, and did not want to rock the boat. That is fine—I understand and respect that position. But it is not the position in which our country—a hugely important military and economic power—finds itself. We should be able to challenge the concept of a constitution and have more sovereignty devolved down to us.

John Bercow: My hon. Friend is making a series of heartfelt criticisms of the European Union, and I respect and understand that, clearly. But will he tell the House why the membership of the Union, notwithstanding all its weaknesses, has increased in recent years to 27?

Daniel Kawczynski: As always, my hon. Friend asks a pertinent question. The reason is that for many countries, joining the EU is the thing to do. Were I a Maltese or Lithuanian citizen, I would want the umbrella, or comfort blanket, of the European Union. I see that there are Whips in the Chamber, so let me say that I do not want this country to leave the European Union—perish the thought. However, I do not want our sovereignty to be gradually eked away, either. That is a fundamental difference.

I said to the Estonians that a time would come when the European Union would ultimately focus on other issues. I, the hon. Member for Luton, North and others from all political parties across Europe will want to bring the European Union back to what it was originally designed as—a trading bloc. I told the Estonians to look at all the important blocs around the world—we need to operate in blocs, because of the World Trade Organisation and other issues—in the Pacific, Asia and the Americas. All those vitally important blocs in this globally competitive world focus on international trade, and on trading and working together to maximise their input in the world. We do not find Paraguay and Argentina, or Vietnam and Laos, talking about federalist matters. They are simply not interested. They want to focus on trade.

I am conscious of time, so I shall get on to my main point. Sovereignty in terms of the constitution is important, but I want to talk about another aspect, which has not been picked up on—our ability to protect our borders. There has been a huge flow of African migrants to Europe over the last few years. Many boats have arrived in the Canary islands from Mauretania. That is a threat to our sovereignty because we are not able to police our common European Union frontiers, but it is also a human tragedy because of what has happened to those poor illegal immigrants.

I attempted to form an all-party parliamentary group on Mauretania so that we could interact more with that country over its tremendous problems in trying to stem the flow of illegal immigrants. Now that Mauretania has democracy for the first time, I hope that the Minister and the Government will start to work with that country to ensure that it is helped not just to police the flow of illegal immigrants to Europe, but to gain jobs and prosperity so that people do not feel the need to migrate.

Mr. John Gummer (Suffolk, Coastal) (Con): I am sorry that my attendance at a memorial service caused me to be late for the debate.

If both the present Government and their predecessor had been more active in the European Union in trying to work with our neighbours, we could have made the policing of those borders more effective. The problem is that we in Britain are always semi-detached, and never play our part as we ought to. If we did play our part, that would do more to achieve what my hon. Friend wants than almost anything else.

Daniel Kawczynski: I entirely agree.

Illegal immigrants are now coming not just from Mauretania, but via Libya to Malta and the Italian island of Lampedusa. Malta, our common fraternal ally, is struggling to cope. It is a tiny island in the Mediterranean, and the refugee centres are full to the brim with illegal immigrants. I have spoken to many Maltese members of Parliament who are very angry and disappointed. They feel let down by the European Union, and by Britain. They feel that Britain has an inherent responsibility to help them, but I believe that we are doing absolutely nothing to help Malta.

Mr. Hoon: If the problem in the European Union were a lack of consensus, would the hon. Gentleman approve of measures to deal with precisely that problem if they were agreed by qualified majority voting?

Daniel Kawczynski: Replying to that question would move me away from my argument about illegal immigration, so I will leave it for another time.

I know the Minister will support me when I speak of the terrible tragedy and fiasco of African migrants stranded on a tuna-netting platform in the Mediterranean. There was a dispute between Italy, Libya and Malta over who should save those people standing on a fishing platform in the middle of the sea. It was an appalling situation. We should be focusing and working together

on issues like that, not on intricate specific constitutional matters that detract from the matters on which our constituents want us to focus.

My hon. Friend the Member for Uxbridge (Mr. Randall) made some heartfelt statements about Kosovo. I share his interest in that part of the world, and I believe that the issue needs further debate.

There are countries in the European Union, notably Romania, Greece and Russia, that are also concerned about full independence for Kosovo. I was very upset and annoyed when the American President went to Albania and said that Kosovo should gain independence straight away. It is not the business of the President of America to dictate the intricate independent machinations of countries in Europe. Neither I nor anyone else in the Chamber would dream of telling the Americans how to run their affairs in their own back yard, and we do not expect the President or his Administration to tell us what should be happening in the European Union.

The best speech today was without doubt that of my hon. Friend the Member for Aldridge-Brownhills, a man for whom I have the utmost respect. He called for a referendum. I think that we sometimes make our greatest mistakes when we choose not to listen to senior, experienced citizens, particularly those like my hon. Friend who have so much experience.

5.29 pm

Mr. Tobias Ellwood (Bournemouth, East) (Con): It is a pleasure to participate in this debate, which has been engaging, thought-provoking and entertaining. It is also a delight to follow my hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski), who has shown that he is our Conservative Phileas Fogg, as he has wandered around Europe so much and gained so much experience. I did not realise that he also speaks five languages. He towers over us in so many ways.

The debate is on European affairs but we have focused on the European summit, as that will take place shortly, and in particular on what might be on its agenda. We have agreed that the idea of a constitution will certainly be there, and the background to that has been thoroughly discussed. In 2004, all the European Union countries were asked to participate in a referendum, and our Government pledged that we would have one, but everything came to a grinding halt when Holland and France voted no. Therefore, the great plan for a European constitution ground to a halt.

What did we do? Instead of seizing the initiative, we began a two-year period of reflection, for some of which we held the EU presidency. The big EU bus was parked right outside No. 10 Downing street, the keys were handed to us, and what did we do? We twiddled our thumbs, rather than grasping the wheel, revving the engine and driving the bus in the direction we wanted to go. We have missed the opportunity to take the country, and Europe, in a new direction.

Germany has a different approach. Its "Vorsprung durch Technik" attitude has meant that it has not been idle while holding the EU presidency. It has done some homework, and its intentions for the summit are clear. Angela Merkel said recently:

"I absolutely want this constitutional treaty. . .we need a constitution to have a Europe that has the power to act."

Germany wants to set out a plan at the EU summit: it wants to push for an intergovernmental conference next year, and for this new treaty.

We should consider what the new constitution will lead to. There will be a permanent President of the European Council, a permanent EU Foreign Minister and the EU's own diplomatic service, and there will also be action to give legal force to the charter of fundamental rights, which could allow the European Court of Justice to rule on matters such as strikes. There will also be a new system of weighted voting for member states and the abolition of national vetoes over police and judicial co-operation in criminal matters. If that is not enough, there will also be the ability to sign treaties. All in all, there would be quite a change, and a major step towards a federal state of Europe. We need an opportunity not only to debate that, but to vote on it.

The situation is ironic, because the last time we had a debate on a constitution, the UK, Ireland, Portugal, Sweden, Denmark, the Czech Republic and Poland postponed their referendums following the results in France and Holland. Only two of the 27 EU countries ratified the constitution via a full referendum: Spain and Luxembourg. Sixteen out of 27 nations did not offer their citizens the chance to vote. The people of Europe have not had an opportunity to participate fully in this debate. That is wrong.

Mr. Gummer: Why have some Members, who have lived all their lives in a parliamentary system under which MPs are elected to Parliament to make decisions such as the one we are debating, suddenly decided that the foreign attitude of holding referendums, which we in Britain have never had before, should be adopted? I have always voted against referendums on any basis. We are Members of Parliament; we are elected to represent our constituents and we should vote on these issues, just as we should vote on whether to go to war or not.

Mr. Ellwood: My right hon. Friend makes a powerful argument. We could debate what matters are worthy of a referendum and what matters should be designated to be debated in Parliament. I believe that a precedent has been set, in that there was a referendum on our joining the European Community. That fundamental change was worthy of a referendum. That is my view, and the position that I shall state.

Mr. Gummer *rose—*

John Bercow *rose—*

Mr. Heathcoat-Amory *rose—*

Mr. Ellwood: I am spoilt for choice, but I think that I shall return to my right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer).

Mr. Gummer: My hon. Friend is, I think, mistaken. We entered the European Union by a vote of this House, which I was proud to take part in; indeed, it was the proudest day of my life in this House and the most

[Mr. Gummer]

important thing that we did. We entered the EU because this House decided to do so. It was the Labour party that tried to use the referendum to cover its own divisions. That is precisely what always happens with referendums.

Mr. Ellwood: We can wander back in history, but the point is that there was a referendum on remaining in the European Community. I am saying that we deserve a referendum now. That is the position of this party, and the one that we should move forward with.

John Bercow: Will my hon. Friend give way?

Mr. Ellwood: I want to make a little progress; then I should be delighted to give way.

We certainly deserve representation and an opportunity to vote. The Germans have pre-empted the summit by saying that the constitution will help on issues such as climate change and illegal immigration, and that those are better tackled when the approach is co-ordinated from Brussels, rather than dealt with by sovereign nations. That is perhaps an example of the shift in the balance of power between sovereign nations and Brussels. I agree that there should be co-ordination of policy—that is sensible—but implementation must be conducted and monitored locally, reflecting existing laws, attitudes and priorities, which can differ greatly from country to country. Where power lies is absolutely critical.

Mr. Shepherd: The intervention that my hon. Friend took from my right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer) was very curious. My right hon. Friend was a member of Mr. Major's Government, and part of the single currency deal was to have a referendum—should the issue arise—so he, as a member of that Government, would have supported such an approach.

Mr. Ellwood: I am grateful for that intervention. I fear that it might be wise for the three of us to discuss this issue outside the Chamber, where we can have a good debate on it. I will remain focused on what I am trying to say.

What the EU does and what it should not do is at the heart of our discussion today. The European Community, to which we originally signed up, was a trading base designed to stand up to the might of Japan, the USA and others. In terms of what the EU can do today to unify 27 countries that are so different in many ways, there is a threshold. A trading platform, yes; political master of 27 nations, no. The European Parliament can of course improve its track record in many ways, without trying to expand what it does.

We have discussed all sorts of issues today, and in the time remaining to me I want to cover a couple of them, the first of which is the structure and spending of the EU itself. The accounts have failed 11 years in a row, which is not a good starting point in trying to win over hearts and minds regarding what goes on in Brussels. There are two Parliaments, which is ridiculous and a colossal waste of money, and does not make people enamoured of the running of that democratic process. Regional assemblies and regional development agencies are ideas that stemmed from Brussels. They have been imposed on the UK without our having a say in the matter. In Bournemouth, Dorset and the south-west in general, regional assemblies are having a hugely negative impact. They are imposing development plans and building 20,000 houses in our area, without our having any say. That structure has been imposed on the south-west, thereby taking power away from local authorities, simply in order to fit into a European model that I do not agree with at all.

My hon. Friend the Member for Buckingham (John Bercow) made an interesting speech in which the discussed further integration on defence matters. He mentioned sharing defence technology. The French Leclerc, the German Leopard, the British Challenger and the American Abrams tanks are all made by different companies, and they are made better because those companies compete with each other. That point must be reconciled with my hon. Friend's desire for greater integration. I am very concerned that there is a huge overlap—the Minister for Europe, who is back in his place, was partly responsible for that—between what NATO and EUFOR are doing. We cannot have 60,000 troops ready to move as a rapid reaction force without taking away from NATO's ability. I am not saying that the EU does not have a role to play in, for example, peacekeeping, which it is doing in certain areas, but it cannot participate in war fighting or launching a rapid reaction ability, without jeopardising the current NATO set-up.

A great example of that point is Sudan. There is not only a NATO operation with 60 or 70 troops, but—just down the road—an EU operation. They are both sending messages back to different locations in Brussels, both doing exactly the same thing. That is a complete waste of effort. Afghanistan is another example, with EU operations mimicking what NATO is doing. The EU could work much more positively, as I have suggested to the Minister before, by co-ordinating international development. It could do that in a way that no other country or organisation can. The UN is no good at that, because it does not have the might. The EU is sitting on a ton of money; it could co-ordinate the US aid money and all the other international development pots. We are failing in Afghanistan partly because of the lack of co-ordination between the international development groups. The EU could take the lead if it had a robust level of authority and people were allowed to work only through it. That would be a positive role for the EU.

We have talked about climate change, but as there are time limits, I will not touch on that issue. On the issue of energy, I suggested to the Minister when we had the presidency of the EU that a low-lying fruit that we could easily have plucked was the creation of a common gas market. That would have protected gas prices in the UK. Every time there is a problem in Russia, it ripples across Europe and affects gas prices for all our constituents in a way that we cannot control. The Germans can control what happens, because they own most of the infrastructure.

John Bercow: I agree with the point that my hon. Friend has just made about the gas market, and there would probably be a strong consensus on that point.

However, I am interested to know why he thinks that the present rotating presidency constitutes perfection.

Mr. Ellwood: I shall have to discuss that later with my hon. Friend, as I want to make my final points. He tempts me to return to the detail of the structure of the EU, but I have some other points to make in the remaining time.

The Galileo satellite system is another example of a massive project that is failing. We are trying to mimic the US global positioning system because the French have pushed for that. It is clear from last month's talks that we have lost the funding for the project.

This debate has focused on the summit, but it has also proved that we have wasted two years and Germany is now seizing the initiative. The 27 nations have much in common, but we are also very different. The challenge is where to draw the line. We have mutual interests and they must be maximised without threatening individual authority. I hope that the Foreign Secretary has listened to the debate, and that if a constitution is put before the UK we will have an opportunity to vote in a referendum. Until we finally agree what the EU is really for, how much power it should have, and what the limits on that power should be, we will continue to have a tug of war between states, leaders and parties, inhibiting Europe from reaching its full potential.

5.44 pm

Mr. Philip Dunne (Ludlow) (Con): I welcome this debate for two reasons. First, I made my maiden speech in a European debate immediately after the Dutch and French referendum results. I have not had an opportunity to speak on the issue since, although it is a matter of considerable concern to a minority of people in this country. Those who hold views about it do so very strongly, as has been evident from this debate.

Secondly, I welcome the debate because today is the first time that the Government have been prepared to engage in discussion on their negotiating stance before the summit that begins tomorrow. That is in stark contrast to the approach adopted by many other European Governments. I was recently in Denmark with the Public Accounts Committee, and we had the opportunity to meet the Danish Parliament's EU scrutiny committee. Its chairman told us that the responsible Minister attends the committee every month to brief its members on the Danish stance as negotiations take place. That seems an entirely appropriate way to inform those in the Danish Parliament with an interest in the subject, and it is very regrettable that this Foreign Secretary in particular has chosen to duck the issue and to refuse to discuss it at all.

Mr. Paul Keetch (Hereford) (LD): It is not my job to defend the Foreign Secretary, but I must point out that she appeared before the Foreign Affairs Committee for two hours yesterday. Some of the hon. Gentleman's colleagues were present. In addition, she appeared —I think last week—before the European Scrutiny Committee.

Mr. Dunne: I accept what the hon. Gentleman says about the Foreign Secretary's actions in the past two weeks, but they are very belated. We have been trying to establish the Government's position for two years, and this is the first time that the right hon. Lady has been prepared to discuss it in this Chamber. She has been challenged previously on the matter at Foreign Office questions, and she has declined any opportunity for debate.

We know why the Government have been reluctant to get involved in debate on these matters, and their flip-flopping in respect of Europe was well illustrated earlier by my right hon. Friend the shadow Foreign Secretary. It has become apparent that there is open disagreement between the Prime Minister, the next Prime Minister and the Minister for Europe about whether there should be a referendum, and, if so, on what basis. The Government's position seems to change from week to week.

I want to focus on some of the points that the Foreign Secretary made about the constitutional implications of the proposed treaty and the need for a referendum. She said that she supported having a full-time chairman of the European Council, with the current powers. She could not bring herself to use the word "president", but my concern is that any move to having a full-time president appointed for, say, the two and a half years set out in the original constitutional treaty would have a profound impact on the conduct of EU business, and on the influence of member states on the determination of future policy.

Having a full-time chairman of the Council would also instantly remove the revolving presidency. Views are divided about whether that is an efficient way to conduct business in Europe, but it provides a focus for each country, when it assumes the presidency, to get engaged in Europe and to identify its priorities in trying to change and progress the European agenda. To give credit where it is due, the Prime Minister moved Africa and the millennium development goals up the European agenda, something that might not have happened had we not had the presidency, but the ability to do such things would disappear if a full-time president were appointed.

A president of the Council would have no direct link to the electorate in any member state. Inevitably, that would serve to institutionalise the post and render it bureaucratic and centralised, lacking the legitimacy provided by election. In addition, and by definition, the person performing the role would not be allowed to hold a current national office. That means that he or she would be either retired, or recently rejected by national voters.

The president would have power over the some 3,500 civil servants in the Brussels bureaucracy. Inevitably, that would tend to accrete power to the role, as the postholder would seek to direct the civil service to do more. That is an unavoidable consequence when a bureaucracy has a figurehead who is essentially responsible for managing that bureaucracy and who would not be rotated out of position regularly.

The post of president would fundamentally change the nature of the legislative process in Brussels, with individual member states no longer taking the lead in negotiating with others over issues that come before the Council. Legislation would be developed between the Commission and the Council, with member states having only a tangential relationship to the process.

[Mr. Dunne]

My second point relates to the Foreign Secretary's comments about a common foreign and security policy. She said that the Government were supportive of such a policy, but she indicated that it would need to be achieved by unanimity, which sounds like shorthand for accepting the notion of an EU Foreign Minister and, as we read yesterday in the *Financial Times*, that is confirmed by the Spanish Minister for Europe who said:

"We were prepared to find a title other than foreign minister, but we are not prepared to change the substance of his role."

If that goes through, it sounds as though the Government will support that position.

What would be the consequences if we had an EU Foreign Minister? It would give the Commission a foreign policy role long opposed by British Governments from both sides. The scope for divergent views would gradually be eroded, despite what the Foreign Secretary said, because the original treaty proposed that the Foreign Minister should have power to make proposals by majority decision rather than by unanimity; to run a powerful EU diplomatic service, which would undoubtedly try to take over the responsibilities of our diplomatic representation; and to speak for members at key international meetings such as the United Nations Security Council. The post itself would put pressure on all those aspects of British Foreign Office representation internationally, which would be difficult to resist. In the past, the Government have always resisted such proposals, but they were prepared to give way at the time of the last constitutional treaty.

Daniel Kawczynski: I am grateful to my hon. Friend and Shropshire neighbour for giving way. Does he agree that, because of our historical relationship with Commonwealth countries, it is extremely important that we retain foreign policy decisions for the House and the Foreign Secretary?

Mr. Dunne: My hon. Friend and neighbour makes an interesting point. The interests of the Commonwealth are of relatively little importance for other European member states; it is for our Government to stand up for the Commonwealth in international forums, and that representation would be lost if the powers of our Foreign Secretaries were gradually transferred to an EU Foreign Minister over time.

My third point is about the UK veto and blocking powers. The Foreign Secretary talked about support for measures for improving efficiency and subsidiarity, and I am sure that almost everybody in the Chamber would sign up to those. Our concern is how they would translate into practice. The proposal in the original constitutional treaty was to reduce the ability of member states to block legislative proposals they opposed, and that treaty would have done so by approximately a third. At present, there are three hurdles to overcome before securing the passage of legislation: 72 per cent. of weighted votes in Council, plus 62 per cent. of population plus 50 per cent. of member states. The constitutional treaty proposed scrapping one of the hurdles to leave only two: 65 per cent. of population and 55 per cent. of member states. By definition, that would inevitably make it harder for a country—even a large member state such as the UK—to block measures that it felt were not in its national interest.

Although the procedures of the European Commission may need some strengthening, it is of concern that we are considering watering down our ability to protect British interests, in particular as they affect British business, where there may be conflicts between one member state and another—between large and small countries or particular styles of conducting business.

Three aspects apply and I shall touch on them briefly. The first is the UK's derogation from the 48-hour working week. A number of countries, notably France and Spain, and the Commission itself want to scrap the derogation. The Department of Trade and Industry has estimated that the cost to the economy of losing our ability to derogate from the 48-hour working week would be £9 billion a year.

The second point relates to a measure that has recently gone through and will come into force later this year. In the financial services sector, London has overtaken New York as the global capital of finance and has a far more significant role to play than any other capital in Europe—in fact, I think that I am right in saying, than all other capitals in Europe combined. London has by far the biggest influence over the financial markets. The markets in financial instruments directive was significantly amended as a result of the stance that the British Government were able to take. Had the procedures for making decisions been watered down, it might well have been impossible to have secured those amendments. That would have damaged our financial community.

The third issue, which is topical, is the temporary workers directive. The UK has some 700,000 more temporary workers than any other country in Europe. The British Chambers of Commerce has said that if states seek to force through equal rights for temporary workers—compared with full-time workers—that will have a significant impact on reducing employment in this country in particular.

Yesterday, the president of the CBI, Richard Lambert, was quoted as saying that the revamped constitution poses a major threat to Britain's labour laws and commercial ethos. He referred in particular to the charter of fundamental rights. That has been characterised as a red line of the Prime Minister's. However, as was said earlier—notably by my hon. Friend the Member for Stone (Mr. Cash)—there are aspects of the charter of fundamental rights that are already capable of being enshrined in English law. Mr. Lambert said:

"Giving the Charter any kind of legal status would run the risk of opening up our employment laws to damaging challenges."

He continued:

"We would run the risk of allowing the European Court of Justice—a purposeful body, looking to stamp its own interpretation on the law—to overrule carefully crafted rules on how strikes operate in the UK."

That could, for example, extend to cross-border picketing and the like—not something that anybody in business in this country would welcome.

In conclusion, the arguments that the Government are making in relation to the referendum are extraordinarily convoluted and confused. In 2004, the Prime Minister argued that the original treaty did not change the fundamental relationship between the UK and the EU, but he still accepted that there was a need for a referendum. Today and last week, the Foreign Secretary argued precisely the opposite in relation to the treaty, to justify a referendum.

According to the next Prime Minister, only if the Government are defeated in their negotiations will he sanction a referendum. That just shows that in 2004 the referendum was granted by the Prime Minister purely for reasons of political expediency. The refusal now to hold a referendum shows the Government's disdain for the people. While travelling round the country, the next Prime Minister has been claiming that he wants to listen to the people. He should have the courage to do so and allow a referendum if there is any transfer of power to Brussels through the treaty.

5.58 pm

Mr. James Clappison (Hertsmere) (Con): I am pleased to be called to speak in the debate. I must apologise to you and the House for not being present throughout, Madam Deputy Speaker. Among other things, I have been speaking in an Adjournment debate concerning a matter in Hertfordshire on which many thousands of my constituents have written to me.

I am pleased to have this opportunity to speak because, beyond any doubt, I feel that there are highly significant constitutional issues at stake—on any view of the situation. The Commission and other member states are seeking significant constitutional changes and our own Prime Minister has been talking of the red lines that he is going to adopt in response. It is absolutely right that we should debate the proposed changes in the House.

I also believe that an issue of trust is at stake. There is a perception in some quarters that there is a need to restore trust in government. We have heard a little about that—we might hear more. The question of the referendum touches on the issue of trust. My hon. Friend the Member for Ludlow (Mr. Dunne) rightly reminded the House that the Prime Minister promised the country a referendum on the constitutional treaty in April 2004. It is worth bearing in mind the fact that the referendum was promised no matter what happened in other countries that voted on the treaty beforehand. When my right hon. Friend the Member for Wells (Mr. Heathcoat-Amory) asked whether a no vote in a "small country" would stop the referendum, the Prime Minister said:

> "The referendum should go ahead in any event."—[*Official Report*, 20 April 2004; Vol. 420, c. 164.]

There have been two no votes in member states, and the promise has come and gone.

The Government now accept that there should be a referendum if negotiations lead to a new treaty that has the "characteristics of a constitution". The Government seem to have adopted that key phrase, which has been repeated by both the Prime Minister and the Foreign Secretary, as the criterion against which the need for a referendum should be judged.

Mr. Cash: Does my hon. Friend agree that this relates to what the Prime Minister has described as the structural relationship between the United Kingdom—the Government and Parliament—and Europe? The very fact that the mandate proposals would merge the treaties into one would mean that the structure would be changed because that would affect the pillars, majority voting and the whole basis on which the system functions.

Mr. Clappison: My hon. Friend has a distinctive view on Europe and a great interest in it. There are differing opinions on Europe. However, whatever one's opinion and past views on Europe, people should stop to listen to my hon. Friend's points about the constitutional consequences of the treaty and the effect that it will have on the relationship between the House and our country, and Europe and the European institutions. The matter should give people cause to stop and think, as I shall point out in my own way. I agree unreservedly with my hon. Friend.

What are the "characteristics of a constitution"? I am tempted to say that the Government's approach seems to be that they will know the characteristics when they see them, but they have been a little more forthcoming in the past. The previous Foreign Secretary, the right hon. Member for Blackburn (Mr. Straw), was asked that very question in June 2005 when the Government were setting out the course that they proposed to take following the no votes in France and the Netherlands. His colleague the hon. Member for Vauxhall (Kate Hoey), who has attended today's debate, asked him whether any future agreement that resulted in the establishment of an EU president and an EU Foreign Minister would have the characteristics of a constitution. The then Foreign Secretary was quite open, saying:

> "Those points are central to the European constitutional treaty, and of course I see no prospect of their being brought into force, save through the vehicle of a constitutional treaty."—[*Official Report*, 6 June 2005; Vol. 434, c. 1001.]

In June 2005, a constitutional treaty would have included provisions to establish an EU president and an EU Foreign Minister.

Most reasonable people would say that any instrument that would bring into being a president and Foreign Minister would amount to a constitution. For goodness' sake, if the local golf club proposed to have a president, it would need a new constitution. We are talking about not only an EU president, but an EU Foreign Minister, and thus a significant change to the EU's structure of foreign affairs. What matters is not the label applied—the way this is dressed up—but whether any agreement includes the substance of what was originally proposed in the constitutional treaty: the merger of the high representative of the European Union and the foreign affairs Commissioner to create a quite different individual in a different constitutional position. Any reasonable person would regard that as a significant constitutional change in itself, but it is not a change that stands in isolation. It must be seen in conjunction with the other changes proposed in the constitutional treaty, which make it an even more serious constitutional step than merely creating a post. It goes further than that because the EU treaty, the negotiations and the original constitution proposed

[Mr. Clappison]

giving the European Union a legal personality, as opposed to the treaty institutions created under the treaty of Rome.

That was a significant step because it would enable the president of the European Union and the Foreign Minister of the European Union to go around the world representing Europe, to speak on behalf of a body with a legal personality and to conclude treaties on behalf of a body with a legal personality. That has not been entirely clear up till now, but it would certainly create a very important change.

Mr. Cash: Does my hon. Friend agree that preserving the single legal personality and overcoming the pillar structure, which is also part of the proposals, would bring in the Community method for adopting measures in relation to criminal law and procedure, which at present is done intergovernmentally and by unanimity under the EU treaty? Would it not also involve the Commission having power to bring infraction proceedings against member states in respect of the implementation of criminal measures, with the European Court of Justice being the final arbiter? Can it get worse than that?

Mr. Clappison: My hon. Friend anticipates my next point. I was about to turn to the merging of the third pillar into the first pillar, which would have the effect of bringing judicial and home affairs under qualified majority voting and the Community method, as he described, and giving the European Union a whole new range of competences. That underlines the point that I made a moment ago about my hon. Friend's position and that of other people. His comments about the significance of the proposals are shared not just by people who take his view of Europe, but by a considerable number of others.

Mr. Gummer *rose—*

Mr. Clappison: Before my right hon. Friend intervenes—I know that he will make an excellent point—may I conclude my own point by saying that when the Home Affairs Committee, an all-party Committee of the House, considered the matter, it unanimously reached the conclusion that my hon. Friend the Member for Stone (Mr. Cash) has just set out? In a recent report, the Committee concluded with respect to the criminal law:

"The Constitutional Treaty proposed making elements of criminal law subject to qualified majority voting in the Council of Ministers, and the Commission still supports this proposal. The evidence we have seen does not persuade us that, as things stand at present, there are sufficient benefits in terms of tackling crime, either here in the UK or across the EU, to justify such a major transfer of power away from Member States as would be entailed by a switch of criminal law from the third to the first pillar."

My right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer) is extremely persuasive and reasoned. He might persuade me to take a different view, but I doubt that he will persuade me away from the view that I took, together with all the members of the Select Committee.

Mr. Gummer: I shall not try to persuade my hon. Friend to change his view on that. I am trying to bring unanimity. The case that he is arguing is that we should not have a referendum at all on these issues, which is my position, or we should have a referendum in either circumstance. The Government have been trying to have a referendum when it is convenient to them and not have one when it is not convenient to them. That is the most intolerable position to uphold. The Government are wholly wrong in both cases.

Mr. Clappison: I am happy to agree entirely and unreservedly with my right hon. Friend. He has expressed an honourable point of view. I was far from convinced by some of the exchanges that we heard across the Dispatch Box earlier today, particularly when my right hon. Friend the Member for Richmond, Yorks (Mr. Hague) was speaking on behalf of the Opposition about the case for a referendum, and the case that the Government made in response.

We were reminded of what had happened over Maastricht, Amsterdam and the original treaty of Rome, and we went back to 1975. It does not matter what happened then; what matters is what this Prime Minister promised this House and the country when he made his commitment in the House, which—I shall be corrected if I am wrong—also appeared in the Labour party manifesto at the last general election. That is an issue of trust here and now for this Prime Minister. He did not stand up and say, "I promise you a referendum on the constitutional treaty, but I may change my mind in view of everything that has happened in the past." He made an unequivocal pledge and an issue of trust arises as a result.

These are vital constitutional issues that would amount to a major shift of power and competence to the EU, particularly on the question of criminal law. The criminal law obtains to a nation itself, and a nation should make its own decisions on that. It is a characteristic of a nation that it has the opportunity to make decisions on the criminal law and to decide what types of conduct it wishes to criminalise and which it does not, after debate in individual national Parliaments.

In practice, as a result of the merging of the third pillar into the first pillar, qualified majority voting and the acquisition of existing community law, criminal procedure and substantive criminal law could be decided not in this House but in Europe, where we may find ourselves in the minority, and as a result of qualified majority voting the criminal law of this country could be changed even though there was a majority in the House and in the country against such a change. That is a fundamental line to cross.

Mr. Cash: I agree with my hon. Friend. If one builds into that the European arrest and evidence warrants, one finds that not only is the criminal law being changed against the wishes of the majority of the British people, but they would then find themselves being subjected to arrest warrants from other countries because of the abolition by the Government of the dual criminality safeguard.

Mr. Clappison: My hon. Friend makes another important point. I am not critical of the co-operation that has taken place between Governments on criminal matters, and I am more than happy for Governments

to work together, as I am for police forces to work together across borders, but this is eminently a matter that should be in the domain of individual Governments. It should be kept on the basis of intergovernmental co-operation.

John Bercow: My hon. Friend is the embodiment of reasonableness and moderation. Does he accept that there is a compelling case on asylum policy for much closer co-ordination of European activity?

Mr. Clappison: I am happy with the basis of co-operation between Governments. This is something different. It is a major change. I do not have time to deal with the charter of fundamental rights, which also carries huge implications.

There is a danger on the subject of Europe of saying yes to everything or no to everything, but I happen to believe that the constitutional changes that the treaty contains are so significant and so fundamental that they should give everybody pause for thought. They should be given long consideration, and our country should in time be called on to decide whether such constitutional changes should take place.

6.13 pm

Mr. Robert Goodwill (Scarborough and Whitby) (Con): I am particularly pleased to have an opportunity to participate in the debate, because as a former Member of the European Parliament between 1999 and 2004 European policy was my life for that period. I am pleased that a number of Tory Members were elected when my right hon. Friend the Member for Richmond, Yorks (Mr. Hague) was leading the party. Dare I say that it was possibly his finest hour when not only did we win the European election in the country, but we gained more votes in Yorkshire and the Humber than the Labour party, and that resulted in my election? I agree with every word of my right hon. Friend's opening remarks.

The Minister for Europe, who is on the Front Bench, is also a former Member of the European Parliament. Furthermore, not many people know that the Deputy Prime Minister—we enjoyed his swan-song at the Dispatch Box today—was a Member of the European Parliament.

I have listened with interest to the views expressed about the effectiveness of the rotating presidency and the question whether we should have a full-time president of the European Union. It would be a big mistake to opt for a full-time president, but the rotating presidency does not necessarily serve our needs. Small countries often surprise us by how well they perform in the chair when they have the presidency. Equally, some of the big countries—I am thinking of the last French presidency—have disappointed us by trying to push through an ambitious agenda. It is not the job of the presidency to try to push things through.

We often view with dismay the amount of European Union legislation. It is little surprise that so much legislation is instigated, when every six months a new presidency arrives with a shopping list for legislation almost as long as that with which my children present me before Christmas. Such legislation never reaches the statute book during the six-month presidency, but the Commission's wheels are put in motion, which results in sausage-machine legislation. That is beneficial in some cases—for example, the environment—but in other cases it means that our businesses are wrapped in bureaucracy and red tape, which prevents them from generating the wealth that we need.

The European Parliament has come of age. When it was first formed, it was a talking shop that tended to attract people who were enthusiastic about the European project. In recent years, Members of the European Parliament have served our nation with a more pragmatic view. Many of them can be described as Eurosceptic, and I am proud that that soubriquet was attached to me.

The co-decision process has helped the peoples of Europe to have their voices heard. In a Parliament such as the European Parliament, where no party is in overall control, the co-decision process works very well. I was environment deputy co-ordinator for the European People's party and European Democrats group, and we achieved a lot through the co-decision process. I was often telephoned on a Monday morning by Ministers from UK, who said, "We are having no luck with our Socialist group. They are all toeing the line. Will you try to push things in our direction?" I am pleased to say that we spent a lot of time working with Transport Ministers on trying to make the legislation on vehicle emissions have less of an impact.

Mr. Gummer: Does my hon. Friend agree that our membership of the EPP was important in allowing us to do that and that working in a bloc, of which he has given us some excellent examples, is an important part of the European Union?

Mr. Goodwill: In a Parliament with no overall majority, the smaller groups often have a disproportionate impact and influence on legislation. Compromises are often struck not in meetings, but in coffee bars. Although it is true that if the Socialist group and the EPP were to get together they would have a majority, in many cases smaller groups such as the Greens or the Liberals have a lot of influence. I look forward to the formation of our new group in the European Parliament. We can work with our former colleagues in the EPP on matters on which we agree, but it is important when we disagree that we can put a man on the front row of the European Parliament to argue the case for the UK. I look forward to the formation of a group involving Czechs and other colleagues and hope that it will contribute to our voice being better represented in the European Parliament and the British interest being better represented generally.

The Economic and Social Committee is well past its sell-by date. It is only a talking shop, and we should scrap it. Similarly, on the Committee of the Regions, how many hon. Members can tell me that they get good feedback from that committee or that views expressed in their region are being represented and are having an effect in Europe? That Committee is also past its sell-by date. It is interesting that an amendment that I proposed in the European Parliament calling for the regions themselves to co-fund the Committee was roundly thrown out because people realised that if that happened the regions would not wish that talking shop

[Mr. Goodwill]

to perpetuate itself. The European Parliament has come of age. It can speak for the people of our country and our regions; we do not need the Economic and Social Committee or the Committee of the Regions.

6.20 pm

Mr. Mark Francois (Rayleigh) (Con): It is a genuine pleasure to sum up this debate for Her Majesty's Opposition. It is also a pleasure to see my hon. Friend the Member for Stone (Mr. Cash) in his place. As he will know, I have always had considerable time for him, and since I was appointed to this new job I understand that he has put aside considerable time for me. I look forward to spending some of that time with him.

I will not attempt to compete with my hon. Friends the Members for Hammersmith and Fulham (Mr. Hands) and for Shrewsbury and Atcham (Daniel Kawczynski) in terms of their pan-European credentials. I can claim a French surname and the fact that my late mother was Italian, but having heard their speeches they could probably beat me hands down.

Several themes have been touched on. For instance, several right hon. and hon. Members mentioned Kosovo, including the Chairman of the Select Committee on Foreign Affairs and my hon. Friend the Member for Uxbridge (Mr. Randall), who, as usual, spoke very knowledgeably on the subject; his speech bears further reading.

However, the topic that has dominated today's discussion has been the proposed attempts to revive the European constitution, which was so clearly rejected by the French and Dutch people back in 2005. Although the debate was sometimes eloquent, unfortunately it has left us none the wiser about exactly which powers the Government propose to cede to the European Union on our behalf as a result of this process. My hon. Friend the Member for Aldridge-Brownhills (Mr. Shepherd), in a typically passionate speech, said that all treaties are important. He is right; and this one could be especially important.

That being the case, I ask why at some points during the debate not a single Labour Back Bencher was sitting in the Chamber. We had one loyal Parliamentary Private Secretary—I hope that her Whips have noted it—and the duty Whip, but for long periods not a single authentic Labour Back Bencher was here to debate the matter or to support their Government's position. In contrast, 13 Conservative Back Benchers spoke on this important issue. I will attempt in the time that I have to refer to at least some of those speeches.

As we know, following a period of what was obviously very thorough reflection, the German presidency, in particular, began moves to seek to revive a treaty that many of us had genuinely been led to believe was already dead. The Prime Minister himself stated:

"What you cannot do is have a situation where you get a rejection of the treaty and bring it back with a few amendments and say: 'have another go.' You cannot do that."

Nevertheless, this spring a questionnaire was circulated to EU member states which, inter alia, suggested that the revived treaty should use

"a different terminology, without changing the legal substance."

Since that time, and despite protestations to the contrary by Ministers, discussions have clearly taken place between European capitals on how the treaty might be revived, while our own Parliament has, until very recently, been kept deliberately in the dark. For instance, when the Foreign Secretary appeared before the European Scrutiny Committee last Thursday, she amazingly insisted that

"nothing you could really call negotiations have taken place."

However, on the same day, President Sarkozy of France told a journalist:

"Tony Blair and I have just agreed on what might be the framework for a simplified treaty. That is quite something."

Indeed it is. The Foreign Secretary was at it again yesterday when, after a long delay, she finally gave evidence to the Foreign Affairs Committee. I note that my right hon. Friend the Member for Wells (Mr. Heathcoat-Amory) serves on that Committee. He spoke well today and we should acknowledge the valuable role that he played on behalf of this House in the detailed negotiations on the original constitution.

I do not wish to be ungallant to the Foreign Secretary, but perhaps she will allow me, to use the phrase of my right hon. Friend the Member for Richmond, Yorks, a little tease. Her performance before the Foreign Affairs Committee yesterday was not the strongest evidence session that I have witnessed from a Secretary of State. She still tried to insist that serious negotiations were not under way, when the President of France had already told us that much has been agreed. She denied at one stage that any sherpas had been involved in the treaty process, only to correct herself as she knew that those sherpas had already met several times. She even had to be corrected in public by her officials on the single legal personality for the European Union.

Conversely, on Monday at the Liaison Committee, our negotiator in chief, the Prime Minister—who is running the show, as most people realise—laid out four so-called red lines, and was adamant that he would not allow them to be breached. He declared that if they were adhered to, there would be no need for a referendum. My right hon. Friend the Member for Richmond, Yorks effectively demolished that claim in his opening speech and showed that the so-called red lines have been carefully drafted to give the appearance of maintaining key powers while potentially surrendering significant powers. I shall give one example rather than go through the entire list again.

The fourth red line, as outlined to the Liaison Committee, mentions that

"we will not agree to anything that moves to qualified majority voting something that can have a big say in our own tax and benefits system".

That means that we might accept QMV on something that constitutes a "small say" in that vital policy, but of course, the difference is not defined. The so-called red lines have been carefully worded and are effectively red herrings, which are designed principally to distract attention from what is being given up without the need for the Government to keep their word and hold a referendum.

The Government's position on a referendum has shifted back and forth. In announcing a referendum on

the original European constitution back in April 2004, the Prime Minister clearly stated:

"Parliament should debate it in detail and decide upon it. Then let the people have the final say."—[*Official Report*, 20 April 2004; Vol. 420, c.157.]

The 2005 Labour party manifesto rather bullishly stated:

"We will put it to the British people in a referendum and campaign whole-heartedly for a yes vote."

On Monday, the Prime Minister declared that, provided that his new red lines were not breached, there was no need for a referendum.

Mr. Gummer: Will my hon. Friend give way?

Mr. Francois: I will gladly give way to my right hon. Friend, not least because he kindly wrote something sweet about me in a trade magazine a few weeks ago.

Mr. Gummer: Will my hon. Friend please be a little less kind to the Prime Minister? The history of the referendum is nonsense. The Prime stalwartly upheld the principle that one should not hold referendums until the press pushed him into saying that he would have one. He used precisely the same arguments for both positions. One either believes in referendums, in which case one holds them, or one does not—as I do not—so one does not hold them. One cannot have them when it is convenient and not have them when it is inconvenient.

Mr. Francois: I hear what my right hon. Friend says but, for the past 10 years, this country has been graced with a Prime Minister who can passionately believe several different things at the same time. So, at first, the Prime Minister adamantly opposed a referendum, then he was adamantly in favour of letting the people have their say. Now he is adamantly against a referendum because that suits his purposes. I am not responsible for his mental machinations. *[Interruption.]* That is for others to judge. If my right hon. Friend the Member for Suffolk, Coastal (Mr. Gummer) is worried that I am being too nice to the Prime Minister, if he will just wait two minutes, I will resolve his worry.

Mr. Denis MacShane (Rotherham) (Lab): Will the hon. Gentleman give way?

Mr. Francois: I am so tempted, so I think I will.

Mr. MacShane: Is the hon. Gentleman saying that there should be a referendum on any new treaty?

Mr. Francois: I will come on to that in just a moment. Now that the right hon. Member for Rotherham (Mr. MacShane) has finally joined us, let me say that I was hoping that he might turn up. I have with me a copy of an interview that he gave to the *New Statesman* on 13 December 2004. I quote the article:

"MacShane admits that he was won over after a Commons debate in which not a single speaker discussed the substance of the constitutional treaty, but merely the question of whether people were to be given a say. When the Liberal Democrats demanded that it be put to a vote, 'I turned to Jack and said, "Jack, we're"—

"defeated" was not quite the word he used then, but he then said:

"We've got to go for a referendum. I don't think we can hold out."

I am therefore delighted that the right hon. Gentleman has come here this evening to give me a chance to read that article out. It was very good of him to turn up—even at the 11th hour.

Let me focus briefly on the position of the Minister for Europe. He was Secretary of State for Europe for 15 minutes, but he is the Minister for Europe now. At the weekend, he effectively defied No. 10, hinting that there might be a case for a referendum after all. He told the BBC:

"Clearly a judgment has got to be made in terms of what is in the final package. It is important not to prejudge the outcome of the negotiations".

That is what he said last Saturday on "The World this Weekend". Subsequently, that was brutally contradicted in a No. 10 briefing, which described that suggestion—if you will forgive me, Madam Deputy Speaker—as

"a load of old cobblers".

Yesterday, the Foreign Secretary told the Foreign Affairs Committee that the Government would probably be able to give a decision on whether or not to call for a referendum by Monday—presumably when the Prime Minister makes his post-summit statement to the House. We would welcome that clarity, but I noticed that in her opening speech, the Foreign Secretary appeared to be rowing back slightly from that position, as my right hon. Friend the Member for Richmond, Yorks picked up earlier.

In the meantime, whom are we to believe? Is it the Prime Minister, who now seems firmly opposed to a referendum? Is it the Chancellor, who is now apparently committed to open and transparent Government, but who remains as opaque as ever on this question, as indeed he was yesterday morning on GMTV? Is it the Foreign Secretary, who I am afraid to say is struggling to remain in the loop at all on this, or is it the Minister for Europe who is tacking between No. 10 and No. 11, just struggling to remain in a job?—*[Interruption.]* While we have the Minister for Europe's attention, when he replies, will he tell us whether he is going to the European Council or not? Given that he is supposed to be the Minister for Europe, some of us would like to know whether he is going to be present. Perhaps he could provide a simple yes or no answer on that!

Andrew Mackinlay (Thurrock) (Lab): This will be better than a mention in a trade magazine. Is the hon. Gentleman really saying that in the unlikely event of a Conservative Government, each time there is an additional alteration in the management and stewardship of the European Union, that Government would, on every occasion, put the matter to a referendum?

Mr. Francois: Our position—I will reiterate it later, but the hon. Gentleman has asked me now—is that if the new treaty represents any further transfer of powers from Westminster to the European Union, we demand that it be put to the British people in a referendum. I hope that that is quite clear.

Andrew Mackinlay *rose*—

Mr. Francois: No, I am not giving way again. The hon. Gentleman has had his go. I gave way to him, not least because he is a fellow Essex colleague, but I have just made quite clear what our policy is.

Now, we still need to decide who in the Government we are likely to believe. Given the present confusion—*[Interruption.]*

Mr. MacShane *rose—*

Mr. Francois: No.

Mr. MacShane: That is most discourteous.

Mr. Francois: The hon. Gentleman says from a sedentary position that I am not courteous, but it is not courteous for someone to turn up an hour before the end of a debate and to start intervening on people when he has not even attended for most of it. *[Interruption.]*

Madam Deputy Speaker (Sylvia Heal): Order.

Mr. MacShane: On a point of order, Madam Deputy Speaker. I have been waiting at Milan airport for four hours trying to get back because a plane did not deliver me. The hon. Gentleman is therefore doubly discourteous—and not for the first time.

Madam Deputy Speaker: Order. As I anticipated, that is not a point of order for the Chair. I call Mr. Mark Francois.

Mr. Francois: Thank you, Madam Deputy Speaker. Having flown to Italy several times because of my mother's family, I realise that there are a number of problems with Italian air traffic control, but I am not responsible for them any more than the right hon. Gentleman is.

Given the apparent confusion of the Government, we might wish to bear in mind the perspective of a senior Foreign Office official who was quoted in *The Sunday Times* last week. He told the newspaper that he sat in on the weekly strategy meetings relating to all this, which started as long ago as Christmas. He stated that the bottom line for the Chancellor of the Exchequer was to avoid having a referendum at all costs. As the official put it,

"We can't have one because we'd lose. It's that simple."

The whole process has been badly handled from the start, and the House has largely been kept in the dark until almost the last moment. We in the House and those in the nation outside are now left in the unenviable position of seeing an unpopular Prime Minister at the fag-end of his premiership playing games with our birthright in a desperate search for any legacy at all other than Iraq. We are witnessing what amounts to a deception of the British people as a result.

Even Valéry Giscard d'Estaing, who led the original constitutional convention that devised the original treaty—and whom even the Minister for Europe would struggle to describe as a Eurosceptic—has been scathing about the methods being employed to mask the true nature of this new document. He said in *Le Monde* on 14 June:

"The public are being led, without knowing it, to adopt the proposals we dare not put to them directly".

Similarly, *The Independent*, a newspaper hardly renowned for its Euroscepticism, argued in an editorial entitled "The wrong way to conduct business" just four days after that statement in *Le Monde*:

"The question is whether or not a package of fairly weighty changes that will undoubtedly affect Europe's shape and destiny should—in this country at any rate—be decided in a referendum. The answer is simple: it should and it must."

The Government's game plan is now fairly evident for all to see. Whatever is agreed at the EU Council, they will declare it a great victory. They will insist that their red lines remain fully intact and say that such a "tidying-up exercise", as they would describe it, does not require a referendum. I do not believe that the British people are so gullible as to believe that; they will see the stitch-up for exactly what it is. In contrast, our position remains clear. If this new treaty, whatever it is to be called, represents any further transfer of power from Britain to the EU, we will demand that the people of this country be allowed to have their say in a free and fair referendum.

6.38 pm

The Minister for Europe (Mr. Geoffrey Hoon): Today's debate on the forthcoming meeting of the European Council has been lively, familiar and only occasionally repetitive. Despite what the right hon. Member for Richmond, Yorks (Mr. Hague) said, I have heard his speech before. The hon. Member for Berwickshire, Roxburgh and Selkirk (Mr. Moore) observed that it was a single transferable speech. I suspect that most of us could have recited the speech made by the hon. Member for Stone (Mr. Cash) for him; I have certainly heard it a number of times before, starting as long ago as the Maastricht debate, when he was at the extreme edge of what was then a pro-European Conservative party. He now occupies the centre ground of what has, sadly, become an anti-European party. At least he can say that he has been consistent, however, which is not something that can be claimed for his Front Bench with any confidence.

Mr. Hands: Will the Minister give way?

Mr. Hoon: In a moment; let me make a little progress.

I would like to take this opportunity to congratulate the hon. Members for Grantham and Stamford (Mr. Davies) and for Buckingham (John Bercow). They are rare and exotic creatures these days, in that they are pro-European Conservatives who are prepared to speak up. It is rather sad to see the emasculation of the pro-European Conservatives. Even the noble Lord Heseltine ducked a question on Europe on the "Today" programme the other day.

I might have begun to think that such pro-Europeans were extinct, had it not been for the right hon. Member for Suffolk, Coastal (Mr. Gummer) bobbing up and down and asking good questions, if I may say so. He has experience of government, however, and he knows that these questions on constitutional change are important. The Conservative party needs to think about that. If it claims that it wants to be a party that seeks to protect our environment, it must recognise that

it might be necessary to change the rules in order to do so. The right hon. Member for Suffolk, Coastal has had that experience, and understands that one country out of 27 blocking measures to deal with climate change is a totally effective way of stopping the kind of progress that is necessary. The Conservative party must choose. If it is a party that wants to protect the environment, it must decide whether it will engage with the European Union to try to ensure that there are the kinds of rules that are necessary to achieve the policy changes required.

Mr. Hands: If the Government are so united on the issue, why have we not heard a single Labour Back Bencher speak in favour of the Government's position in the past five hours?

Mr. Hoon: Because we are so united, our Back Benchers simply did not feel the need to turn up and demonstrate their consistent and loyal support for the Government.

Daniel Kawczynski: The Minister is deliberately oversimplifying what took place over the past five hours. It is wrong to suggest that Opposition Members who have expressed concerns about the constitution are anti-European or anti-European Union. I believe in the European Union and I want us to continue to be members of it. Just casting doubt on the constitution does not make me anti-EU.

Mr. Hoon: I asked the hon. Gentleman a question. He spoke eloquently about the need to take effective action to deal with immigration. Others among his colleagues have talked about the need to protect this country from international terrorism. The truth, however, is that measures to take effective action in those areas can be blocked by one member state out of 27. If we are serious about dealing with international terrorists who cross borders, we must take decisions by qualified majority voting; otherwise, a single country can stop it. He cannot speak eloquently in favour of dealing with immigration and tackling terrorism unless he is prepared to will the means to do so. So far, he has not done that.

After the United Kingdom joined the European Community under a Conservative Government, the first treaty changes took place in 1986 when the Single European Act was ratified by Parliament. Despite the then Prime Minister's reputation for being a hard-line Eurosceptic, the noble Baroness Thatcher agreed to the substantive changes introduced by that Act, which set out a timetable for the creation of the single market, with most legislation being voted on by qualified majority. The Act considerably extended the scope of European decision making and the use of qualified majority voting in key areas, from the environment to health and safety at work. The latter is, for example, the legal basis for the working time directive. The hon. Member for Ludlow (Mr. Dunne) claimed that double majority voting would lead to the loss of our opt-out on the working time directive. I assure him that that is simply not the case. It would not change our blocking minority.

In fact, the Single European Act gave rise to almost 300 pieces of legislation as part of the efforts between 1986 and 1992 to complete the single market. The right hon. Member for Wells (Mr. Heathcoat-Amory) said that the Single European Act contained only 12 new areas of qualified majority voting. Actually, it gave rise to hundreds of different directives—significant legislation transforming our relationship with the European Union. The Single European Act also gave extensive new powers to the European Parliament. For the first time in our history, Members of the European Parliament could have a real say on European legislation, rather than simply being consulted, as was the case previously.

Two years later, the noble Baroness Thatcher declared:

> "Britain does not dream of some cosy, isolated existence on the fringes of the European Community. Our destiny is in Europe, as part of the Community."

I sometimes wonder whether those anti-Europeans on the Conservative Benches who kneel at the altar of Baroness Thatcher's reputation have read those words. The approach of Opposition Members has changed dramatically. Far too many of them seem to believe that little Englanders can somehow solve the cross-border problems of the 21st century in splendid isolation.

The right hon. Member for Richmond, Yorks, for example, talked of the need to create a flexible European Union. He probably dreams about it, but that is the only thing that he is capable of doing at the moment, as he seems to have failed to notice that in order to get a flexible European Union, we would have to change the treaties. Those treaties would have to be changed by unanimity, there would have to be a constitutional debate, and he would have to secure the support of 26 other countries. So far, he has secured the support of one—on a good day, with the wind in the right direction, and with an "R" in the month. All subsequent treaty changes have been ratified through Parliament: the Maastricht treaty in 1993, the Amsterdam treaty in 1998 and the Nice treaty in 2002.

The Maastricht treaty, arguably the most fundamental of all existing European treaties, involves the most extensive transfer of power, or competence, from Westminster to Brussels. It provided for the introduction of a common and foreign security policy and a European security and defence policy, and a new competence for the European Union in justice and home affairs. The first reference in the European Union's history was made to the European convention on human rights, on which the charter of fundamental rights is based. Qualified majority voting was introduced in 32 articles, 15 articles were moved to co-decision, and for the first time in history the European Parliament was given legislative powers equal to that of the Council on a range of policies. The Maastricht treaty introduced European citizenship and the European Union. It was ratified by this House in July 1993.

John Bercow *rose—*

Mr. Hands *rose—*

Mr. Hoon: I will make a little more progress, if I may.

In 1999, apparently, the right hon. Member for Richmond, Yorks said that the Maastricht treaty was "one of John Major's achievements".

[Mr. Geoffrey Hoon]

As well as voting for it, he obviously approved of it—all of it, I assume. He was one of the many Conservative Members of Parliament who voted, on a three-line Whip, against a referendum on Maastricht. Every single member of the shadow Cabinet who was an MP in 1993 voted against a referendum on the Maastricht treaty.

Andrew Mackinlay: Have we been told why?

Mr. Hoon: I am hoping to provoke Conservative Members into telling us.

I may have misunderstood the right hon. Member for Richmond, Yorks. In answer to a question from me during his speech he suggested, perhaps inadvertently, that the Labour party had also voted against the amendments. The truth is that the overwhelming majority of Labour Members of Parliament voted against a referendum at the time. The only Members who voted for a referendum, on both sides of the House, were the anti-Europeans. Nearly all the members of the then Government who are still in the House were in the same position.

The truth is that the right hon. Member for Richmond, Yorks and I were on the same side in that debate. His problem is that he has changed his position and I have not.

Mr. MacShane: The Minister is, of course, right on the referendum issue, although he should reflect that in the 1980s some members of the Labour party—I cite our departed colleague Tony Benn, the former right hon. Member for Chesterfield—were committed to a referendum.

The quotation read out by the hon. Member for Rayleigh (Mr. Francois) was accurate. I did say to the Foreign Secretary that because the Liberal Democrats had changed their approach and come out in favour of a referendum, we would probably not be able to secure a majority in the House. I hope that the Liberal Democrats will now stay true to their pro-European position and reject the anti-European referendum calls from the Benches to their—

Hon. Members: Right.

Mr. Hoon: I anticipate that my right hon. Friend may be a little disappointed if he relies on any sort of consistency from the Liberal Democrats.

Mr. Gummer: Is the Minister not advancing an extremely good argument for the fact that the Prime Minister was wrong to give way not to the Liberal Democrats, but to the Murdoch newspapers by allowing a referendum because, although he knew that the circumstances were wrong, he decided that it was convenient? Is not the problem with the referendum that we really must treat it as a matter of principle? Are we a parliamentary democracy or are we not? If we are, we do not have referendums.

Mr. Hoon: I agree with the right hon. Gentleman to the extent that it should be a matter of principle. The principle that seems to govern the use of a referendum—in this respect, my view is not so far from that of the hon. Member for Aldridge-Brownhills (Mr. Shepherd)—is whether significant constitutional change is involved. We had a referendum in 1975, there have been referendums on Scotland, Wales and Northern Ireland, there is provision for a referendum in the Northern Ireland Act 1998, and we have committed ourselves to a referendum on the euro. Those are all fundamental changes, but not the sort of day-to-day changes that have been made in the House on a three-line Tory Whip without a referendum.

That is the area of principle with which Conservative Front Benchers have failed to deal. They have simply failed to explain why their position has changed so dramatically. The only difference appears to me to be that they are now in opposition, and will remain in opposition.

Mr. Cash: Does the Minister accept that the Government ultimately decided that they had to have a referendum on the constitutional treaty because it was demonstrated—I think that I played some small part in this—that as there was a repeal provision there was a fundamental change in the structural relationship? I have tried to demonstrate that again today. Will the Minister not accept that the distinction between that constitutional treaty and what is now being proposed is a distinction without a sufficient difference and therefore, on the Government's own terms, a referendum is required?

Mr. Hoon: I do not accept that argument. I have set out a proper principle, and it is reflected in the constitutional arrangements of several other countries: the requirement for a referendum follows a judgment that there is significant constitutional change. That is true of the Netherlands and Denmark. If the hon. Gentleman were to look at the practice in our country, he would recognise that it is the same here.

Andrew Mackinlay: Our debate shows that each party and Member has a different threshold for what, in their opinion, constitutes a major constitutional change. Therefore, we have to make judgments on that as individual Members. The Conservative Front Bench has avoided explaining what would happen in the unlikely event that they were to return to office. Whenever there is a new IGC, a new treaty, or a change or a tweaking, would they put that to a referendum? I hope that the Minister will encourage a Conservative Front-Bench Member to stand up and answer that. What would they do? If there were a Conservative Government, would they put a comparable change to a referendum?

Mr. Hoon: While the Conservatives are in opposition, they certainly will say that they would do that, because in opposition they can make political capital out of such matters. That is what is happening. They are taking the opportunity to be an Opposition. No serious thought is going into what might happen in the unlikely event of the Conservative party forming a Government. It simply does not have an answer to that.

I have looked into the Conservative party's position. The hon. Member for Rayleigh (Mr. Francois) waxed lyrical on that subject in his speech. He was asked

recently why his party was calling for a referendum on an amending treaty when John Major's Government voted against a referendum on the Maastricht treaty. His total explanation of the Conservative party's constitutional position was:

"The caravan has moved on".

That was his answer to the question.

Mr. Francois: I am glad that the Minister was awake at 7.10 am last Friday when I was on the "Today" programme. I spoke for about three minutes; does he want to read out the rest of what I said? I said that the caravan has moved on especially for the Foreign Secretary, but does he want to read out the rest?

Mr. Hoon: I am slightly sorry that I gave way. I gave the hon. Gentleman the opportunity to set out in a few brief sentences the principle underlying his position, as he has failed to give any principle. All he has done is simply give an exposition on why it is now important to have a referendum. The Conservative party has changed its position so frequently on this subject that it is difficult to know what he might like to say on it.

Mr. Hands: The Minister is being most generous in giving way. The Chancellor is reported to have said on GMTV yesterday that he would be prepared to hold a referendum on changes to the way the EU is run "if necessary". If the Government consider it to be necessary to hold such a referendum, will they pledge to fulfil their manifesto commitment to campaign for a yes vote?

Mr. Hoon: The position in the manifesto was straightforward: that we would hold a referendum on a constitutional treaty. I have demonstrated that we have had a series of amending treaties—it has been pointed out that the original treaty of Rome has been amended. None of those amending treaties has required a referendum. The most significant of them, with the extensive constitutional change that I set out, was passed through this House in the usual parliamentary process with a three-line Whip on Conservative Members to vote down the proposal for a referendum. That is the clear history of this matter. The Conservative party's current position is driven simply by political opportunism.

Mr. Jenkin: Will the Minister explain simply and succinctly what is the substantive difference between the constitutional treaty that was proposed and what is now proposed in the IGC mandate?

Mr. Hoon: I am in the slight difficulty that that has not yet been agreed. As the hon. Gentleman may have noticed, the European Council summit does not start until tomorrow. He is trying to anticipate the result of what will be a complicated negotiation.

It is important to look through the list of changes that have occurred, as a result of amendments to the treaty of Rome, in the Single European Act, in the Maastricht treaty and in all the amending treaties. To be fair, the right hon. Member for Richmond, Yorks accepted promptly that there was a substantial transfer of competence by the Maastricht treaty. No one looking at the list that I read out could have said anything else, and in those circumstances it is inexplicable why the Conservatives are arguing today for a referendum. To be fair to the hon. Member for Stone, he argued for a referendum during the debate on the Maastricht treaty, as did the hon. Member for Aldridge-Brownhills. They were consistent—they voted in way that is consistent with the position now being argued by Conservative Front Benchers. It is the latter who have a problem. They are simply using this as an opportunity to make political capital. So long as we all recognise that and are straightforward about it, there is no problem, but to try to dress it up in any other way is simple political dishonesty.

John Bercow: May we focus on some specifics? Of course, in areas that do not fall within the exclusive competence of the European Union, the principle of subsidiarity and proportionality should apply, but all of us in our different parties know that as things stand, the subsidiarity provision in the treaties of Maastricht, Amsterdam and Nice is manifestly unsatisfactory and weak. Will the right hon. Gentleman argue for a yellow-card proposal, for a red-card proposal or for what else? An answer might offer some reassurance to the House and to the country.

Mr. Hoon: The hon. Gentleman, as ever, raises a good and a principled point. There will certainly be a thorough discussion at the European Council summit of proposals to strengthen the role of national Parliaments. That issue was raised by a number of Members, and it is important that that discussion take place, not least because of the votes in the Netherlands and France. The Dutch Government will be advancing that argument, I anticipate, fairly vigorously.

The Government have made it clear through the Prime Minister that we will only support any negotiated outcome if our red lines are respected. I should make it clear to my hon. Friend the Member for Great Grimsby (Mr. Mitchell) that those red lines will remain red. They have been negotiated within the Government, and they are the clear position of this Government and will not be breached. Again, the difference between this Government and the Conservatives is that they simply have not understood or reflected the strong tradition of parliamentary democracy in this country. John Major said at the time of the Maastricht treaty that it is not in our parliamentary tradition to hold referendums in this country. The then Foreign Secretary, the noble Lord Hurd, put it rather well:

"The House considered the option of a referendum and decisively rejected it...We decided to do the job for which we were elected rather than to pass that job back to those who sent us here."—[*Official Report*, 20 May 1993; Vol. 225, c. 383.]

That is a very authoritative statement by a leading Conservative, the then Foreign Secretary, about the position on referendums. I repeat that this present political opportunism on the part of the Conservatives does them no good.

Over the past 10 years, this Government have put the UK at the heart of Europe. We are driving the European agenda and working with our partners. Indeed, our relationship with France and Germany has never been better, at a time when the Leader of the Opposition cannot even get a meeting with the Christian Democrat Chancellor. The Leader of the Opposition claims to be modernising the policies of the Conservative party, yet when it comes to the European Union, he has taken a backward step in the direction of isolation. According to the spin from Conservative central office today, he is too busy tomorrow to attend a meeting before the summit of a large group of

[Mr. Hoon]

influential centre-right leaders, consisting of 11 heads of state and government from the European Union and members of the Commission, including the current President of the European Council, the German Chancellor, and the French, Czech, Dutch, Swedish and Greek Prime Ministers. The hon. Member for Hammersmith and Fulham (Mr. Hands) seems fascinated by other people's diaries. Perhaps he could tell us what the Leader of the Opposition is doing. Perhaps he is visiting a grammar school in Buckinghamshire with the hon. Member for Buckingham, or visiting a museum somewhere. *[Interruption.]* The hon. Member for Buckingham shakes his head. It demonstrates the isolation of the Conservative party and the Conservative leadership. Harold Macmillan lodged the first application to join the common market and Edward Heath took this country into the European Union. Margaret Thatcher signed—

It being Seven o'clock, the motion for the Adjournment of the House lapsed, without Question put.

PETITION

St. George

7 pm

Mary Creagh (Wakefield) (Lab): I beg leave to present a petition from Mr. Bernard Calvert of Wakefield, member of the Royal Society of St. George, with one signature attached.

The Petitioners therefore request that the House of Commons urges the government to implement the following actions in celebration of St George that 23rd April be declared an English National holiday; that the Standard of St George be paraded and included at all events that include the armed forces; and that on St George's Day, celebrations are encouraged.

And the Petitioners remain, etc.,

To lie upon the Table.

Local Authority Assets (Hull City Council)

Motion made, and Question proposed, That this House do now adjourn.—*[Tony Cunningham.]*

7 pm

Ms Diana R. Johnson (Kingston upon Hull, North) (Lab): I am delighted to have secured this Adjournment debate this evening on an important issue for my constituents. The debate arises from the sale of the remaining shares held by Liberal Democrat-controlled Hull city council in the local telecommunications company, Kingston Communications. That action was taken without any public debate or discussion, and it deserves some public scrutiny. I know that the Secretary of State for Education and Skills, my right hon. Friend the Member for Kingston upon Hull, West and Hessle (Alan Johnson), and the Deputy Prime Minister, my right hon. Friend the Member for Kingston upon Hull, East (Mr. Prescott), are also concerned about that decision and the effect that it will have on local services and jobs, especially at a time when the global activities of private equity companies are causing such public concern.

At the outset, it is certainly worth setting out a little of the proud history of the local telephone company in Hull. In the late 19th and early 20th centuries, like many major cities, Hull developed its own local telephone company, and in 1902 the council gained its first licence to operate services, with the first exchange opening in 1904. To celebrate its golden jubilee, Hull Corporation produced a "golden pages", a forerunner to the "Yellow Pages", which was printed on gold paper and distributed with a classified business section. Hull has often pioneered good ideas like that.

Hull became famous for having its own municipally owed telephone company—the only remaining one in the UK—with its own distinctive cream-coloured telephone boxes, designed by Sir Giles Gilbert Scott, who also created BT's more famous red ones. It also had tariffs that meant that customers could speak for as long as they wanted to other customers in the local area, long before the BT friends and family packages. Local people enjoyed better service for having a local telephone company.

The company has continued to innovate, and was the first telephone network in the world to deploy 100 per cent. digital exchanges. In 1987 the Hull City Telephone Department became Kingston Communications plc, a company in its own right, although still 100 per cent. owned by the council. In 1999 the council took the decision to sell the telephone company, but retained a sizeable shareholding of 44.9 per cent. Many of my constituents bought shares too, such was the local commitment to a local business.

Until a few weeks ago, Hull city council's shareholding in Kingston Communications stood at 31 per cent. The link between the people of Hull, as service users and employees, and Kingston Communications had lasted for 105 years, but under the Lib Dem council elected in May 2007 the link survived for only 19 days. A link that had survived two world wars was broken by the Lib Dems within 3 weeks.

I want to raise two points in this debate. First, I am particularly concerned about the hasty decision made

by the Lib Dem council in Hull, which cashed in the remaining shareholding in Kingston Communications without any room for public debate or discussion. In particular, I want to explore the tension in law that exists when a local authority that owns shares in a publicly listed company has to make decisions about its shareholding. Apparently it must do that in private, but as a local authority it is democratically accountable to the wider electorate. That is a possible blind spot in local democracy.

Secondly, I want to explore what I believe is the lack of strategic thinking by the Liberal Democrats in Hull when they took the decision. They have been timid in their decision making, and have failed to look at what is really in the city's best interests when it comes to developing a positive telecommunications and digital future for the area. They had the opportunity, by building on the historic telecommunications company, to work on and develop a pioneering approach in Hull. Other cities could only envy that, and I shall say a little more about that later.

I do not intend to go through the pros and cons of the sale, merely to ask how a democratically elected council could take major decisions about its shareholding in a company with apparently no discussion or debate with the people on whose behalf they hold the shares. Given the company's long history with the people of Hull, and its current status as the city's only provider of telephone and internet services, the matter must surely be worth some discussion and debate.

The sale took place very soon after the May 2007 local elections. There was no opportunity for a debate about the future of Hull city council's assets, and there was no mention of the issue in the Liberal Democrat election manifesto. The people of Hull have been denied a chance to have their say on a matter that directly affects their services and provides employment in the community. The suddenness of events and the lack of transparency have had the effect of making local democracy seem somehow irrelevant.

I understand that there are rules that have to be applied when dealing with the disposal of shares, and I know that the Liberal Democrats in Hull have claimed that their hands were tied in this matter and that they could not go public with their plans. Of course I acknowledge that there are rules concerning the disposal of shares, but I also understand that the Financial Services Authority would have had no problem if the Liberal Democrat manifesto had contained a line setting out the council's intention to review its assets with a view to achieving the best rate of return, and to evaluate its shareholding in Kingston Communications.

Clearly, a manifesto promise may not be realised, if the party that makes the promise is not returned to power. Alternatively, a party may not be able to follow through its manifesto, for all sorts of reasons. However, it is strange that the Liberal Democrats, who are always preaching to politicians about freedom of information, should have failed so miserably, when in power, to practise what they preach.

There is a joke going around Hull at the moment: what is the difference between Hull city council's Kingston Communications shareholding committee and the local freemasons? The answer is that we have some idea of what goes on among the local freemasons, but we have no idea of what goes on in the Kingston Communications shareholding committee.

It is surprising that the local Liberal Democrat manifesto stated that the party was going to ensure that its councillors engaged in "meaningful consultation" with local people. It claimed that

> "for too long in Hull, decisions have been taken behind closed doors with little regard to the views of the people whose communities and families they affect."

Well, 19 days into its time in office, the Liberal Democrat council blew that one, did it not?

My concern is simply that, in an age when all political parties want to gain the trust of local people, strengthen local democracy and engage and consult in a meaningful way, the action taken by the Liberal Democrats in Hull is arrogant. If there had been discussion in the local election campaign about such an important issue, at least there would have been some debate and discussion about an asset built up by generations of Hull people.

My second point stems directly from that, and has to do with the possibilities flowing from the historical local telephone company and the resulting asset base that the council owned in Kingston Communications. I understand that the portfolio holder for Hull city council was advised that the dividend on the shareholding in Kingston Communications could be higher if the council sold its shares and reinvested in the market. However, I understand that other options, which could have been bolder and more focused on the future needs of the city and its people, were available.

With a 31 per cent. shareholding in Kingston Communications, the council had a real opportunity to look at some interesting ideas to benefit the city where the company was born and had prospered. Since I was elected in May 2005, many of my constituents have contacted me about the monopoly position of Kingston Communications in Hull. It is the only telecommunications and internet provider in the area, with uncontested dominance in the local market. Now the influence of local people through a major shareholding in the company has been lost; we have a straightforward privately owned monopoly supplier in the city, with no guarantees about choice or quality of telephone and internet services. Moreover, people have no say in what happens to local Kingston Communications jobs.

One option Hull city council could have considered was how to use its shareholding to force the management of Kingston Communications to realign the corporate strategy towards what is called an open horizontal model. That would have meant that the cabling in the city was brought under the ownership of the city—perhaps by forming a separate company to do that—to ensure that it benefited all who wanted to use it. There could have been investment to install fibre-optic cabling and to ensure that it was made available to all who needed it. The process is akin to the roads being available to whoever wishes to use them, with services provided by lots of different businesses that use the roads.

I am informed that similar models are under development in cities in Europe, such as Amsterdam. An open access model would allow investment to fund an infrastructure upgrade in the city region and allow

[Ms Diana R. Johnson]

for telecom companies to compete with each other for customers by buying access to the fibre-optic network. It would allow the use of other service providers in Hull, so there would no longer be a monopoly supplier as at present. The model would yield great socio-economic wealth to the community of Hull, and put the city on the global map as the first in the UK to adopt it.

The idea has great merit in terms of what would best help the city develop economically and speed up its much needed regeneration. It would put the council at the centre of the process, acting as the guardian for the city, making sure that the cabling in the city was used for everyone. It could secure employment in the city, which of course is now not guaranteed. Kingston Communications is obviously focusing its business on the corporate sector and much of the company's investment is directed away from Hull at present. The model would ensure that existing and new investments in telecom services and networks were kept in Hull and Humberside. It would be good for the regional economy and local jobs—the modern, skilled local jobs that is Hull is crying out for.

I have set out only one option, but an imaginative and thoughtful debate could have taken place in the city if we had had a far-sighted local authority that was really looking to regenerate the economy in Hull by using digital technology and investing in the wider community. The Lib Dems have again wasted a real opportunity, with a short-term approach to an historic asset of the city. Councillor Sloan, the portfolio holder, said:

> "The decision to sell the council's remaining stake in Kingston Communications was made because it was in the best interests of the city, its people, local businesses, local shareholders and indeed the company."

I am not sure that it was in the best interests of the city, local people or local businesses simply to grab the money and run. The council could have done something much more imaginative and much bolder. The Lib Dem council in Hull has wasted an opportunity.

7.12 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Angela E. Smith): I congratulate my hon. Friend the Member for Kingston upon Hull, North (Ms Johnson) on the way in which she put her case to the House. She clearly has deep concerns, and the passion with which she spoke and her commitment to her constituents does her enormous credit. Her views are shared by other Hull Members. The Secretary of State for Education and Skills, my right hon. Friend the Member for Kingston upon Hull, West and Hessle, has moved to the Back Benches today—unusually and, I hope, temporarily—to show his commitment and his deep feelings about the issue, which are shared by the Deputy Prime Minister, my right hon. Friend the Member for Kingston upon Hull, East (Mr. Prescott).

All local authorities, including Hull, have to make complex decisions about how best to manage their assets and investments, but those are matters for the judgment of each authority; central Government have no powers to intervene. We want authorities to have as much flexibility as possible to manage their investments, which was one of the freedoms we conferred under the prudential capital finance system in 2004. Before that, investments were subject to a complex system of regulation that we inherited from the previous Administration. Now, instead of regulations, we have statutory guidance, which is in simple language and gives authorities considerable discretion to make decisions.

Authorities are allowed to pursue any form of investment that they consider appropriate. They may also cash in existing investments whenever they want. No Government consents are required at any stage. It is a matter for the political judgment of the local authority. However, the investment guidance contains important safeguards for local taxpayers. It requires the authority to produce a yearly investment strategy, which must be put to the full council. The strategy must set out the general investment policies of the authority and explain how risks will be monitored and managed.

I listened carefully to what my hon. Friend the Member for Kingston upon Hull, North said that she would like the Government to do, and I understand how deeply concerned she is. However, putting any constraints on the disposal of shares by local authorities would be inconsistent with the freedoms that we have recently conferred on them. When making decisions on whether to acquire, keep or dispose of an investment, an authority's main concern should be security and seeking to minimise the risk of losing money that it holds in trust for the local community. Having addressed that, the authority may seek to maximise its return from its investments.

All of an authority's investments need to be monitored carefully, and authorities must be ready to respond to changing market circumstances. That may sometimes lead to long-standing investment policies being reversed or changed. These are complex matters, which require specialised professional advice. There can be differences of opinion between technical experts. It is important that, for any sale to take place, the council must fully investigate all the options that are open to it. When making decisions about the disposal of any asset, we would expect the authority to consider the impact that the disposal would have on the community, the broader local economy and, of course, jobs.

I understand my hon. Friend's regret at what she feels is a lost opportunity to consider other alternatives. I was struck by her comments about the opportunities available in Amsterdam. If she can undertake that kind of research in the time she has had available, she may want to ask her local authority what opportunities it took to research the available alternatives. Clearly it is too late for that to have an impact on the sale, but she may want to look into the matter to reassure herself and her constituents about whether alternatives were considered.

I appreciate the fact that the council could not have laid out its exact plans in this matter, but I was interested to hear my hon. Friend say that her understanding from the Financial Services Authority was that a commitment in the manifesto to review all assets would have been acceptable and would not have caused any difficulties. I want to refer to a story in a

local Hull newspaper; it is regular reading for me. The article is dated 25 May and states:

"A few months ago Lib Dem leader Carl Minns was dismissing the idea of selling off the city council's remaining stake in Kingston Communications as 'typical Old Labour thinking'."

I can assure Councillor Minns that, judging from the comments made by my hon. Friend, it is certainly not Labour party thinking.

Despite the deep concerns that my hon. Friend has raised, there is little that I can do in this matter. It is a matter for the discretion and judgment of the local authority, and the administration in Hull has decided to proceed in this way. If she wants to raise any complaints about financial impropriety, and would like the Audit Commission to look at them, she can look at the rules and regulations to see whether the complaints can be investigated. However, I am not aware that Hull city council has acted improperly financially. We are talking about a matter of judgment, and the council's judgment is clearly at odds with that of my hon. Friend.

Question put and agreed to.

Adjourned accordingly at eighteen minutes past Seven o'clock.

Deferred Division

ROAD TRAFFIC

That the draft Community Drivers' Hours and Recording Equipment Regulations 2007, which were laid before this House on 14th May, be approved.

The House divided: Ayes 362, Noes 60.

Division No. 148]

AYES

Afriyie, Adam
Ainger, Nick
Ainsworth, rh Mr. Bob
Ainsworth, Mr. Peter
Amess, Mr. David
Anderson, Mr. David
Armstrong, rh Hilary
Atkinson, Mr. Peter
Austin, Mr. Ian
Austin, John
Bailey, Mr. Adrian
Baird, Vera
Balls, Ed
Banks, Gordon
Barlow, Ms Celia
Baron, Mr. John
Bayley, Hugh
Begg, Miss Anne
Benn, rh Hilary
Benton, Mr. Joe
Bercow, John
Berry, Roger
Betts, Mr. Clive
Binley, Mr. Brian
Blackman, Liz
Blears, rh Hazel
Blunkett, rh Mr. David
Blunt, Mr. Crispin
Bone, Mr. Peter
Boswell, Mr. Tim
Bradshaw, Mr. Ben
Brady, Mr. Graham
Brazier, Mr. Julian
Brennan, Kevin
Brown, Lyn
Brown, Mr. Russell
Browne, rh Des
Browning, Angela
Bryant, Chris
Buck, Ms Karen
Burgon, Colin
Burnham, Andy
Burns, Mr. Simon
Burrowes, Mr. David
Burt, Alistair
Butler, Ms Dawn
Byers, rh Mr. Stephen
Byrne, Mr. Liam
Cairns, David
Cameron, rh Mr. David
Campbell, Mr. Alan
Carswell, Mr. Douglas
Caton, Mr. Martin
Cawsey, Mr. Ian
Challen, Colin
Chaytor, Mr. David
Clapham, Mr. Michael
Clappison, Mr. James
Clark, Greg
Clark, Paul
Clarke, rh Mr. Charles
Clarke, rh Mr. Tom
Coaker, Mr. Vernon
Coffey, Ann
Cohen, Harry
Connarty, Michael
Cook, Frank
Cooper, Rosie
Corbyn, Jeremy
Cormack, Sir Patrick
Crabb, Mr. Stephen
Crausby, Mr. David
Creagh, Mary
Cryer, Mrs. Ann
Cunningham, Mr. Jim
Cunningham, Tony
Darling, rh Mr. Alistair
David, Mr. Wayne
Davies, Mr. Dai
Dean, Mrs. Janet
Denham, rh Mr. John
Devine, Mr. Jim
Dhanda, Mr. Parmjit
Dismore, Mr. Andrew
Djanogly, Mr. Jonathan
Dobbin, Jim
Donohoe, Mr. Brian H.
Drew, Mr. David
Duddridge, James
Dunne, Mr. Philip
Durkan, Mark
Eagle, Angela
Eagle, Maria
Efford, Clive
Elliman, Mrs. Louise
Engel, Natascha
Ennis, Jeff
Evennett, Mr. David
Fabricant, Michael
Fallon, Mr. Michael
Field, rh Mr. Frank
Field, Mr. Mark
Fitzpatrick, Jim
Flello, Mr. Robert
Flynn, Paul
Foster, Mr. Michael *(Worcester)*
Foster, Michael Jabez *(Hastings and Rye)*
Fox, Dr. Liam
Gale, Mr. Roger
Gapes, Mike
Garnier, Mr. Edward
Gauke, Mr. David
Gerrard, Mr. Neil
Gibb, Mr. Nick
Gibson, Dr. Ian
Gilroy, Linda
Goggins, Paul
Goodman, Helen

Goodman, Mr. Paul
Goodwill, Mr. Robert
Gove, Michael
Gray, Mr. James
Grayling, Chris
Green, Damian
Greening, Justine
Grieve, Mr. Dominic
Griffith, Nia
Grogan, Mr. John
Gwynne, Andrew
Hague, rh Mr. William
Hain, rh Mr. Peter
Hall, Patrick
Hamilton, Mr. David
Hamilton, Mr. Fabian
Hammond, Stephen
Hands, Mr. Greg
Hanson, rh Mr. David
Harper, Mr. Mark
Harris, Mr. Tom
Hayes, Mr. John
Healey, John
Heathcoat-Amory, rh Mr. David
Henderson, Mr. Doug
Hendrick, Mr. Mark
Hendry, Charles
Heppell, Mr. John
Hesford, Stephen
Hillier, Meg
Hoban, Mr. Mark
Hollobone, Mr. Philip
Holloway, Mr. Adam
Hood, Mr. Jim
Hoon, rh Mr. Geoffrey
Horam, Mr. John
Howarth, rh Mr. George
Howells, Dr. Kim
Hoyle, Mr. Lindsay
Hughes, rh Beverley
Humble, Mrs. Joan
Hunt, Mr. Jeremy
Hurd, Mr. Nick
Iddon, Dr. Brian
Illsley, Mr. Eric
Irranca-Davies, Huw
Jack, rh Mr. Michael
Jackson, Mr. Stewart
James, Mrs. Siân C.
Jenkin, Mr. Bernard
Jenkins, Mr. Brian
Johnson, rh Alan
Johnson, Ms Diana R.
Jones, Mr. David
Jones, Helen
Jones, Lynne
Jowell, rh Tessa
Joyce, Mr. Eric
Kaufman, rh Sir Gerald
Kawczynski, Daniel
Keeble, Ms Sally
Keeley, Barbara
Kelly, rh Ruth
Kemp, Mr. Fraser
Kennedy, rh Jane
Key, Robert
Khan, Mr. Sadiq
Kidney, Mr. David
Kirkbride, Miss Julie
Knight, rh Mr. Greg
Kumar, Dr. Ashok
Ladyman, Dr. Stephen
Lait, Mrs. Jacqui
Lancaster, Mr. Mark
Lansley, Mr. Andrew
Lazarowicz, Mark
Lepper, David
Levitt, Tom
Lewis, Dr. Julian
Liddell-Grainger, Mr. Ian
Lidington, Mr. David
Lilley, rh Mr. Peter
Linton, Martin
Lloyd, Tony
Loughton, Tim
Lucas, Ian
Luff, Peter
Mackay, rh Mr. Andrew
Mactaggart, Fiona
Main, Anne
Malik, Mr. Shahid
Malins, Mr. Humfrey
Mallaber, Judy
Maples, Mr. John
Marris, Rob
Marsden, Mr. Gordon
May, rh Mrs. Theresa
McAvoy, rh Mr. Thomas
McCarthy, Kerry
McDonagh, Siobhain
McDonnell, Dr. Alasdair
McDonnell, John
McFadden, Mr. Pat
McFall, rh John
McGovern, Mr. Jim
McGrady, Mr. Eddie
McGuire, Mrs. Anne
McIntosh, Miss Anne
McIsaac, Shona
McKechin, Ann
McLoughlin, rh Mr. Patrick
McNulty, Mr. Tony
Meacher, rh Mr. Michael
Meale, Mr. Alan
Merron, Gillian
Michael, rh Alun
Milburn, rh Mr. Alan
Miliband, rh David
Miliband, Edward
Miller, Andrew
Miller, Mrs. Maria
Milton, Anne
Mitchell, Mr. Andrew
Mitchell, Mr. Austin
Mole, Chris
Moon, Mrs. Madeleine
Morden, Jessica
Morgan, Julie
Morley, rh Mr. Elliot
Mountford, Kali
Mullin, Mr. Chris
Mundell, David
Munn, Meg
Murphy, Mr. Jim
Murphy, rh Mr. Paul
Murrison, Dr. Andrew
Neill, Robert
Newmark, Mr. Brooks
O'Brien, Mr. Mike
O'Brien, Mr. Stephen
Oiner, Mr. Bill
Osborne, Mr. George
Ottaway, Richard
Owen, Albert
Paice, Mr. James
Palmer, Dr. Nick
Paterson, Mr. Owen
Pelling, Mr. Andrew
Penning, Mike
Pickles, Mr. Eric
Plaskitt, Mr. James
Pope, Mr. Greg
Pound, Stephen
Prentice, Bridget
Prentice, Mr. Gordon
Prisk, Mr. Mark
Pritchard, Mark
Prosser, Gwyn
Purchase, Mr. Ken
Purnell, James
Randall, Mr. John
Raynsford, rh Mr. Nick
Reed, Mr. Andy
Rifkind, rh Sir Malcolm
Riordan, Mrs. Linda
Robathan, Mr. Andrew
Robertson, Hugh
Robertson, John
Robertson, Mr. Laurence
Rooney, Mr. Terry
Rosindell, Andrew
Ruane, Chris
Ruddock, Joan
Russell, Christine
Ryan, Joan
Salter, Martin
Scott, Mr. Lee
Seabeck, Alison
Selous, Andrew
Shaw, Jonathan
Sheridan, Jim
Simmonds, Mark
Simpson, Mr. Keith
Singh, Mr. Marsha
Skinner, Mr. Dennis
Slaughter, Mr. Andy
Smith, Ms Angela C. *(Sheffield, Hillsborough)*
Smith, Geraldine
Smith, John
Snelgrove, Anne
Soames, Mr. Nicholas
Soulsby, Sir Peter
Spellar, rh Mr. John
Spelman, Mrs. Caroline
Spicer, Sir Michael
Spink, Bob
Starkey, Dr. Phyllis
Straw, rh Mr. Jack
Streeter, Mr. Gary
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr. Gerry
Swayne, Mr. Desmond
Syms, Mr. Robert
Tapsell, Sir Peter
Taylor, Ms Dari
Taylor, David
Taylor, Mr. Ian
Thomas, Mr. Gareth
Thornberry, Emily
Timms, rh Mr. Stephen
Touhig, rh Mr. Don
Tredinnick, David
Trickett, Jon
Turner, Dr. Desmond
Turner, Mr. Neil
Ussher, Kitty
Vaizey, Mr. Edward
Vara, Mr. Shailesh
Viggers, Peter
Villiers, Mrs. Theresa
Walker, Mr. Charles
Wallace, Mr. Ben
Waltho, Lynda
Ward, Claire
Wareing, Mr. Robert N.
Waterson, Mr. Nigel
Watkinson, Angela
Watts, Mr. Dave
Whitehead, Dr. Alan
Wicks, Malcolm
Widdecombe, rh Miss Ann
Wiggin, Bill
Willetts, Mr. David
Williams, rh Mr. Alan
Williams, Mrs. Betty
Wilson, Mr. Rob
Winnick, Mr. David
Winterton, Ann
Winterton, rh Ms Rosie
Woodward, Mr. Shaun
Wright, Mr. Iain
Wright, Jeremy
Young, rh Sir George

NOES

Alexander, Danny
Beith, rh Mr. Alan
Brake, Tom
Breed, Mr. Colin
Browne, Mr. Jeremy
Bruce, rh Malcolm
Burstow, Mr. Paul
Burt, Lorely
Cable, Dr. Vincent
Campbell, Mr. Gregory
Campbell, rh Sir Menzies
Carmichael, Mr. Alistair
Chope, Mr. Christopher
Clegg, Mr. Nick
Davey, Mr. Edward
Dodds, Mr. Nigel
Farron, Tim
Featherstone, Lynne
Foster, Mr. Don
George, Andrew
Goldsworthy, Julia
Harris, Dr. Evan
Heath, Mr. David
Holmes, Paul
Hosie, Stewart
Howarth, David
Huhne, Chris
Keetch, Mr. Paul
Kennedy, rh Mr. Charles
Kramer, Susan
Lamb, Norman
Laws, Mr. David
Leech, Mr. John
Llwyd, Mr. Elfyn

MacNeil, Mr. Angus
McCrea, Dr. William
Mulholland, Greg
Öpik, Lembit
Pugh, Dr. John
Reid, Mr. Alan
Robertson, Angus
Rogerson, Mr. Dan
Rowen, Paul
Shepherd, Mr. Richard
Simpson, David
Smith, Sir Robert
Stunell, Andrew
Swinson, Jo
Taylor, Matthew
Webb, Steve
Weir, Mr. Mike
Williams, Hywel
Williams, Mark
Williams, Mr. Roger
Williams, Stephen
Willis, Mr. Phil
Willott, Jenny
Wilson, Sammy
Wishart, Pete
Wyatt, Derek

Question accordingly agreed to.

House of Commons

Thursday 21 June 2007

The House met at half-past Ten o'clock

PRAYERS

[MR. SPEAKER *in the Chair*]

Oral Answers to Questions

ENVIRONMENT, FOOD AND RURAL AFFAIRS

The Secretary of State was asked—

Single Payment Scheme (Inspections)

1. **Mr. Roger Williams** (Brecon and Radnorshire) (LD): If he will make a statement on the regulatory burden on farming businesses of inspections associated with the single payment scheme. [144182]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Barry Gardiner): With your permission, Mr. Speaker, and before I answer, I have to say that the Secretary of State has asked me to thank you for your indulgence in allowing him to join our proceedings somewhat late this morning. As you are aware, he intends no discourtesy to the House but is delayed by his attendance at Cabinet, which, being the Prime Minister's last, is scheduled to run a little longer today.

The single payment scheme requires two types of inspection: first, on whether the land is eligible; and secondly, on whether farmers comply with cross-compliance. Five per cent. of applicants are subject to a land eligibility inspection, and the four competent control authorities each inspect 1 per cent. of applicants under the cross-compliance requirements or standards for which they are responsible. The Rural Payments Agency is working to implement the Hunter review recommendations to reduce the burden of such inspections.

Mr. Williams: I thank the Minister for that answer and accept entirely the importance of compliance when disbursing public money. However, some inspections are duplicated. I give the example of a farm having a TB test, whereby all the cattle have to be brought in twice within four days, and then a month later being told that there must be a bovine inspection and all the numbers have to be taken again, although the processes could be done at a single time. Will the Minister impress on the Environment Agency, DEFRA officials and the State Veterinary Service the importance of co-ordinating programmes to eliminate duplication and so reduce the burden on farming businesses?

Barry Gardiner: I am happy to give the hon. Gentleman that assurance. This is something that we have impressed on officials. The RPA is considering it and looking to co-ordinate inspections wherever possible. It is absolutely essential that we try to reduce the burden on farmers in the way that he suggests.

Mr. Tim Boswell (Daventry) (Con): I acknowledge the Minister's interest in reducing bureaucracy, but would he admit that for farmers such as myself—I declare my interest—the real problem with the scheme is that they are now faced with their third year of disfunction in terms of the delivery of payments, while at the same time any minor mistakes that they make in good faith in compliance with the scheme are disproportionately punished? *[Interruption.]*

An hon. Member: It's Gordon Brown. *[Laughter.]*

Barry Gardiner: Once hon. Gentlemen have recovered from the paroxysms of mirth that have overtaken them, I can say that I appreciate the point that has been made. I know that there is a perception that sometimes farmers are penalised for very minor infractions, but I think that it is a mistaken impression, and there are a number of statistics that would show that it is. In 2006, of the 5,500 inspections that were carried out under the SPS to determine eligibility of land, 1,370 minor breaches that fell below the penalty threshold were reported, and only 62 cases actually triggered penalties. I am aware that there is an impression out there that minor infractions are always punished, but a lot of them fall below the threshold. Comparatively speaking, the record of inspectors on getting it right is quite good.

Dr. William McCrea (South Antrim) (DUP): Does the Minister accept that the number of inspections, with various agencies' inspectors parading around farms, creates the danger of disease being carried from farm to farm? Surely there should be proper co-ordination. Farmers want to farm instead of having this endless bureaucracy and red tape.

Barry Gardiner: I accept that we should minimise the number of inspections to which farms are subjected. I am sure that the hon. Gentleman will know that the Hunter review, which reported in March this year, specifically recommended that Government should keep the number of inspections to a minimum and reduce the target time that each inspection takes. In 2005-06, the failure rate on inspection under the EU regulations was high, and an additional 800 inspections were therefore required, but in 2006-07 those additional inspections were not required. That is very positive because it shows that farmers are finding the way to compliance a lot easier than previously, which has the knock-on effect of reducing the number of inspections that are required under the rules.

Bill Wiggin (Leominster) (Con): The burden of regulations from DEFRA to business is £527.8 million a year, and 154 new regulations were introduced last year despite the Department's claim that it was reducing the regulatory burden. There is now a perfect opportunity for the Government to lift that burden. At the moment, sheep farmers are required to put only one tag in a sheep's ear. Are the Government going to continue the derogation allowing single tagging in sheep? It will save shepherds and farmers £15 million a year if they do not have to put a second, identical tag in a sheep's ear.

Barry Gardiner: The hon. Gentleman will know that discussions are being held with the European Union on that subject. He also knows that derogations are usually allowed by the EU for only a limited period. He mentioned the specific issue of sheep identification and tags. Let me shatter the myth about burdens. Of approximately 1,500 cross-compliance inspections carried out in 2006, only 71 breaches were reported, of which three attracted warning letters, 44 received a low 1 per cent. penalty, and 21 got a 3 per cent. penalty. Again, the burden is low.

Household Recycling

2. **Mr. Robert Flello** (Stoke-on-Trent, South) (Lab): What plans he has to increase levels of household recycling. [144184]

The Minister for Local Environment, Marine and Animal Welfare (Mr. Ben Bradshaw): Our new waste strategy sets new and challenging targets to increase household recycling and composting, which has quadrupled since 1997. We expect further big improvements as part of the new strategy.

Mr. Flello: Given the wide variation between local authorities' actions on household recycling, what steps is the Department taking to ensure that all local authorities are aware of best practice, implement it, are suitably encouraged to use it and empowered to do so?

Mr. Bradshaw: My hon. Friend is right to draw attention to the unacceptable differences in performance between local authorities. Some are already performing at the levels of our best European counterparts, whereas others hover just above single figures for recycling. We have a programme of engagement with the poorest performers and I plan to meet some of those in the weeks to come. Of course, they are all subject not only to our targets but to the landfill tax. If they do not increase their recycling and reduce their landfill, their council tax payers will pay a heavy price.

Paul Rowen (Rochdale) (LD): Does the Minister intend to issue guidance about alternate and weekly collections?

Mr. Bradshaw: No, that is best left to local authorities as they know the circumstances of their area. It is not central Government's job and I would have thought that Liberal Democrats agreed with that. We believe in devolution and allowing local authorities to determine the best way in which to collect their waste.

Meg Hillier (Hackney, South and Shoreditch) (Lab/Co-op): I am not sure whether my hon. Friend knows that Hackney council introduced compulsory recycling at the beginning of March. Recycling from street properties has increased by 3 per cent. since then. However, one of the challenges that remains for boroughs such as Hackney is how best to recycle plastics. Can he give some guidance about the Government's progress in ensuring that that is cost-effective for councils throughout the country?

Mr. Bradshaw: I congratulate my hon. Friend's local authority on that improvement. Like several other local authorities in London, it has not always had a good recycling record and it is good to know that that is improving. We are recycling more and more plastics, not least because of the high oil price, which makes it more financially sensible for local authorities to recycle. The vast majority of plastics in the waste stream are now recyclable, but again, we believe that it is up to local authorities, working with organisations such as the Waste and Resources Action Programme, to devise the best schemes for their area, whether that means collecting plastics separately or together with other recyclables. I would encourage as many local authorities as possible to collect plastics. Indeed, the waste strategy includes new incentives to encourage the growth of plastics recycling by local authorities.

Angela Watkinson (Upminster) (Con): Will the Minister join me in congratulating the Havering branch of Freecycle, which is one of 412 branches in London? Freecycle is a website that facilitates the exchange of unwanted items—rather like eBay except that no money changes hands. The Havering branch saves 50 tonnes of household refuse from going into landfill every week.

Mr. Bradshaw: I do congratulate the hon. Lady's local branch of Freecycle. Third sector organisations play an important role in waste management and that role will be much bigger under the new waste strategy. It includes new measures to encourage third sector organisations, which can provide an important social benefit in an area and also tend to have better contact at community level to encourage people into the recycling habit.

Richard Ottaway (Croydon, South) (Con): The Minister will be well aware that household waste has gone up by something like 15 per cent. over the last decade. Should he not be tackling that and trying to reduce the amount of waste rather than increasing the amount of landfill tax that the Treasury raises?

Mr. Bradshaw: I am afraid that what the hon. Gentleman says is not strictly correct. In fact, we have managed to break the link between economic growth and waste growth. In 2004-05, I believe that we had the first ever fall in the overall amount of municipal waste created. In the two years since then, it has been 0.5 per cent. growth, which is really very small indeed and far smaller than it has been historically. The hon. Gentleman is right to say that if we are to be tough with the waste hierarchy, the most important thing to do is to minimise waste. He will have noticed, I am sure, particularly if he has studied the strategy, that for the very first time we now have a waste minimisation or waste reduction target of 45 per cent. by 2020. That is quite a challenging target, but I am confident that we will meet it.

Mr. Peter Ainsworth (East Surrey) (Con): According to an answer from the Department of Trade and Industry earlier this week, 28 per cent. of civil amenity sites will be unable to process all the forms of electronic waste when the waste electrical and electronic equipment directive comes into force a week this Saturday. Given that one of the UK's largest recycling

firms has said that there will not be sufficient capacity to cope with the impact of the WEEE directive—a view echoed by the Local Government Association—what assurances can the Minister provide that the fridge mountain fiasco is not about to convert into a DVD, PC and TV fiasco? What assessment has he made of the possibility of increased fly-tipping over the summer months?

Mr. Bradshaw: The figures that the hon. Gentleman has just given show that 72 per cent. of municipal sites are in a position to deal with the WEEE directive. He will know that this is an extremely complex area and that we have been working very closely on it with the DTI. My DTI colleagues tell me that they are confident that the sort of difficulties that the hon. Gentleman fears may arise will not arise, and I am confident in their predictions.

Dairy Industry

3. **Sir Nicholas Winterton** (Macclesfield) (Con): If he will make a statement on prospects for the dairy industry. [144185]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Barry Gardiner): The prospects for the dairy industry are good, thanks to the current positive world market situation. Although there are challenges to come in the short to medium term, the UK industry is well placed to tackle them.

Sir Nicholas Winterton: I think that the Minister must be living in a different world. The situation facing the dairy industry in this country is critical. Dairying is vital to UK agriculture—mainly in the west of England, but particularly in my own constituency of Macclesfield in the county of Cheshire. Despite the increase in feed and energy prices and the effect of modulation on dairy farming, the farming industry of dairying is receiving less per litre now than it did some years ago. In the last two years, more than 6,000 dairy farms have gone out of business, so is it not time that the Government woke up and sought to help a vital part of British agriculture? I believe that the Government should be condemned for what has happened to dairying in the United Kingdom.

Barry Gardiner: I have the highest regard for the hon. Gentleman, who has always been a champion of his dairy farming constituents. He will know, I am sure, that the April farm-gate price for milk is the highest April price since April 2004. In fact, it reached the same level in 2004 and it has not been higher since before April 2001. I am sure that the hon. Gentleman will know that there has been a significant surge in demand in the world commodities market because of the export controls imposed by Brazil and India and also, of course, because of the Australian drought. All those factors have contributed to the situation. Let me quote Barry Nicholls, the chief executive of Milk Link, who said it is

"unprecedented over the last 30 years to have the luxury of deciding where to place our milk."

Mr. David Drew (Stroud) (Lab/Co-op): My hon. Friend could do no better than to make a submission to the Competition Commission inquiry into supermarkets. The reality is that dairy farmers are paid so badly because this particular trade has had a history of strong conflict. The biggest problem has been the complete lack of honesty in respect of how supermarkets operate and how they organise their pricing. I hope that the Minister will make a submission to that inquiry and call for some transparency and fairness in this matter.

Barry Gardiner: I know that my hon. Friend will be aware of the recent move by a number of supermarkets, through various measures such as Localchoice suppliers of milk, to do deals with farmers to get local product into the supermarkets. That is giving farmers prices of up to 23p a litre for their milk. That is not as high as the historic levels of 10 or 15 years ago, but it is certainly a good deal higher than it has been over the past few years. Indeed, the Dairy Supply Chain Forum, which is chaired by my noble Friend Lord Rooker, met yesterday and all the stakeholders involved expressed what they called "cautious optimism" about the improved global market position.

Mr. Michael Jack (Fylde) (Con): Does the Minister agree that the prospects for the dairy industry, particularly in the western half of the country, would be greatly enhanced if there were a long-term solution to the problem of bovine tuberculosis? To that extent, may I seek his assurance that his Department will not be rushed into reaching a conclusion on future strategy in the light of the recently published report by the Independent Scientific Group? Will he assure me that due time will be given for all parties to meet and discuss those and other findings, and for the Select Committee to continue its own inquiry into the subject?

Barry Gardiner: The right hon. Gentleman speaks with great authority in the House as Chair of the relevant Select Committee, and I would wish to give him all the assurances that he seeks. It is absolutely appropriate that the Government take time to look at what is, after all, an extensive piece of research going back over 10 years. We will certainly look at its findings and conclusions and give it weighty consideration. We also look forward to the report of the right hon. Gentleman's Select Committee on the matter, and we shall obviously take that into account in relation to the Government's thinking and policy formulation.

Mr. Elfyn Llwyd (Meirionnydd Nant Conwy) (PC): Further to the point raised by the hon. Member for Stroud (Mr. Drew), has the Minister considered meeting representatives of the large supermarkets to determine exactly what their pricing structures are, and where he could intervene to persuade them to be fairer with milk producers? We are losing hundreds of milk producers each month and, at some point, there will be a shortage of supply. We could end up importing milk from France or elsewhere. That would be a ridiculous situation. I know that the Minister cannot enforce anything, but surely he can persuade the supermarkets to be a bit more honest, transparent and fair with producers.

Barry Gardiner: Let me simply say to the hon. Gentleman that, of course, Ministers meet representatives of the supermarkets on a regular basis. I cannot give

him an assurance that we will intervene in the price-setting mechanism as he requests, because we do not feel it is appropriate for the Government to intervene and set price controls in this area. I am sure he will also recognise that there has been an increasing dialogue between the supermarkets and representatives of the dairy industry, which has resulted in recent positive moves. I am sure he will accept that greater efficiency is still needed across the sector, and that the disparity in profitability within the sector is still far too high. The Government have invested some £130 million in this area to try to improve the productivity and efficiencies in the sector over the past few years.

Sir Patrick Cormack (South Staffordshire) (Con): Is the Minister aware that dairy farmers in general, and in South Staffordshire in particular, will be bewildered and distressed by the mind-boggling complacency of his answer? Will he think again about the answer that he gave to the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd), who asked not for intervention but for a commitment?

Barry Gardiner: I am distressed that the hon. Gentleman, for whom I have the highest regard, thinks that I am being complacent in my response to the House; that is certainly not the case. I recognise—as do this ministerial team, the Government and the whole House—that dairy farmers have been through a very difficult period, and that they are facing extremely strong challenges from all the new demands that will be placed on them in the years to come. None the less, those are things that we have quite properly sought to help with, in the way that I have just suggested to the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd). I believe that that shows a commitment. The Government have tried to help the sector to become more efficient and to realise the benefits of value added and niche marketing.

We have a particular problem in the United Kingdom. Unlike our competitors, we consume 51 per cent. of our milk in liquid form. In France milk goes into cheese, yoghurt and other value-added products, which allows a better price to be obtained. However, there are signs that the world commodities market for skimmed milk and whole milk powder is improving. Indeed, there is now a shortage. I should have expected the hon. Gentleman to welcome the fact that, for the first time, export support from the European Union has been set at zero.

Mr. Patrick McLoughlin (West Derbyshire) (Con): If the dairy industry is finding the situation so good at the moment, can the Minister explain why in this country we pay more for a bottle of mineral water than for a pint of milk?

Barry Gardiner: I would always recommend that the right hon. Gentleman should not buy mineral water, but should stick to tap water. It is very good, it is much cheaper, and it is a good deal less carbon-intensive.

Mr. James Paice (South-East Cambridgeshire) (Con): Notwithstanding the question from my right hon. Friend the Member for Fylde (Mr. Jack), Professor Bourne has said that the Government ruled out a widespread badger cull from the outset of the study by the Independent Scientific Group. Does that not prove that the consultation that took place more than a year ago was a complete waste of time? We know that the final report was on the Minister of State's desk a month ago—

Barry Gardiner: That is not true.

Mr. Paice: The Minister should read the ISG report, which clearly identifies the date on which the Minister of State received the final report. Ministers had a month in which to come up with conclusions, yet all that they have announced is further deliberation and delay. Moreover, it is four years since the Conservative party advocated the polymerase chain reaction test. It has taken four years—until next month—for research to begin on that.

Is not the record of the last 10 years one of constant delay and prevarication in dealing with TB, while taxpayers, farmers and cattle have had to suffer? When will the Department make some real decisions, and get a grip on this dreadful disease?

Barry Gardiner: I find it difficult to respond to that, because it was not really a question. It was a rant, and uncharacteristically ill-judged on the part of the hon. Gentleman—in stark contrast to the contribution of the Chairman of the Select Committee, the right hon. Member for Fylde (Mr. Jack).

I am well aware, as is the whole House, of the cost of bovine TB to farmers and, indeed, the taxpayer. It is absolutely right that we should look at the ISG report. The hon. Gentleman made some remarks about the timing of the report. He will know that draft chapters are very different from a final report complete with recommendations and conclusions. That certainly did not arrive at the time that he suggested.

We will consider the report carefully, and will give it due importance in policy making. We will listen to the industry and take account of the Select Committee report, and we will make our policy decisions in due course.

Energy White Paper

4. **Lynne Jones** (Birmingham, Selly Oak) (Lab): What input he had into the preparation of the energy White Paper. [144186]

The Minister for Climate Change and the Environment (Ian Pearson): We had a range of discussions at ministerial and official level across Government to agree the package of measures in the energy White Paper. Those measures will have a powerful impact on our carbon emissions goals.

Lynne Jones: The energy White Paper is enthusiastic about encouraging decentralised renewable energy generation. The main mechanism for that is the renewables obligation, which costs the average householder £7 a year on energy bills. At a cost of only £5 a year more, the German system—which is common in most of Europe—has been far more successful in stimulating investment in decentralised renewable energy generation. Although there is to be a reform of the renewables obligation—

Mr. Speaker: Order. I must appeal to the House. This does not apply only to the hon. Lady, but the supplementary questions are very long. They should be short and sweet. I know that the hon. Lady can do that, but I think that the Minister can manage an answer to what she has already said.

Ian Pearson: Thank you, Mr. Speaker. I know of my hon. Friend's interest in, and commitment to, feed-in tariffs. Our energy market is different from that of Germany, and our electricity is cheaper. There is no clear evidence that alternatives such as feed-in tariffs would produce a better performance. When we had a similar measure—the non-fossil fuel obligation—it did not really work for us; between 1990 and 1998 it delivered 770 MW, and the renewables obligation has done a lot better than that. Our proposals in the energy White Paper to band it will make it even more effective as a policy instrument in future.

Chris Huhne (Eastleigh) (LD): My apologies, Mr. Speaker, for my phone going off like a rocket earlier; I meant no discourtesy to the House. I have a new piece of parliamentary kit that is more persistent than I expected; I thought that I had turned it off before I entered the Chamber.

The possibility of there being new nuclear build is anticipated in the energy White Paper, and that will have an impact on renewables. Has the Minister estimated by how much new nuclear might reduce the contribution of renewables in meeting our likely future electricity needs? I ask that in particular because the capital costs of building a nuclear power station are so great that the intention would be to run it constantly at full blast, in contrast to carbon capture and storage or coal, gas or oil stations whose outputs are variable.

Ian Pearson: The answer is that we need both if we are to achieve our climate change targets and move the UK economy on to a low-carbon basis. The Government believe that there is a case for nuclear new build and we are consulting on that, but we also have a strong policy framework to encourage significant growth in renewables. We want renewables to account for 15 per cent. of electricity by 2015. The simple answer is that we need both.

Kelvin Hopkins (Luton, North) (Lab): Following on from the question of my hon. Friend the Member for Birmingham, Selly Oak (Lynne Jones), my hon. Friend the Minister will be aware that 100 times more solar panels are fitted in Germany than in Britain, so is it not time to suggest to the Chancellor—who will soon be our new Prime Minister—that the cap on grants for solar panels should be removed so that we can invest massively in them, as Germany does, instead of some of the nuclear proposals?

Ian Pearson: One of the things that we are doing through the energy White Paper is doubling the size of the energy efficiency commitment, which is being renamed the carbon emissions reduction target—CERT. The doubling of the size of that scheme will provide opportunities for significantly more microgeneration in future. I am also aware that there are issues to do with making sure that suppliers stick to their commitments to make it easy for microgenerators to sell their electricity into the grid. All the major suppliers have stated their commitment to publishing transparent and easily accessible tariffs. Good progress is being made and we are continuing to work closely with suppliers on this important issue.

Robert Key (Salisbury) (Con): Did the Minister's Department make representations on the Severn barrage proposal and its damaging impact on biodiversity and the environment? Is he aware that a meeting of the increasingly large and powerful body of objectors to this daft proposal will take place at Slimbridge in the next couple of weeks. Will he ensure that an official from the Government office for the south-west is present so that the serious objections of the environmental lobby can be properly put?

Ian Pearson: The Severn barrage proposal has been widely discussed for the best part of 20 years. The Sustainable Development Commission is considering it and is due to produce a report in September. I am aware of the potential environmental consequences of a Severn barrage, but I would also point out the potential benefits. A Severn barrage could provide up to 5 per cent. of the UK's electricity. It would be a renewable source, and given what we know about climate change and our targets in addressing it, it is only right that we seriously consider this option and look at the benefits and costs in that context.

Gregory Barker (Bexhill and Battle) (Con): The trouble with the energy White Paper is that it flags up many interesting ideas, but totally fails to set a coherent strategy for ambitious implementation. Take combined heat and power, which has huge potential. Did the DEFRA team point out that exemption from the climate change levy, which is trumpeted in the White Paper as the principal policy incentive for more CHP, lasts only until March 2013? Given that it takes up to five years to get a large project up and running, the exemption for new projects is almost worthless. Is it not the case that the Minister's—

Mr. Speaker: Order. That is more than one supplementary.

Ian Pearson: I met representatives from the Combined Heat and Power Association earlier this week and they told me how encouraged they have been by the fact that the Government have been listening to their concerns. The hon. Gentleman raises the issue of the climate change levy exemption and we will need to look at that. We need to send the right long-term signals and the Government believe that CHP will be an important element of the UK's energy mix for the future.

Bromborough Dock (Landfill)

5. **Ben Chapman** (Wirral, South) (Lab): What representations he has received on the future of Bromborough Dock landfill. [144187]

The Minister for Local Environment, Marine and Animal Welfare (Mr. Ben Bradshaw): Until my hon. Friend tabled his question, we had had no representations about that site. My understanding is

that its owners stopped disposing of waste on it last August and have been restoring it. They have also applied for final closure, the conditions of which are being discussed with the Environment Agency and the local authority.

Ben Chapman: Does my hon. Friend understand that the people who live around that site have suffered from the loss of view caused by the mountain growing in front of them, from plagues of flies, rats and other pests and from smells from an associated water treatment plant? Now that the site has stopped taking landfill, will he do his level best to ensure that it is greened, topped off and made environmentally friendly as soon as humanly possible, and that it is given appropriate priority under Newlands 2?

Mr. Bradshaw: I certainly understand the impact because my hon. Friend has just drawn it to my attention. He is right, and he makes a wider point about the environmental impact of landfill, which is one of the reasons why we are trying to move away from landfill as a major source of waste disposal. I will be in contact with the Environment Agency and the company concerned, Biffa, as well as the local authority, to try to encourage them to move as quickly as possible to agree the closure process for the site, which has to be done in an environmentally sensible way. It must not be closed too quickly without the right conditions, because that can lead to problems further down the road, which my hon. Friend's constituents would not want.

Greenhouse Gases

6. **Mr. Adrian Bailey** (West Bromwich, West) (Lab/Co-op): What assessment he has made of the likely effect of the UK's membership of the EU emissions trading scheme on future emissions of greenhouse gases. [144189]

The Minister for Climate Change and the Environment (Ian Pearson): The EU emissions trading scheme is a key part of our emissions reductions strategy. The scheme's next phase will provide business with greater certainty, and we expect the scheme to deliver additional savings of 29.3 million tonnes of CO_2 each year.

Mr. Bailey: Will my hon. Friend ensure that the European Commission does not relax the tough national allocation plans in phase 2 and does its utmost to develop other schemes in other parts of the world, so that the EU is not alone in that particular approach to carbon reduction?

Ian Pearson: The Commission has already taken a robust approach to the phase 2 national allocation plans—NAPs—of member states, and I have no doubt that it will continue to do so. It is vital that we ensure scarcity in the market, and that is what will happen in phase 2. My hon. Friend is also right to point out the importance of the potential for linking the EU emissions trading scheme to other trading schemes that are being discussed in other countries. Certainly, the review of the directive that is taking place—in which we are fully participating—will allow that possibility. I want to see the growth of a global carbon market in the future, because that will be good for the world in limiting CO_2 emissions. Carbon trading offers significant potential for low-cost carbon abatement.

Dr. Vincent Cable (Twickenham) (LD): A major purpose of the emissions trading scheme is to create a carbon price to guide long-term investment decisions. Will the Minister say whether the Government endorse the conclusion of the Stern report that the appropriate price would be of the order of £75 per tonne of carbon?

Ian Pearson: As a Government, we do not seek to set a particular carbon price—in a market mechanism, it is the market's role to establish that. The Government's role is to ensure sufficient scarcity, and that the market functions properly. The benefit of a cap and trade scheme is that setting a cap gives a certainty that carbon dioxide emissions are being controlled. The EU emissions trading scheme is a significant policy instrument because it covers about half of all Europe's CO_2 emissions. We want to make sure that it works even more effectively in the future.

Mr. Peter Ainsworth (East Surrey) (Con): The EU emissions trading scheme should play a part in helping Europe meet its commitment to derive 20 per cent. of total energy from renewable sources by 2020. However, the UK derives only 2 per cent. of its energy from renewable sources, and that is less than half the EU average. Does the Minister seriously think that existing policies give us any chance of getting anywhere near 20 per cent. in 13 years' time?

Ian Pearson: Certainly, the UK is starting from a low base when it comes to renewables, and no one is under any illusion—the 20 per cent. target agreed across Europe is extremely challenging for the UK and for all EU member states. We will have to look at the division of responsibilities that will determine the target to be set for the UK, but I emphasise that the measures on renewables in the energy White Paper envisage a significant growth in that sector over the next 10 years.

Climate Change

7. **Mr. Jim McGovern** (Dundee, West) (Lab): What assessment he has made of the effectiveness of the climate change agreement between G8 countries reached at the recent summit. [144190]

The Secretary of State for Environment, Food and Rural Affairs (David Miliband): Before I answer the question, Mr. Speaker, I hope that you will permit me to thank you and the House for allowing me to be a few minutes late for today's Question Time. I was detained by the extraordinary nature of the Cabinet meeting that took place earlier. I am sure that the House's tolerance is related to the fact that it understands that it takes a very long time indeed to enumerate all the achievements of my right hon. Friends the Prime Minister and the Deputy Prime Minister, and still more time to cross the floods of tears now trailing down Downing street. However, I am grateful for the House's tolerance over my lateness.

The G8 made unprecedented progress on climate change. It provided a vital signal to the United Nations framework convention process on the importance of early progress towards a global framework for emissions reductions beyond 2012—a process that I know has support right across the House.

Mr. McGovern: I thank my right hon. Friend for that response. The G8 agreement was welcome not so much for its detail as for the fact that the USA was party to it. With Australia making similar noises, perhaps we can focus on the developing world, and in particular countries such as Brazil, India and China. What steps are being taken to bring those countries on board, and what assistance can the USA provide in its proposed role as a bridge between the developed and the developing worlds?

David Miliband: My hon. Friend makes a very important point. An important step was taken when the US accepted the science and the need for large global cuts. We now need to move on to the detailed and urgent discussion about the nature of the emissions reduction commitments that countries such as the US and Australia—which my hon. Friend also mentioned—need to make. There are, I think, 12 Bills currently before the US Congress, but it is worth pointing out that even the most ambitious of them would mean only that, come 2020, US emissions would still be at 1990 levels. Major issues therefore remain for the biggest industrialised countries, but he is right that we are more likely to get stronger action from the US and Australia if we can get some action from China, India and other developing countries.

I was in Sweden last week for a meeting of 28 countries brought together by the Swedish Government. Countries such as South Africa and Brazil are playing a pivotal role in helping to forge the basis of an agreement under which developing countries would take action appropriate to their level of development, consistent with the 1992 agreement. That agreement talked of common but differentiated responsibilities, with the richest countries doing the most but with the developing countries also playing a clear role.

Martin Horwood (Cheltenham) (LD): I welcome the Secretary of State from his Cabinet meeting—I hope that it went well for him.

The right hon. Gentleman is confident that the Americans have accepted the science behind climate change, but is he aware that not long after the G8 summit George Bush commented:

"I told Tony that we're deadly earnest...the fundamental question is how best to send proper signals to create the technologies necessary to deal with this issue."?

Nicolas Sarkozy said:

"We could have done better."

The Chinese science and technology Minister said that the G8 summit was not specific enough—

Mr. Speaker: Order. Question Time is not an opportunity for Front-Bench spokesmen to make a speech. I am sure that the Secretary of State can manage to answer.

David Miliband: I said last week that the G8 agreement deserved one and a half to two cheers, so the hon. Member for Cheltenham (Martin Horwood) is right to suggest that we have further detailed work to do. But the signals the President of the United States was talking about were not the smoke signals referred to by the hon. Member for South Staffordshire (Sir Patrick Cormack); they were the signals that come from tight caps in developed countries to create a carbon price that drives technological innovation.

Mr. Barry Sheerman (Huddersfield) (Lab/Co-op): Does my right hon. Friend agree that everyone should be congratulated on the G8 agreement on climate change? I have just taken my Select Committee to China, so will he take it from me that many senior people in China are keen for partnership over climate change? They are concerned about their environment and they want to be engaged. They have huge research potential, so will he not undervalue—

Mr. Speaker: Order. I remind hon. Members that I need to get through the Order Paper to help Members who have tabled questions.

David Miliband: I have only one thing to add to the comments of my hon. Friend the Member for Huddersfield (Mr. Sheerman), but it is an important point: nothing is more calculated to annoy Chinese and Indian colleagues than saying that we think they should start to take action. They are insistent that they are already taking significant action on energy efficiency and renewable energy, so with that caveat I strongly support my hon. Friend's remarks.

Dairy Industry

8. **Mr. Philip Hollobone** (Kettering) (Con): What assessment he has made of the effect on domestic dairy farming of the growth in demand for dairy products in China. [144191]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Barry Gardiner): The global dairy market is currently very positive, with demand outstripping supply and prices for all commodities at very high levels. That is beginning to be reflected in UK farm-gate prices, which are at their highest levels since 2004, with further increases expected. The UK dairy industry is actively investigating how it can benefit from the expansion of the Chinese market.

Mr. Hollobone: As the diet of people in China becomes increasingly westernised, is there not a great opportunity for UK dairy farmers to take advantage of that huge market? What steps are the Government taking actively to encourage British dairy farmers to access that market?

Barry Gardiner: The hon. Gentleman is absolutely right. As I am sure that he knows, last year the International Dairy Federation held the world dairy congress in Shanghai. Since then, Jim Begg, president of the IDF and director general of Dairy UK, has made a number of trips to China to promote the UK dairy industry. The hon. Gentleman may recall that I

said earlier that our room for manoeuvre in the commodities market is slightly more limited than that of our European competitors because of the volume of liquid milk we consume domestically, which leaves much less for value-added products. None the less, there are real opportunities in China if we can get niche and branded products on to the Chinese market, which is clearly responding positively to such products. The hon. Gentleman's comments about the change in Chinese dietary traditions and practices are absolutely right—it is a great opportunity.

Light Pollution

9. **Mr. David Heathcoat-Amory** (Wells) (Con): What recent steps he has taken to tackle light pollution. [144192]

The Minister for Local Environment, Marine and Animal Welfare (Mr. Ben Bradshaw): Stronger powers were provided to local authorities to tackle light pollution under the Clean Neighbourhoods and Environment Act 2005, which makes light pollution a statutory nuisance and enables individuals to take private action through the magistrates court.

Mr. Heathcoat-Amory: Because of light pollution, half our population never see the stars of the galaxy in which we live. The Government love to talk about the environment, but why have we been waiting since December 2003 for the promised extension to planning guidance statement 23 to deal with the problem, and save energy at the same time? When will the Government publish that important document for consultation?

Mr. Bradshaw: The right hon. Gentleman is right: there has been a delay, which I very much regret. I suspect that as it is a Department for Communities and Local Government issue it is tied up with the overall planning reform announced in the planning White Paper, but like him I hope that is brought forward as quickly as possible. That does not mean to say that the Government have been inactive. We have allocated £600 million to private finance initiative schemes to improve the quality of street lighting to reduce the amount of lighting that simply goes up into the sky and spoils the view, as the right hon. Gentleman rightly says. Progress has also been made in domestic and sports facilities lighting. *[Interruption.]* My right hon. Friend the Secretary of State has just reminded me that there is a climate change crossover, as well. Excessive illumination contributes to climate change. If the right hon. Gentleman is in London tonight, he may like to join in the "London lights out" campaign. I am sure that the House will be aware of the campaign—between 9 pm and 10 pm we are all expected to turn our lights out.

John Penrose (Weston-super-Mare) (Con): Does the Minister agree that one way to deal with the problems of light pollution would be for the Government to support the measures in my ten-minute Bill on tranquillity, which I introduced earlier in the Session? If the Minister is not willing to endorse the Bill at the Dispatch Box this morning, perhaps he would be willing to accept the principle behind it—that it is vital to measure tranquillity objectively and to protect and preserve it in future.

Mr. Bradshaw: I hear what the hon. Gentleman says and I will certainly reflect on the appeal that he makes to me. I share his concern about the amount of noise and light pollution in society. The Government have taken measures through the Clean Neighbourhoods and Environment Act 2005 and we will take further measures to address noise and light pollution. The quality of people's lives is important and they expect politicians to address those concerns.

Battery Hens

10. **Dr. Nick Palmer** (Broxtowe) (Lab): If he will make a statement on improvement of conditions for egg-laying battery hens. [144193]

The Minister for Local Environment, Marine and Animal Welfare (Mr. Ben Bradshaw): Keeping laying hens in conventional battery cages will be banned throughout the European Union from January 2012. No new conventional cages have been brought into use since 2003 and existing cages have to have more space and a claw-shortening device.

Dr. Palmer: I am grateful to my hon. Friend for his reply. Animal welfare campaigners are enthusiastic about the ban that will be in place by 2013, but they are nervous about rumours that there might be a delay. Will he assure the House that Britain will resist any delay? Does he welcome the actions of Sainsbury's and Marks and Spencer in phasing out even enriched cages?

Mr. Bradshaw: We certainly welcome any measures taken by retailers and private individuals to encourage the consumption of food produced in a more welfare-friendly way. I can give the hon. Gentleman the assurance that he seeks: the UK will remain robust in insisting that the European Union sticks to its current timetable for the ban on battery cages.

Coastal Erosion (Warden Bay)

13. **Derek Wyatt** (Sittingbourne and Sheppey) (Lab): Whether the coastal erosion plans for Warden bay include replanting shrubs and trees at the top of the cliffs. [144196]

The Minister for Climate Change and the Environment (Ian Pearson): The Forestry Commission visited Warden bay on 8 June to advise whether trees and woodland might be used to assist in managing coastal erosion. The commission has now written to the local authority and I will ask it to send a copy of its letter to my hon. Friend.

Derek Wyatt: Is my hon. Friend aware that there was a 50-acre site of Dutch elm at the top of the cliff, which had to be taken down? That is one of the reasons why the cliff is a "C" shape. We are busy putting £865,000 of rubble at the bottom, but the top is also going. May I press him on who would fund putting trees and hedges back at the top?

Ian Pearson: I am certainly aware that there are cliff-top issues, particularly with regard to drainage. Planting shrubs can play a role in addressing that. I am not sure that that is necessarily the responsibility of the

Environment Agency, which is funding the coastal erosion work. If my hon. Friend wants to have a discussion with me, I would be happy to see whether there are possibilities for future funding.

Carbon Dioxide Reduction

15. **Kerry McCarthy** (Bristol, East) (Lab): What guidance his Department is planning to give the public on the offsetting of carbon dioxide emissions. [144198]

The Minister for Climate Change and the Environment (Ian Pearson): In January, the Department for Environment, Food and Rural Affairs launched a consultation on establishing a code of best practice for carbon offsetting. The consultation closed on 13 April. We are considering the responses and we aim to have the code in place by the end of the year.

Kerry McCarthy: I thank my hon. Friend for that reply. According to a recent UN report, the livestock sector is responsible for 18 per cent. of greenhouse gas emissions measured in CO_2 equivalents. That is more than cars, planes and other forms of transport combined. Given that the global production of meat is predicted to double by 2050 and milk production to grow almost as quickly, does he agree that urgent steps must be taken either to reduce the environmental impact per unit of production or to halt its growth? What advice would he give consumers who might be concerned about the environmental impact that the consumption of such products is having?

Ian Pearson: The livestock and dairy industries are an important part of the United Kingdom economy and will, I am sure, continue to remain so for a long time. I think it right that, like other sectors of the economy, the meat and livestock industry does what it can to address the issue of climate change and to reduce its greenhouse gas emissions. It is taking action to do that, but more action is needed. My hon. Friend makes a number of valid points, but eating meat is a personal choice and the Government have no intention of moving the direction that she suggests.

Miss Julie Kirkbride (Bromsgrove) (Con): Does the Minister agree that although carbon offsetting is not an unworthwhile activity, the Government could do a lot more to cut household emissions of carbon dioxide?

Ian Pearson: As a Government, we believe strongly that carbon offsetting is an option, but it is not the only answer to tackling climate change. The best thing to do is to avoid CO_2 emissions in the first place, and the next best thing is to try to reduce CO_2 emissions, but there are some emissions that it is impossible in our daily lives to avoid or to reduce. That is where offsetting is a viable option. When people are thinking of taking their summer holiday this year, I would encourage them to consider offsetting their CO_2 emissions. It is a good thing to do.

Business Advice (Rural Areas)

16. **Mrs. Ann Cryer** (Keighley) (Lab): What support is provided by his Department for the giving of business advice to farmers and other rural enterprises. [144199]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Barry Gardiner): Support to both urban and rural businesses, including farmers, is provided by regional development agencies, as part of their mainstream business support services delivered through the Business Link network. Those activities are funded through the RDA single programme. Support through the rural development programme for England, to make agriculture and forestry more competitive, will also be delivered through RDAs.

Mrs. Cryer: Will my hon. Friend explain in a little more detail how his Department will make advice to farmers available through the regional development agency for farmers who wish to diversify? I have 400 farmers scattered around the beautiful parts of the Aire, Worth and Wharfe valleys.

Barry Gardiner: I am well aware that my hon. Friend is a keen champion of her local farming community. She will know that my right hon. Friend the Secretary of State, in his speech to the royal show last year, spoke about farm diversification and the need to examine the barriers that farmers experience when trying to diversify their farm businesses. The report that has come back shows that 50 per cent. of farmers in England have some form of diversified activity, and for almost 60 per cent. of those farm businesses that income accounts for a quarter or more of the total farm income, so that is a key area. We will ensure through the rural development programme for England, administered by the RDAs, that axis 1 and axis 3 of the programme deliver about £600 million of benefit to rural communities, much of it to the effect that my hon. Friend mentioned.

Carbon Dioxide Reduction

17. **Mr. David Amess** (Southend, West) (Con): What measures he plans to use to assess progress towards meeting the Government's target for reducing carbon dioxide emissions by 2010. [144200]

The Minister for Climate Change and the Environment (Ian Pearson): DEFRA publishes annual statistics on UK carbon dioxide emissions, as well as verified emissions data and surrendered allowances under the EU emissions trading scheme. That information allows us to measure progress towards our emissions reduction targets.

Mr. Amess: The national audit has shown that the Government's own buildings and refurbishment programmes have achieved only 9 per cent. of their target. Why is that?

Ian Pearson: It is clear that we, as a Government, need to do better in respect of the Government office estate. That is one of the reasons why in July last year we announced new sustainable operation targets for the Government estate, and why we have said that we want the Government Office estate to be carbon-neutral by 2012. To be honest, I think our performance to date has been a little disappointing. Although it has been good in places, it has been patchy, and the National

Audit Office recognised that. We need to work harder at that, right across Government.

Mr. Simon Burns (West Chelmsford) (Con): Would it not assist the Government in trying to reach their targets if the Government, Parliament, the Mayor of London and the Greater London authority were to switch off the lights in their buildings during the night?

Ian Pearson: There are a number of issues around that point, but, broadly, the answer is yes. In some cases, lights need to be on at night for cleaning purposes, but the Government have been considering how cleaning can be undertaken in daylight hours. We can do more on optimising systems to switch off lights when buildings are not being used, and a programme of work has been implemented across Government.

Business of the House

11.30 am

Mrs. Theresa May (Maidenhead) (Con): May I ask the Leader of the House to give us the forthcoming business?

The Leader of the House of Commons (Mr. Jack Straw): The business for the coming week will be as follows:

MONDAY 25 JUNE—Motion to approve a Ways and Means resolution on the Finance Bill, followed by remaining stages of the Finance Bill (Day 1). It is also expected that the Prime Minister will make a statement following the European Union Council.

TUESDAY 26 JUNE—Conclusion of remaining stages of the Finance Bill, followed by a motion to approve a money resolution on the Off-Road Vehicles (Registration) Bill.

WEDNESDAY 27 JUNE—Remaining stages of the Tribunals, Courts and Enforcement Bill *[Lords]*.

THURSDAY 28 JUNE—If necessary, consideration of Lords Amendments, followed by remaining stages of the Concessionary Bus Travel Bill *[Lords]*.

FRIDAY 29 JUNE—Private Members' Bills.

The provisional business for the week commencing 2 July will be:

MONDAY 2 JULY—Opposition Day [15th allotted day]. There will be a debate on an Opposition motion. Subject to be announced.

TUESDAY 3 JULY—Consideration of Lords Amendments to the Statistics and Registration Service Bill, followed if necessary by consideration of Lords amendments.

WEDNESDAY 4 JULY—Second Reading of the Child Maintenance and Other Payments Bill.

THURSDAY 5 July—Remaining stages of the Consumers, Estate Agents and Redress Bill *[Lords]*, followed by a motion to approve a European document relating to global navigation systems.

FRIDAY 6 JULY—The House will not be sitting.

Mrs. May: I thank the Leader of the House for giving us the future business. This may be the last time that he takes business questions. [HON. MEMBERS: "Ahh!"] I thank him for the way in which he has always treated the House with respect. He will be able to look back on his term of office with satisfaction, because he has introduced many changes that will make parliamentary procedure more effective.

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): Not enough.

Mrs. May: There is dissent on the Labour Back Benches.

According to the Prime Minister,

"if troop commanders want more equipment—for example, more helicopters—that will be provided",

yet Colonel Bob Stewart has said that the Army

"have been asking for more helicopters forever".

We now know that last year the Ministry of Defence was given the opportunity to hire military transport helicopters for Afghanistan, but despite the crippling transportation shortage there, Ministers turned down the opportunity. We have a debate later today on armed forces personnel, but can we have a debate on the lack of equipment for our brave and loyal troops?

Ahead of today's intergovernmental conference, Downing street has said that there is no need for a referendum

"because we will not sign up to anything that breaches our red lines".

Even if the red lines are not breached, however, we have been told that the Government will surrender the veto in 52 areas of policy and significantly weaken it in a further 10. The Government have no democratic mandate to do that, so can we have a debate on the need for a referendum?

The Public Accounts Committee has said that the Government spend £2 billion a year on consultants, and Ministers have been accused of sacking civil servants and replacing them with more expensive consultants. That is all because of the Gershon review, which the Chancellor set up to show how prudent he is. Can we have a debate on the Chancellor's "Yes Minister" style of government?

Talking of the Chancellor's style of government, I wish the Leader of the House all the very best in the forthcoming reshuffle. Indeed, I wish all Labour Members luck in the reshuffle—after all, this is the first reshuffle in history that has had Liberal Democrats sitting by their telephones. At last week's business questions, the Leader of the House said that the Liberal Democrats try to avoid serious issues of government and always take the easy decisions of a party in permanent opposition. Yet the Labour Benches seem so devoid of talent that the Chancellor is offering Cabinet positions like knocked-off watches. Was the Leader of the House consulted on the decision to bring Liberal Democrats into government? For the benefit of his ministerial colleagues, may we have a debate on coping with redundancy?

Finally, this week we have learned yet more about the Chancellor's style of government. We know that the current Prime Minister believes the worst of the next Prime Minister, and that when the two met, civil servants would be waiting for a decision and all they could hear

"was the crockery being thrown around the kitchen."

But the most telling quote of the week was from a former Home Secretary, who said that the Chancellor believes that

"you can pass a law or make an administrative decision in central government and that will change behaviour"—

hardly a new kind of politics. The Chancellor believes in state control; we believe in social responsibility. May we have a debate on the Chancellor's all-powerful state? Is not that the future with him as Prime Minister: the control freak, the grabbing hand, the clunking fist?

The Leader of the House of Commons (Mr. Jack Straw): Before I respond to the right hon. Lady, may I first pay my own personal tribute to our dear friend Piara Khabra, who died two days ago? He will be much missed on both sides of the House. It is worth recording that he was the last serving Member of Parliament to have served in the second world war. He joined the colours for the Indian army, which is a

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reminder not only of his bravery but of the fact that hundreds of thousands of people from the Indian sub-continent—Pakistan, India and Bangladesh—fought, and many died, to save freedom in Europe—[HON. MEMBERS: "And the world."] And the world.

To respond to the right hon. Lady, I am certainly not speculating on where the future may lead. I love this job; I am ready to go on and on and on in this post. In return, I thank her for her courtesy and good humour. Owing to their responsibilities to the Commons as a whole, as well on behalf of the Government, Leaders of the House cannot do their job without the co-operation of the Conservative and Liberal Democrat Front Benchers and many other hon. Members.

It has been a great delight to me to be able to introduce a number of changes. My hon. Friend the Member for Milton Keynes, South-West (Dr. Starkey) was right to say that it was not enough; in the Labour party, it is never enough. However, I hope that the whole House will by now have read the important report that the Modernisation Committee published yesterday morning, which proposes introducing a much greater degree of topicality into the proceedings of the House and to strengthen the role of the Back Bencher.

On defence, the amount of investment in defence is a result of a greater degree of sustained real growth in defence spending for more than 20 years. We have invested billions of pounds in new defence equipment for our armed forces. Since all equipment has to be used by, and is for the benefit of, our service personnel, I am quite sure that, without even very much imagination, the Opposition will be able to work questions about that into the forthcoming debate.

I have already said that my right hon. Friend the Prime Minister will give a full report on the proceedings of the European Council, which is taking place now. The red lines for the UK have been made very clear indeed; they were discussed and confirmed today in Cabinet. Rather than reacting to any proposal from the European Union like a Pavlovian dog, it would be worth the right hon. Lady reflecting that quite a lot of what appears to be in the draft articles for the amending treaty is to our benefit—not least a much improved voting system that will give us more weight inside Europe than we have at the moment.

What I find so surprising is the synthetic fury of the Opposition, when they have had plenty of opportunities to seek to influence their comrades in arms in the centre-right parties and yet have turned their back on that. It is extraordinary that the right hon. Member for Witney (Mr. Cameron), the Leader of the Opposition, has refused to go to meet other members of the European People's party, even though for the time being the Conservative party is still a member of it.

On the Public Accounts Committee and consultants, there is always an opportunity to debate PAC reports and I think the right hon. Lady will have noted that, although that spending is significant, it has been reduced in quite a number of Departments.

The right hon. Lady referred to speculation about conversations that have taken place, apparently, with the leader of the Liberal Democrats. It is not for me to comment on the Chancellor's private discussions with the leader of the Liberal Democrats; they are private. My right hon. Friend the Chancellor made it clear that he wants to lead a Government of all the talents and he is very serious about that. Last night, for example, he established a new National Council for Educational Excellence, which includes Sir Terry Leahy and Sir John Rose, whose party affiliations are certainly unknown to me.

I suggest, if the right hon. Lady is feeling left out of the speculation, that she would have a greater chance of getting into a Cabinet of any kind if she were invited by my right hon. Friend the Chancellor—an act of unparalleled generosity. All she has to do is to send me her curriculum vitae and I will pass it on, with a high recommendation that she should be included.

Mr. Gordon Prentice (Pendle) (Lab): My friend famously described the Liberal Democrats as the scavengers of British politics. Can he give me an assurance that if Liberal Democrats, or in fact members of other political parties, are brought into a Brown Cabinet, there would be a statement to the House beforehand?

Mr. Straw: My hon. Friend is absolutely right. I remember making that speech—

Mr. Prentice: I remember listening to it.

Mr. Straw: In 1984. I think it remains a reasonably accurate description, and I think it is fair to say that it is one of the more charitable things I have said about the Liberal Democrats. We are a very broad church in the Labour party, and we are always open either to sinners or scavengers who repent.

Mr. David Heath (Somerton and Frome) (LD) *rose—*

Hon. Members: Repent!

Mr. Heath: I start by adding my tributes to our former colleague Piara Khabra, who was a decent, quiet, courteous Member of the House and will be much missed.

It is hardly our fault if the Chancellor of the Exchequer makes Cabinet formation into a form of "Britain's Got Talent". The Liberal Democrats undoubtedly have the talent; we just do not like the look of the Government. The Leader of the House has made it plain that sometimes he does not like the look of us either, despite the fact that he has been a very good Leader of the House, but can we find ways to help the Government? Here are three ways that we can be of assistance in the business of the next couple of weeks.

Yesterday the Secretary of State for International Development said that a new corruption Bill was needed "as soon as possible". I have good news for the Leader of the House: we have a Corruption Bill before the House. It has gone through all its stages in another place. It could be put into effect within weeks. Perhaps he will find some parliamentary time for progress on the Corruption Bill, which stands in my name in this House, so that he can satisfy the Secretary of State for International Development.

There is a second piece of good news. The deputy Chief Whip in the Lords says that the Government are committed to tackling the issue of the

"disparity between...financial support...to victims"—[*Official Report, House of Lords*, 20 April 2007; Vol. 691, c. 459.]

of terrorism abroad and in this country. The good news is that the Victims of Overseas Terrorism Bill, which was originally introduced by Lord Brennan, has gone through all its stages in the Lords. So again we have a Bill that the Government can take up in order to make good their commitment.

Thirdly, we can help the Chancellor of the Exchequer, who has clearly cottoned on to the concern across the country that some of the richest people pay the least tax. I think that I even heard the Prime Minister, in a somewhat incoherent way, lending his support yesterday to the need for something to be done. If that is true, may we have an extra day's debate on the Finance Bill, so that the Chancellor of the Exchequer can bring forward proposals for the end of taper relief on capital gains tax, which Liberal Democrats have proposed for some time, and therefore do something about the richest people paying less tax than those who clean their offices?

Mr. Straw: I should add to what I have just said by saying that some of my best friends are Liberal Democrats, but sometimes we must put our sense of friendship on one side when we are making decisions about what is good for the country. The hon. Gentleman says that it is not their fault that certain discussions have taken place. The problem with the Liberal Democrats is that it is never their fault because they never have to make decisions. It is an attractive offer to the Liberal Democrats, because it would give them a taste of government—I make no predictions; apparently, it is causing some minor discussion among them—and of decision making, if they found that comfortable. One of the difficulties that I have with the Liberal Democrats is that they seem to be people who volunteered for a lifetime in opposition. I spent 18 years in opposition, as did you, Mr. Speaker, but being in government is a lot better, and we can do things for the country.

On a new corruption Bill and the Victims of Overseas Terrorism Bill, our approach to all private Members' Bills, as we showed with the Sustainable Communities Bill last week, is to look at them on their merits, regardless of who is their promoter, and that we will continue to do.

The ending of taper relief on capital gains tax is under consideration and the hon. Gentleman will know, as the House does, of the Treasury Committee's considerable and spirited evidence session yesterday.

Dr. Starkey: I note that the business for yesterday and today has no votes and that that coincides with Royal Ascot. For the convenience of Members in future, would my right hon. Friend say which sporting events the usual channels regard as sufficiently important to influence the business of the House?

Mr. Straw: Yes, of course we will. My bid to my right hon. Friend the Patronage Secretary is to ensure that all games played by Blackburn Rovers during the week are high on the list.

Sir Michael Spicer (West Worcestershire) (Con): When does the Government expect to receive the report of the Senior Salaries Review Body on Members' pay and allowances?

Mr. Straw: I cannot give the hon. Gentleman a precise answer now, but it is due soon. I have certainly not seen it, but if I get better information than I have at the moment, I will write to the hon. Gentleman and table a written ministerial statement.

Ann Clwyd (Cynon Valley) (Lab): I join in the tributes to Piara Khabra. He was a member of the International Development Committee, on which I served for many years alongside him, as did the hon. Member for Blaby (Mr. Robathan). We all feel very strongly about his contribution to international development and the fact that he continued to be interested right up to his recent illness.

While one might debate the merits or demerits of the Iraq war—I still hold to the same view—there is a humanitarian crisis among the displaced people of Iraq, both inside and outside the country, and I would ask for an urgent debate on that subject. The Government have been severely criticised by those who deal with refugee problems owing to our meanness in allowing Iraqis who are in danger in their own country because they helped the coalition, to come to this country. If one looks at the list of countries into which Iraqis have been allowed, this is one of the meanest. I am sorry to use this opportunity to make that point, but I am afraid that it is the only way open to me, and I should like an early debate on that subject.

Mr. Straw: I understand the concern of my right hon. Friend and pay tribute to her for all her work to help those people. As she will know, we have made major contributions to the United Nations High Commissioner for Refugees. On the specific issue that she raises, I will ensure that my right hon. Friend the Home Secretary is made fully aware of her concerns. We will look for an opportunity for the matter to be raised more fully on the Floor of the House.

Mr. Edward Garnier (Harborough) (Con): May I ask the Leader of the House for an early debate in Government time on the adequacy of ministerial answers to written parliamentary questions? I am not complaining about the length of time that the Minister concerned took to answer the question, but the content of her answer.

Early in May, I tabled a written parliamentary question asking for the dates of meetings between the Lord Chancellor and officials at the Department for Constitutional Affairs—and the names of those who took part—to discuss the formation of the new Ministry of Justice and the relationship between the judiciary and the Executive. The answer that I received from the Under-Secretary of State for Justice, the hon. and learned Member for Redcar (Vera Baird), simply said that there had been eight meetings, which were not dated. I was not given the names of those who had attended the meetings, on the basis that to do so would inhibit the frankness and candour of discussion. I wrote back

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saying that that was not really an answer. After consultation with eight civil servants, she said that the answer remained the same.

Can we have an early debate about that? It is not good enough for Ministers to try to brush us off—

Mr. Speaker: Order. We almost have had a debate.

Mr. Garnier: A very timely one, if I may say so.

Mr. Straw: Thank you, Mr. Speaker, you will make me redundant shortly. I shall certainly follow up the matter. I am normally sympathetic to Members on both sides of the House who raise with me issues in relation to inadequate answers, and I usually get a better response for them. I am not particularly sympathetic, however, in the case of the hon. and learned Gentleman, because normal practice in giving information on the number of meetings—including mine—is not to say precisely who has attended them, as that could have a genuinely inhibiting effect on discussion.

Mr. Iain Wright (Hartlepool) (Lab): In announcing the business, the Leader of the House mentioned that we would discuss the remaining stages of the Concessionary Bus Travel Bill. May we have a wider debate on bus services? The bus service between my constituency and James Cook hospital has been cut by its operator, Stagecoach, because the subsidy is not big enough. The links between North Tees and Hartlepool hospitals are also being cut because the subsidy is not big enough. Last year, Stagecoach made revenues of £1.5 billion, so it is aptly named, because its examples of highway robbery would make Dick Turpin blush. Can we therefore have a debate on bus services, the vital links that they provide to health services, and the risk to those from the gross profiteering of private operators?

Mr. Straw: We will certainly consider that issue. My hon. Friend will know of my right hon. Friend the Transport Secretary's draft legislative proposals to provide better regulation of bus services outside London.

Mr. James Clappison (Hertsmere) (Con): Will the Leader of the House confirm that changes in voting weights, and all the other matters to which he referred today, were included in the original European constitution, on which both the Prime Minister and the last Labour manifesto promised this country a referendum? Surely all the clever spin in the world about carefully constructed red lines cannot wipe away that commitment. If we are going to restore the trust that has been lost in the past 10 years, would not a full and open debate on the constitution and the constitutional treaty be a good place to start?

Mr. Straw: Throughout our discussions, I never thought that that very large constitution would change significantly the balance of power between the United Kingdom and Brussels. Notwithstanding that, because it was called a constitution and was a weighty document, we accepted the case that had been made for a referendum. The hon. Gentleman, and the whole Conservative party, must consider the fact that when the Conservatives were in office, they brought before the House the Single European Act and the Maastricht treaty, which, on any basis, provide for major and significant changes and shifts in the balance of power between the United Kingdom and Brussels. On those occasions, the Conservative Government refused any suggestion of a referendum—*[Interruption.]* It does not matter how long ago it was; the principle is the same. As for the voting system, it seems curious that the hon. Gentleman proposes an elaborate procedure for something that everybody in the House wants, and everybody in the country would support once they knew the details.

Tony Lloyd (Manchester, Central) (Lab): May I join the shadow Leader of the House in her kind remarks about the role of my right hon. Friend the Leader of the House, who has earned the respect of everybody in the House? May I draw to his attention one of the great successes of this Government: the renaissance in the regions programme money for art galleries and museums? In cities such as mine, many people—who would never have had access to museums previously, other than free ones—have gone to art galleries and museums for the first time in their lives because of that finance. If the Government accepted the proposal that seems to have been made to charge for museums and art galleries, would that make those museums and art galleries safe for the people whom I represent—or perhaps for the Etonians who inhabit the Conservative Front Bench?

Mr. Straw: I am grateful to my hon. Friend for his kind remarks. We are celebrating a renaissance not just in museum attendance but in the life of cities, including the great city of Manchester. One reason for that renaissance is that we have opened up cultural institutions in those great cities. The proposal from part of the Conservative party to charge for museum entrance, which was first introduced by a previous Conservative Prime Minister, Edward Heath, would undermine not only the renaissance of the cities but the education and cultural enjoyment of hundreds of thousands of our constituents.

Mr. Angus MacNeil (Na h-Eileanan an Iar) (SNP): Given the successful meeting between the leaders of Scotland's Government and Northern Ireland's leaders at Stormont on Monday, would not it be sensible to have a debate in the House to start to facilitate the inevitable further transfer of powers that are needed to govern both Scotland and Northern Ireland better for their respective peoples?

Mr. Straw: The devolution settlement for Scotland has been settled, and appears to be working well. It was always anticipated that it would lead at some stage to a change of control in Edinburgh, and so it has. As for Northern Ireland, it seems curious that even before the ink is dry on the new arrangements in Northern Ireland, the hon. Gentleman, from Scotland, should propose changes.

Anne Moffat (East Lothian) (Lab): May we have a statement on the Communication Workers Union dispute? I know that it is not Government practice to

get involved in disputes between employers and workers, but in this case we are a major stakeholder. Surely meaningful negotiation is the only way forward. It is unfortunate that the employers are deliberately misleading the public by saying that the postal workers are seeking a 27 per cent. increase, which is not the fact. Can we do something to get them round the table and talking meaningfully?

Mr. Straw: I understand my hon. Friend's concerns, as does my right hon. Friend the Secretary of State for Trade and Industry. It would not assist, however, if the Government were to go back to the time of beer and sandwiches and attempt a resolution of this industrial dispute. The Government and the Royal Mail management have a constitutional relationship, and we are encouraging a negotiated settlement, which will be in the interests of the work force, the Post Office and, above all, customers.

Sir Nicholas Winterton (Macclesfield) (Con): May I join the tributes to the late Piara Khabra? He was a kind and caring man and will certainly be missed in the House.

Is the Leader of the House aware that an important delegation from Zimbabwe is currently in London representing a number of political parties, the Churches, youth and students? Before he leaves his current position—I congratulate him on the work that he has done since he was appointed Leader of the House—will he announce today that there will be a debate on the Floor of the House, in Government time, on the crisis in Zimbabwe, a country that is important to the future of central southern Africa?

Mr. Straw: Even if I am back next week in the same role, may I thank the hon. Gentleman, who is a distinguished and senior Member of the House, for all his co-operation with me, on the Floor of the House and especially in the Modernisation Committee. On the issue of Zimbabwe, we understand the concern. Subject to the usual caveats, we plan a full day's debate on Zimbabwe on 19 July. I am sorry that that has taken some time, but it is now on the schedule.

Keith Vaz (Leicester, East) (Lab): May I, too, join in the tributes to Piara Khabra? He was the first person of the Sikh faith to be elected to this House and is therefore someone who will be remembered very fondly not only by his constituents but by the House.

This week, the British Board of Film Classification banned the video game, "Manhunt 2", but on the same day there was rightly controversy about a new video game that shows footage of the abduction of James Bulger. There is a clear need for better regulation of the video games industry. Will the Leader of the House please tell us when he expects a statement to be made by the Secretary of State for Culture, Media and Sport or by the Minister with responsibility for the creative industries, or when we may have a debate on the social responsibilities of those who make a huge amount of money out of these video games?

Mr. Straw: As Home Secretary, I had responsibility for the British Board of Film Classification, which covered such videos and games. My right hon. Friend raises a very important issue, and I think that the concern he expresses is shared across the House. We do not see sufficient social responsibility and understanding by the creators and purveyors of such games. I will of course ensure that my hon. Friend the Minister is made fully aware of my right hon. Friend's concerns.

Mr. Bernard Jenkin (North Essex) (Con): May I draw the Leader of the House's attention to the fact that the Government have invested considerable funds in a new GP surgery in Dedham in my constituency, for which I thank them? However, will he find time for us to debate the surgery's future, as the primary care trust has decided in its wisdom that it should never be opened and that the people of Dedham do not deserve their own GP practice despite the investment of all that money? Is it not an outrage that the health service should be wasting money in this way, and should not we have a debate to pressure the PCT and instruct the Secretary of State for Health to ensure that the surgery does eventually open?

Mr. Straw: I am grateful for hon. Gentleman's thanks in the first part of his question. He illustrates how the doubling in real terms of spending on the health service has had benefits right across the country and potentially in his constituency as well. *[Interruption.]* I said "potentially". I will of course draw to the full attention of my right hon. Friend the Health Secretary the apparent anomaly, to put it mildly, that he raises.

Mary Creagh (Wakefield) (Lab): I join my right hon. Friend in paying tribute to our colleague and comrade Piara Khabra.

Today the Department for Communities and Local Government has published a statement on hot water safety in building regulations. Each year, 20 people die as a result of falls into and burns from scalding hot water, and more than 450 children under the age of five suffer third degree burns. That is about the same level of death and injury as is caused by house fires. May we have a cross-departmental debate in the House on accident prevention so that we can get across to people that if they wash their clothes at 40° C, they should also wash their children at the same temperature?

Mr. Straw: I am grateful to my hon. Friend for all the work that she has done on this important issue, including the ten-minute Bill she introduced last year. There has been a written ministerial statement today, but I will certainly try to ensure that she has an opportunity to raise the subject on the Adjournment or in Westminster Hall.

Paul Rowen (Rochdale) (LD): I am sure that the Leader of the House, representing as he does Blackburn and Darwen, is aware of the concern in the Muslim community about the award of a knighthood to Salman Rushdie. May we have a debate on the honours system, and how that decision was arrived at?

Mr. Straw: I am aware of that concern. Let me offer a personal view. I am afraid that I have found Salman Rushdie's books rather difficult and have never managed to get to the end of any of them, despite my

[Mr. Straw]

basic rule that if one starts a book one has to finish it. I am afraid that his writing defeated me. Of course I understand the concerns and sensitivity in the community. That said—I am sure that this would meet with the approval of the whole House—there can be no justification whatever for suggestions that as a result of this a further fatwa should be placed on Mr. Rushdie's life.

Ms Dari Taylor (Stockton, South) (Lab): On a topical subject, does my right hon. Friend accept that the British Library and other museums in London see themselves as the main, if not the only, custodians of British culture, and that as a consequence thousands of children and their families in the northern region lack the opportunity to experience the greatness of some of the artefacts that represent their culture? I refer to the Lindisfarne Gospels, which are stored in the British Library, are regularly resting and are usually seen by five people a year, but when exhibited in the northern region invariably get more than 100,000 people looking at them. Is it not time that the House debated the greatness of British culture, but more particularly the importance of returning to their homes the artefacts of the regions of England so that the people of Great Britain can experience that greatness, as opposed to the five people a year in London who are doing so currently?

Michael Fabricant (Lichfield) (Con): The Lichfield Gospels are older and nearer.

Mr. Straw: The hon. Gentleman's sedentary comment may or may not be correct.

I fully understand my hon. Friend's sentiments. I will certainly ensure that the director of the British Library, as well as the director of the British Museum, is made aware of her views. As so much of our cultural and political life is centred on London, I hope that we may at some stage be able to develop a scheme similar to those that apply in some other countries, whereby at least once in a child's school career they are able, paid for, to come to London to visit this House and some of the principal museums of the capital.

Mr. Andrew Mackay (Bracknell) (Con): As one of the many attributes that make the Leader of the House an outstanding holder of his high office has been his realistic assessment of the merits of the Liberal Democrats, oft repeated at the Dispatch Box, how come, as the Chancellor of the Exchequer's campaign manager, he did not manage to prevent the Chancellor from having a red face this morning?

Mr. Straw: I return the right hon. Gentleman's compliment. I have already given the explanation. Of course, any sensible party leader has discussions with leaders of the other parties, as do I with my opposite numbers: I always have done and always shall, in whatever capacity I serve. The right hon. Gentleman has been a very distinguished adornment on the Conservative Back Benches, but if he too wishes to send me a curriculum vitae, I will see what we can do.

Julie Morgan (Cardiff, North) (Lab): My right hon. Friend will be aware of the important decision made yesterday by the Joint Committee on Vaccination and Immunisation that the HPV vaccine should be routinely introduced for girls aged 12 to 13. That is a very welcome decision, and I applaud organisations such as Jo's Trust which have campaigned for it to be made. May we have a debate on that decision, given the other important issues involved, such as whether older girls should have the vaccine and the importance of stressing that regular cervical screening should continue?

Mr. Straw: That is a very important issue, because cervical cancer is the second most common cancer of women worldwide. In the United Kingdom alone, the lifetime risk of developing cervical cancer is one in 116, which is a high, not a low, risk. Of course we will look for an opportunity for a debate, perhaps on the Adjournment or in Westminster Hall. Meanwhile, I will ensure that my right hon. Friend the Health Secretary is fully aware of my hon. Friend's remarks.

Mr. Michael Fallon (Sevenoaks) (Con): Will the Leader of the House reconsider his refusal last week to allow a debate on the Scottish block vote in order that we can discuss the particular discrimination against English students attending Scottish universities, who will be the only students in the entire European Union to have to pay the full fee, with the cost of abolishing it for everybody else being borne by English taxpayers?

Mr. Straw: The nature of the devolution settlement is, first, that it is asymmetrical and, secondly, that it admits that different parts of the United Kingdom will come to different decisions. That is also true—I am not, of course, making a direct comparison with the Scottish Parliament, the Welsh Assembly and the Northern Ireland Assembly—of local authorities, even those controlled by the same party.

Let me say two more things to the hon. Gentleman. First, notwithstanding the differential in fees, applications for English universities, where the fees are on a similar basis to those for English students in Scottish universities, are increasing. They are up 6 per cent., with no evidence—far from it—that those from lower socio-economic groups are disadvantaged.

Secondly, the hon. Gentleman made a point that I keep making to Conservative Members: it is rightly a fact of devolution, which I celebrate, that the Scots can make their own, different decisions in Scotland, and that is different from the previous position, whereby the decisions were also different but made in London. Time and again, he and I sat in the House in the 1980s and early 1990s, when separate policy was agreed for Scotland in London. That is inappropriate for what are now devolved matters. He should also remember that the money that is available to spend in Scotland, Northern Ireland and Wales is wholly determined by English Members of Parliament. Far from being excluded from those decisions, English members have 84 per cent. of the votes in this House. That is another reason for the asymmetrical, but in my judgment balanced arrangement.

Kelvin Hopkins (Luton, North) (Lab): I welcome the recent publication of the Home Office document on alcohol issues, but evidence suggests that alcohol problems in Britain, especially liver damage, are much

worse than we imagined. It is also highly likely that instances of foetal alcohol syndrome are rising, given the amount of alcohol that young women consume, and given that some young women are possibly getting pregnant partly as a result of drinking to excess. Will my right hon. Friend make time for a debate on the Floor of the House about all such alcohol issues, given Britain's growing and alarmingly serious problem?

Mr. Straw: I share my hon. Friend's concerns about what appears to be increasing alcohol abuse, especially by young people. Even when he and I were young, youngsters sometimes drank to excess, but evidence suggests that that has now gone much further. Of course, I will do my best to ascertain whether we can find time for a debate on the matter.

Mr. Simon Burns (West Chelmsford) (Con): As the right hon. Gentleman knows, I am one of the last people in the world to intrude on private grief. Provided it does not harm, my case may I join the hon. Member for Pendle (Mr. Prentice) in calling for an urgent statement early next week by the Chancellor and Prime Minister-designate, so that we can warn and remind him of the sheer horror, which the Scottish Labour party had to tolerate for four or so years, of working with the Liberal Democrats? He needs to be reminded before he makes the mistake of a lifetime. They are a nightmare to work with because they cannot be trusted.

Mr. Straw: I will do a deal with the hon. Gentleman. I will pass on his remarks to my right hon. Friend the Chancellor if he will pass them on to the Blackburn Conservative association, which has just entered into a coalition with the Liberal Democrats.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): May we have a debate on the unfairness of the airport duty tax? It is especially unfair to those of us who live north of the Watford gap. My right hon. Friend may know that the travelling public, including young families, who wish to go to America or elsewhere abroad have no option but to go through the hub airports of London. They therefore have to pay the tax twice. He knows that I have had extensive, unsuccessful discussions with the Treasury on the matter. Will he use his good offices to encourage the Treasury and the travel industry to get together and devise some solution to that discriminatory measure?

Mr. Straw: I understand my hon. Friend's concern, but his continuing campaign is having an effect on the Treasury. I have a copy of a letter to him from the Financial Secretary, who states says that airlines can provide through-ticketing—if they do that, only one airline tax is payable, rather than two or more—and that the Treasury is keeping the structure of air passenger duty under review and taking account of my hon. Friend's concerns.

Mr. John Hayes (South Holland and The Deepings) (Con): Many months ago, Lord Leitch published his report, which the Government commissioned, on the nation's skills. It made several important recommendations, in response to which the official Opposition, in the form of my right hon. Friend the Member for Wokingham (Mr. Redwood), published a paper on economic competitiveness and, in my name, published our policy on apprenticeships. However, there has been a deafening silence from the Government. The response to the Leitch report has been delayed; meanwhile, 1.3 million of our young people are not in education, employment or training. Will the Leader of the House assure the House that the response to the Leitch report will be speedy and comprehensive, and that it will be made here so that all hon. Members can contribute to the discussion about it?

Mr. Straw: My memory may be defective, but I recall my right hon. Friends the Secretary of State for Education and Skills and the Chancellor making many comments about the Leitch report. We are also planning legislation on it, and we take account of sensible proposals, from wherever they come.

Robert Key (Salisbury) (Con): Today is midsummer's day—the summer solstice. Had the Leader of the House been in my constituency this morning, celebrating the dawn of a new era at Stonehenge, he would understand why I am asking him for an urgent debate on the future of Stonehenge. It would enable us to consider the outcome of the meeting this weekend of the UNESCO world heritage committee in New Zealand, where Stonehenge is on the agenda because of the Government's neglect of world heritage sites in this country, including the Westminster and Tower of London world heritage sites. Can the debate be held not with Ministers from the Department for Culture, Media and Sport, who are blameless and embarrassed, or Transport Ministers, who wish the road to be upgraded, but with Treasury Ministers, who have blocked progress on the project under two Governments for 21 years?

Mr. Straw: That was uncharacteristically ungenerous of the hon. Gentleman, although I understand his concern for Stonehenge, which is certainly a world heritage site, in his constituency. I gently remind him that the Government have put huge additional sums of money into the Department for Culture, Media and Sport and the Department for Transport. The Conservative party, including him, voted against those additional sums.

Dr. Julian Lewis (New Forest, East) (Con): As the Leader of the House contemplates his well-deserved and highly skilled migration to either No. 11 Downing street or even Dorneywood, will he spare a thought for my constituent, Mr. Sreekumar Nair and his family, who came to this country under the highly skilled migrant programme, have made a massive contribution to the community in Dibden in my constituency, but find themselves caught by a rigid new points system, which means that fulfilment of the promises that they were given about getting British nationality will now be much delayed, if it happens at all?

Mr. Straw: I am grateful to the hon. Gentleman for his compliments. I take them in the spirit in which they were intended, which I think was a fine one. I obviously do not have the details of the constituency case that he raises. If he gives me more details that will assist, I will take up the matter with my right hon. Friend the Home Secretary.

Mr. Philip Hollobone (Kettering) (Con): May we have a statement from the Secretary of State for Transport about why the Department for Transport has cut £1.7 million from the roads maintenance budget for Northamptonshire? If, on the way back to his Blackburn constituency, the Leader of the House would care to drive through Northamptonshire, he will experience for himself the £60 million backlog in road maintenance expenditure in the past 12 years. The current administration is putting that right with an investment programme, but central Government have consequently seen fit to cut its grant allocation.

Mr. Straw: It is the duty of all of us to represent our constituents, but the hon. Gentleman needs to be a bit careful. Current investment in road schemes—I bet this is true of his constituency—far exceeds that in previous years. Other places are competing for much needed funds, not least my constituency, where famously 4,000 holes in Blackburn, Lancashire were identified 40 years ago. Not all of them have subsequently been filled in.

Points of Order

12.14 pm

Mr. John Hayes (South Holland and The Deepings) (Con): On a point of order, Mr. Speaker. You will know, and Members will have observed, that among the written ministerial statements to be made today, the eighth, listed under the name of the Secretary of State for Education and Skills, is about the "Care Matters" White Paper. When Members tried to collect the paper earlier—indeed, at 11.50—this morning, it was not available, yet it was released to the press at 11.30. That clearly shows disrespect for the House and it does not allow Members to consider these matters as carefully as they should be able to. I know that in the past, Mr. Speaker, you have taken a very dim view of these matters. What action can I take—or, more appropriately, can you take—to address the problem?

Mr. Speaker: I will instruct my officials to look into the matter.

Dr. Julian Lewis (New Forest, East) (Con): Further to that point of order, Mr. Speaker. I am inspired to raise a similar point of order. Before the statement on Tuesday, the shadow Defence team was promised it would have two hours to examine the media report arising out of the debacle of the capture of the sailors and the selling of their stories. In the end, we had only 45 minutes, so we really wonder what these assurances are worth.

Mr. Speaker: That is a matter to do with the Government, so I advise the hon. Gentleman to take it up with them. Perhaps the Leader of the House will remark on the matter.

The Leader of the House of Commons (Mr. Jack Straw): Further to the first point of order, Mr. Speaker, I am happy to take up the matter. My experience is that when this happens it is usually a mistake—albeit a mistake that should not have happened—but I will look further into it. Further to the second point of order, the rules or Cabinet Office guidelines suggest that just 30 minutes' notice should be given of oral statements. Personally, I have always regarded that as inadequate for both sides of the House, as do my right hon. Friends. It is sometimes not possible to provide information other than at very short notice, but I will certainly take the matter up with my right hon. Friend the Secretary of State for Defence.

Mr. Bernard Jenkin (North Essex) (Con): On a point of order, Mr. Speaker. Back in 2002, I asked the Ministry of Defence whether it would agree regularly to place in the Library the monthly manning report, which is relevant to the debate that we are about to commence. I am grateful to the Minister of State for ensuring that this document finally arrived in the Library—just an hour or so ago. It is distressing, however, that before a debate of this nature, information is not made available to Members more timeously. I wonder whether you could use your good offices, Mr. Speaker, to persuade Ministers to make information more readily available.

Mr. Speaker: "More readily available" is a big notion, is it not? What exactly does it mean? Some people might say that it means a week's notice while others might say it means three weeks' notice. The fact of the matter is that the hon. Gentleman has the information before him and is able to participate in the debate. I recall that when I was a Back Bencher I was given information even less than an hour beforehand, but I was still able to make a contribution. I am sure that the hon. Gentleman will be able to do so as well.

Armed Forces Personnel

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Heppell.]*

12.23 pm

The Minister of State, Ministry of Defence (Mr. Adam Ingram): Since we last debated defence, 14 personnel have lost their lives in Iraq and Afghanistan. I know that the House's thoughts are with their families and friends at this time.

I welcome this opportunity to open the debate on our armed forces personnel and the civilians who support them. Day in, day out, they work extremely hard for the nation at home and abroad. My central theme is that, in return for the things we ask of them and the outstanding work they do, our personnel must be properly looked after. Despite difficulties and challenges, which I am not going to deny, I believe that the Government are living up to their commitment to support them. I want briefly to cover a number of issues: operational welfare, military ethos, training and recruitment, welfare, manning, pay and accommodation, reservists, medical support, families, inquests and civilian personnel.

Last week, I was in the Falklands, where I was privileged to attend commemorations for the 25th anniversary of their liberation. I heard many tales of courage and sacrifice. Today, as then, our young men and women are making huge sacrifices against determined enemies in order to help people who cannot help themselves—this time, however, not in the wind and wet of the south Atlantic, but in the heat and dust of Iraq and Afghanistan. Our operational success in those theatres depends fundamentally on our people. It depends on their courage, their professionalism and their unstinting dedication to the task in hand.

I know that our forces are stretched and I know that tempo is one of the key concerns of our personnel and their families. Some are away for more time than they should be. I fully appreciate all of that. About 1 per cent. of the Royal Navy, 5 per cent. of Royal Air Force personnel and 13 per cent. of the Army are currently exceeding separation guidelines. That includes the Royal Marines, the infantry, the RAF Regiment, the support helicopter force, medics, logisticians and engineers.

The work that our personnel are undertaking in Iraq and Afghanistan is important. When I visit them, it is clear to me that they understand that. What I want to stress is that when we are able to reduce commitments, we will. In Northern Ireland, political progress has allowed us to reduce our force levels by around 8,000 when compared to levels in 2003. The reduction of our military operations in Bosnia and the wider Balkans has meant that we now have only a small number of personnel—just over 200—compared with more than 10,000 eight years ago.

Of course, matching personnel to commitments is difficult in an uncertain world, and the present tempo of operations makes it particularly challenging. At the moment, the advice from the chiefs of staff is that we can cope with current commitments, but we cannot assume that this will remain the case and we will clearly have to watch it closely.

[Mr. Adam Ingram]

Derek Conway (Old Bexley and Sidcup) (Con): In view of what the Minister has just said, will he tell us what proportion of those deployed on active service, particularly in Afghanistan and Iraq, are actually in the Territorial Army? To what extent is the Territorial Army being used in active theatres and what impact does that have on the advice that he is given by the generals?

Mr. Ingram: I intend to come to that. I mentioned that I was going to talk about the reservists, so if the hon. Gentleman will bear with me, I will comment in more detail later.

Angela Watkinson (Upminster) (Con): How does the Minister square the freeze on promotion for lieutenants in the Royal Navy with the drive towards acquisition of more aircraft carriers and warships? What long-term impact will that have on recruitment and retention?

Mr. Ingram: I intend to come on to recruitment and retention as well. I am sure that the hon. Lady is only too well aware that the configuration of the future fleet in respect of modern warships requires substantially fewer people to serve on them. I cannot recall the figure offhand for the Astute vessels, but I suspect that it is in the region of 90 or so fewer per vessel. That clearly has an impact on the overall structure.

Dr. Julian Lewis (New Forest, East) (Con) *rose—*

Mr. Ingram: I am not giving way in the middle of answering a question—and I may not even give way to the hon. Gentleman at all.

As I was explaining, the impact will be felt among those who believe that their career paths may be temporarily stalled. All that has to be taken into account, but this is a point of readjustment as we look towards the future Navy. As I say, that will apply to the new types of warships that will come into play, including the new aircraft carriers, which we look forward to joining the fleet—*[Interruption.]* I will give way to the hon. Member for New Forest, East (Dr. Lewis).

Dr. Lewis: I knew he would, Mr. Speaker. Although the newer warships require fewer personnel when they go to sea, is it not planned that they should have double crews in some cases in order to take advantage of the fact that they can stay at sea longer? I think that the Minister's point about fewer personnel is a little less clear-cut than he makes out.

Mr. Ingram: I agree with that. There are wider issues concerning personnel profiling. As to the sea swap concept, I witnessed the trials currently being held when I was down in the Falklands. HMS Liverpool is there and it was being manned by the crew of HMS Exeter. Many identified with their mother ship. I am sorry, I meant HMS Edinburgh is in the Falklands, not HMS Liverpool. Many of the crew felt that they should have been on their mother ship. Issues have to be addressed, but I tried to explain to the personnel that this was a genuine attempt to ensure that we maintain our capabilities at sea for as long as we can. It seems to me much more sensible in principle—though whether we can deliver in practice may be more difficult—to keep ships on station. Who knows what may happen at any particular time? It would be wrong for a ship to be sailing home only to be turned back, when it could have been on station. So there are issues that are being addressed, and all of them will have an impact. They are not easy to resolve, but none the less, we are seeking to address them.

I was commenting on the level of commitment in the armed forces, and I pay tribute to those who have served with distinction and those who continue to do so. At the same time, it is right that where there is evidence that behaviour has fallen below these high standards, we must follow up and take appropriate action. Last week's House of Lords judgment in the Al-Skeini case provided helpful clarification on the application of the Human Rights Act 1998 in Iraq. Subsequent media coverage suggested that this ruling would impose an additional constraint on our personnel. That is not the case. The criminal law regulating the conduct of our forces remains the same: wherever they are serving in the world, they are always subject to English criminal law. That is not affected by this judgment.

One of the cases that forms part of the Al-Skeini judgment is that of Baha Mousa. We are reviewing the evidence presented in the associated courts martial of Corporal Payne and others, before deciding how best to proceed in relation to the events surrounding Mr. Mousa's death. I am sure that the House will appreciate that I cannot comment further at this stage, as the legal process in the case has yet to conclude.

Let me now turn to issues of operational welfare. We must ensure that the people undertaking these dangerous operations have the support that they need while they are away. I am pleased to say that, over the past few months, we have made further improvements to the operational welfare package. For example, the telephone allowance in all operational theatres has been increased from 20 minutes to 30 minutes per week. The number of phones available will increase by 20 per cent. and the number of internet machines by 50 per cent. by the autumn. By the end of next month, internet access will be eight times faster. There will be areas in an operational theatre where this cannot be delivered, but our serving personnel understand the reasons for that.

We have just announced the latest increase in operational allowances for personnel serving in Iraq and Afghanistan —a further 3.6 per cent. uplift—taking the total to £2,320 over a typical six-month tour. Thirty-six thousand personnel have benefited from the operational allowance, and they deserve every penny.

In the last financial year, we spent £42 million on operational welfare. This is a significant improvement on the £12 million provided in 2001, when the operational welfare package was introduced. In addition, we are constantly working on ways to improve the force protection for our personnel on operations. Sadly, we cannot protect against all threats at all times. However, we have authorised spending of some £380 million on force protection urgent operational requirements in the last financial year alone. This is part of the £750 million spent on urgent operational requirements since 2003.

Let me turn to the important issue of military ethos. The expectations of our service personnel are high, and so they should be. Like young people everywhere, they aspire to do better and to go further and faster than the

generation before. They are less prepared than their predecessors to accept without question some aspects of service life, such as shared accommodation, poor equipment or inadequate remuneration. They want and expect a work-life balance between doing the job they love and spending time with the people they love. But they are every bit as professional, committed and effective as the generations who have gone before. This is a tribute to them, and a tribute to their training.

Ms Dari Taylor (Stockton, South) (Lab): On the point of support for people who have lives to lead as well as a duty to perform, how are the armed forces coping with the fact that they now have many more women serving in them, which is a sheer delight? Many of those women are officers, and many also have family roles and maternity roles. How is the Army coping with the fact that they need training and promotional opportunities equivalent to those for everyone else, which at the same time accommodate their woman's role of having babies and bringing up families?

Mr. Ingram: I will be honest with my hon. Friend. If anything, we are perhaps behind the curve in terms of what is happening in the normal working environment throughout industry and elsewhere. That is probably because of the nature of military life, historically and otherwise. I will mention the success that we have had in recruiting females into the armed forces later in my speech, but we have to begin to look at this issue imaginatively; there should be no glass ceiling. There are too few senior military personnel who are female or from ethnic communities. We need to find sensitive ways of dealing with this. It is a matter of life choice for female entrants to the armed forces, in terms of what they want to do with their career and how they want it to progress. I meet many female serving members of the armed forces who are of an exceptionally high standard. They are a great exemplar, whether in the RAF, the Royal Navy or elsewhere. My hon. Friend has raised an important point, and we need to give proper and due attention to the matter in the time ahead.

Military training has to be robust, challenging and demanding. Ensuring the right balance between looking after new recruits and giving them the training that they need for operations on the battlefield is not easy. We have had to learn from the tragedies of Deepcut. One of the keys to success in this area is greater transparency and external evaluation. In March, we welcomed the publication of the Adult Learning Inspectorate report, "Better Training", which set out its findings on the progress that we have made. This independent assessment said:

> "In summary, great improvement has been made over a short space of time".

It also noted that

> "while further improvements are required in certain areas the change has been significant."

We are now working with Ofsted to ensure that external audit of our progress continues.

In many ways, the real judges of the quality of what we do are the recruits themselves. I have placed in the Library of the House today the results of an independent poll of recruits recently received from MORI and referred to by the Adult Learning Inspectorate in the "Better Training" report. More than 24,000 questionnaires were returned. The headlines are that 89 per cent. of trainees would recommend others to join their service, 88 per cent. said that they felt a sense of achievement at completing their training, and 84 per cent. felt that the staff had done all that they could to help them. I accept that not all the feedback was positive. There is scope for improvement and we have already taken steps to improve areas highlighted within it. But this grass-roots report is further evidence that we are listening to the views of recruits and using the information to improve our training environment.

We are also acting to improve the status and quality of our trainers. Much of our training is acknowledged as world class. We want to make sure that all of it is. A few weeks ago, the new Army staff leadership school officially opened in Pirbright. It will promote, teach and disseminate best practice among instructors and trainers in the armed forces. Our training needs to move with the times. That is one of the key points behind the defence training review, which we are now implementing. This will ensure that our services which fight together also train together, where that makes sense, and that they do so in modern facilities. But it will also ensure that initial training, which is key to service ethos, remains in the hands of the single services. The proposed world-class academy for specialist training at St. Athan, scheduled to be opened in 2011, is a prime example of the high standards that we set for our training requirements.

Andrew Miller (Ellesmere Port and Neston) (Lab): A few of us were privileged this week to attend a course at Shrivenham. One of the interesting topics that we discussed was the overlap in the training arena between officials and experts in other Government Departments—for example, the Foreign Office and the Department for International Development. What discussions does my right hon. Friend have with his colleagues in those other Departments to ensure that a proper, integrated approach is taken to enable officials in the Departments to contribute properly to our war-fighting efforts?

Mr. Ingram: That is one of the great successes of the defence academy at Shrivenham. It is truly multinational, as I am sure my hon. Friend saw, and that involves integration among not only NATO allies and associated friendly countries but other countries with which we want to share a global interest. All those countries can participate in the courses. My hon. Friend asked about other Government Departments. In any post-conflict situation, whether related to peacekeeping or something short of peacekeeping, there has to be a comprehensive approach that involves all the agencies of Government having the best possible understanding of each other. We are encouraging that approach. I know that those who participate in the courses find them of great benefit, as do those who serve in the armed forces. I do not know which course my hon. Friend undertook, but whatever the level, participants increasingly understand that they must work in concert with other Departments. That is one of the key areas of improvement.

There is no doubt that we currently face a difficult recruitment and retention environment. Our manning strategies focus on four aims: attracting more recruits, encouraging more to stay, using those whom we have more effectively, and reducing the commitments that they face.

[Mr. Ingram]

On the first of those aims, I can report some success. In 2006-07 we recruited 97 per cent. of our increased target—an increase of more than 1,000. That equates to 1,210 extra people, including 300 more female recruits, and compares to a 96 per cent. success rate in the previous year. This year's Army recruitment figures are up 12 per cent. on last year's figures. Infantry and Royal Artillery specific recruiting initiatives during 2006-07 have paid dividends, with 25 per cent. more enlistments for each arm than last year.

While recruitment is important, retention is equally important or more so. Turnover is healthy for any organisation, but we do not want to lose highly skilled and experienced people. Owing to the quality of our service personnel, they are in high demand throughout industry when they leave the services. We must ensure that we have measures in place to encourage our people to stay.

According to the latest figures available, on 1 May the total full-time strength of our armed forces was 176,920, some 96.4 per cent. of the requirement. The Royal Navy was manned to 94.7 per cent. of its requirement, the Army to 97.5 per cent., and the Royal Air Force to 95.1 per cent. I do not think that we have hit 100 per cent. in the modern armed forces. It certainly has not happened in my time, and it had not happened for some time before that, if ever. It would be an unusual development, for reasons that I will give shortly.

Mr. Tobias Ellwood (Bournemouth, East) (Con): It is interesting that the Minister gave percentages rather than the actual numbers. Is it not the case that the targets have changed over the past few years? While the Minister may indeed be achieving percentages of 95, 96 or 97 per cent., the goalposts have moved in order for him to do so.

Mr. Ingram: That is true. That is why I said that we had probably never achieved 100 per cent. Whatever the target, it is bound to be difficult to meet. The size of a service will be defined by the military requirement, and those targets can vary. In this instance they have clearly moved downwards on the basis of best assessment.

Although the targets were lower, hitting them proved difficult for a variety of reasons, not least the strong base of the economy and demographic factors which can have an adverse impact. More young people are going into higher and further education. A number of other related issues made it difficult to achieve maximum recruitment.

Mr. Ellwood: I agree with much of what the Minister has said. It is true that we are trying to recruit in very different circumstances from those of 15, 20 and certainly 50 years ago. Perhaps, however, the Minister could elaborate on the difference between recruitment and retention. The huge effort to get people into the armed forces is generally successful, but unfortunately it is much tougher to keep them there. The Government, and indeed the House, must focus on that.

Mr. Ingram: I am coming to the issue of retention. Voluntary outflow from the armed forces has remained steady for the past few years. It has always been feared that a haemorrhage will follow any conflict, and two conflicts are taking place concurrently at the moment. I have mentioned tempo and the breaching of harmony guidelines, but we have not experienced the haemorrhage that we feared. I am not saying that problems do not exist within specific trades—they do, and we must deal with them—but the voluntary outflow has remained steady, which must be an indication of something. Of course it must be monitored carefully and constantly in case it moves in the opposite direction.

For that reason, we have financial retention incentives for the infantry, the Royal Marines, the Royal Navy, RAF air crew and certain medical posts. For instance, we have one for specialist nurses. There are also "golden hellos" for medical and dental officers and specialist nurses. All those will have to be kept under review. Sometimes problems arise before they can be dealt with. We aim to be alert enough to pick up indications that a change is taking place and introduce incentives in advance. However, we must ensure that neither "golden hellos" nor financial incentives distort other aspects.

Tony Baldry (Banbury) (Con): Retention often involves those in middle management such as sergeant-majors and staff sergeants, who are invariably married with children. As one who represents a not insignificant military community, I can tell the Minister that housing is crucial. I know that he is about to talk about this subject.

Wives and children put great pressure on such middle-management personnel if their housing is not up to scratch. A constituent who came to see me the other day, a staff sergeant, had waited six months for important structural repairs to be carried out in his children's bedroom. If that had happened to another constituent with a registered social or local authority landlord, we would be jumping up and down. It is not fair or acceptable for armed forces personnel to be in such a position.

Mr. Ingram: I agree, and I shall say something about the state of accommodation shortly.

We need to use our people as effectively as possible, which means freeing up as many as possible for the front line and cutting bureaucracy and overheads. We now have an excellent record in that regard. All three services are rationalising their headquarters staff. The headquarters of the Commander-in-Chief, Fleet and the Second Sea Lord have merged, saving 450 posts, and the planned merger of the headquarters of the Commander-in-Chief, Land and the Adjutant-General will save about 340. The creation of the new air command will save 1,000 posts by this time next year.

Implementation of the future Army structure continues to make good progress. A good example is the formation of the Rifles Regiment. The restructuring is on track to be completed by the end of 2008. It will provide more people for the specialisms that are in greatest demand, and more stability for Army personnel and their families.

Although our people do not join for the money, we must ensure that they are rewarded fairly for the work that they do. About £350 million more will be spent on military pay and allowances this year than last. The total amount for pay and allowances is about £7.5 billion per year. This year's armed forces pay award was the

highest for four years, and was worth 3.3 per cent. across the board. We concluded that a much larger increase was needed for the lowest-paid. Their pay rose by 9.4 per cent., giving them an extra £1,350 per year. For those in the next-lowest pay range, the increase was over 6 per cent. The pay increases were well received by serving personnel, and were entirely justified.

Let me now deal with the issue of accommodation. Ensuring that our people and their families have a decent standard of accommodation is extremely important to sustaining their morale, and to recruitment and retention. We have an increasingly good story to tell, at Colchester, Tidworth, Glencorse and other areas where modern facilities have been provided, and more are planned. Nevertheless, as was pointed out by the hon. Member for Banbury (Tony Baldry), too many remain substandard.

Under investment goes back decades, and improving the position is now a priority. Some £700 million was spent on improving military accommodation in the last financial year, of which £500 million was spent on maintenance and improvement. This year we expect to spend £870 million, of which some £630 million will be spent on maintenance and improvement. The challenge is huge. There are 71,000 houses on hundreds of sites in 16 countries around the world, 49,000 of them in the United Kingdom. Obviously we cannot put the position right overnight, although that does not justify examples such as that given by the hon. Gentleman. As any householder knows, the need for maintenance never stops: maintaining all those estates is like painting the Forth bridge.

Ms Dari Taylor: We hear, very clearly, how money is being invested, but what the armed forces in my constituency want is a permanent home base. They do not want to be moved around, and they do not want their children to be moved around. In what way are we accommodating that requirement?

Mr. Ingram: The restructuring of the Army—for example, the restructuring of regiments—will create a change in roles. Previous Administrations and chiefs of staff ducked ending the arms plot; although it was transparently obvious that that needed to be done, they did not do so, but we have tackled that. That can be embedded by establishing larger garrisons or super-garrisons, but it will take time; large investment is needed to establish them. As we begin to examine the totality of our estate, that will free up areas of opportunity which will allow us to set up super-garrisons. That will not happen overnight, but it is essential that it does happen and we are committed to doing it.

Ms Dari Taylor: Is no consideration at all being given to allowing members of the armed forces, like other citizens, to have part-ownership of their property, so that they can take that capital with them when they retire?

Mr. Ingram: I am about to come on to that point, but let me say for now that I agree that we have to come up with imaginative solutions to such questions. The work/life balance must figure highly in our considerations on what we do for our armed forces.

On accommodation, in the past six years we have raised the proportion of service families housing at the top standard *from 40 per cent. to 59 per cent. Only 138* of some 49,000 family properties are now at the lowest of the four standards, although that is 138 too many. Of those, 60 will be upgraded as part of this year's programme, 25 are planned for future upgrading, and 14 are due for disposal. The remainder will be addressed as part of wider plans to be determined in consultation with the services.

More than 20,000 new single living-bed spaces have been delivered in the past six years. Another 20,000 will follow in the next three years. Much of that provides single rooms with en-suite facilities.

We are helping people who want to buy their property to do so. We have secured key worker status for service personnel in London, the east and the south-east. The first soldier moved into her new accommodation under the key worker scheme at the end of May.

I also wish to refer Members to the statement made earlier today by the Minister for Housing and Planning and the Under-Secretary of State for Defence, my hon. Friend the Member for Halton (Derek Twigg), announcing that the Government have decided to change the legislation on the use of the "local connection" at the earliest opportunity. We recognise that current legislation can disadvantage personnel in terms of access to social housing by preventing them from building up "local connection" points. Many Members have expressed concern about this issue, and today's announcement underlines our determination to ensure that our personnel are treated fairly.

Our reservists are an important and valued part of our armed forces. They are playing a distinguished role in current operations. About 300 reservists are serving in Afghanistan, and 400 are serving in Iraq. I am most grateful to them and their employers for their support. Having reservists serving alongside our regular forces provides some of the best leadership training on the market. Reservists from the NHS play an important role in providing the first-class medical care that our personnel receive in operational theatres.

The budget assigned to our Territorial Army has slightly decreased—I did say that I would not deny that. That was not an easy decision to take, but it must be put in context. Last year, we spent about £350 million on the TA. We plan to reduce that by £2.5 million this financial year and by the same amount in the next financial year. I am advised that that will in no way adversely impact on the operational ability of the TA or its support to current operations. The savings are against areas such as recruiting of some specialist units and the running of annual conferences, and savings will also be made by reducing the number and frequency of TA competitions.

Mr. Mark Lancaster (North-East Milton Keynes) (Con): I intend to explain at length to the Minister how that will adversely impact on the TA. Will he at least acknowledge that, because of the nature of the TA, a £5 million cut in its budget is equivalent to a £50 million cut in the budget of the regular Army?

Mr. Ingram: I will listen to, and then read with interest, what the hon. Gentleman has to say, as he has personal experience in this matter. Ministers make

[Mr. Ingram]

judgments based on the best advice they receive. There are financial pressures which must be addressed if we want to do certain things; it is often the case that if we want to do something, we therefore cannot do something else. The hon. Gentleman has already upbraided me on this issue. I am sure that he will make a strong argument in our debate, and what he has to say will be absorbed. If there is a case to answer, it will be answered.

Dr. Liam Fox (Woodspring) (Con): Leaving aside the practical implications of the cut to the TA budget that the Minister is announcing, what signal does he think he is sending out to it by doing that at a time when we are using the TA for operations more than we ever have in the past?

Mr. Ingram: I am conscious that that might send out a negative signal. As I have said, we must carefully consider all such issues. However, we are making changes across the board and any one of them—such as one involving the Royal Navy, for example—could be construed as negative. Our overall aim is to improve the quality of delivery in its totality. That is why I am explaining our plans at length. It is interesting that no Member has intervened to congratulate us on any of the good news that I have announced. However, I do not wish to disregard the negative comments that have been made.

I will keep a close watch on what happens in respect of the TA. We have restructured it following an extensive consultation process, to try to make the TA more properly integrated into the one Army concept. Over time, that will play out greatly to our advantage. The advice that I have received does not suggest that this will negatively affect recruitment. If it does, however, that will have to be attended to—although it must be said that other factors might also be responsible for any decrease in recruitment. I am sensitive to the comments that have been made, and this decision was not easy to take.

Operational medical care is first class. We have recently opened a new field hospital at Basra, and another at Bastion will follow in July. Their facilities would not be out of place in any modern district hospital in the UK. The dedication and commitment of the people in the Defence Medical Services is outstanding. The priority for our wounded personnel is that they get the best possible treatment. That is why the Royal Centre for Defence Medicine, based at the University Hospital Birmingham NHS Foundation Trust, is the main receiving unit for casualties evacuated from operational theatres. In the Birmingham area, they can benefit from a concentration of five specialist hospitals, including Selly Oak, which is at the leading edge in the care of polytrauma, one of the most common types of injuries that our casualties sustain.

Those who criticise the care given to military patients without recognising the excellent treatment that the vast majority of them receive do a huge discredit to the armed forces and NHS medical personnel. They directly affect their morale, and they would do well to think more carefully about the ramifications of their unbalanced reporting and commentary. I wish to emphasise that point because it is serious: such criticism impacts on those who provide outstanding service at a very difficult point of delivery.

I want specifically to address the recent criticism of the treatment that our personnel receive in theatre. It has been said that the standard of care in theatre is worse than it was 40 years ago. That is not true. The standard of today's medical support is vastly higher than what was provided in the Falklands war—let alone in the Vietnam war. It has been alleged that wounded British troops are being evacuated from the battlefield more slowly than 40 years ago; that is a false allegation. It is not a fair comparison. No country, including the United States, can match the Vietnam time scales in Afghanistan because the distances are far greater. But it is not a simple question of flight time. We have adapted our procedures in Afghanistan to send advanced medical care to the casualty, rather than wait for the casualty to be brought to the field hospital. In no other conflict, and as far as I am aware in no other Army, is a consultant-led medical team routinely deployed to the casualty scene so that advanced care can be delivered at the casualty site and during evacuation. Combined with huge advances in medical technology and treatment, it means that casualties are now surviving injuries that would certainly have killed them 40 years ago.

Dr. Andrew Murrison (Westbury) (Con): As the Minister knows, I have a particular interest in this issue. What would he say to Lieutenant-Colonel Parker—to whom he may be referring—who has said that treatment in Afghanistan is excessively slow and has catalogued a range of shortcomings, of which he has first-hand and expert experience, in the medical care that he and others are able to provide to our troops there and in Iraq? The Minister talks of his commitment to our troops in action. Clearly, the perception on the front line is very different, and I am surprised by his complacency.

Mr. Ingram: I do not accept the allegation of complacency. That is an outrageous comment. I recognise the role played by the hon. Gentleman in Iraq or Afghanistan—I cannot remember where he served—but I do not accept the charge of complacency. I have set out what we do, which is better than what was done even a few short years ago. The quality and dedication of our medical teams is of the highest standard, and there is no question about that. Criticisms have been made, and they now have to be addressed. If they stack up, we will have to find answers to them. I was out of the country last week in the Falklands, but I know that my hon. Friend the Under-Secretary, who has direct responsibility in that area, was on the case immediately. He may wish to comment further when he winds up.

We are not complacent and we have no intention of allowing degradation in the medical services. If anything, we have recovered what we inherited to make it even better. No one is really critical of the quality of care. Bad examples may arise, but overall the quality of care in theatre and on return home is of a very high standard. Can it be improved? Yes, it can, and we will not stint in our efforts to do that.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): Selly Oak hospital trust and the medical defence unit are in my constituency. I welcome my right hon.

Friend's firm words about the disservice done to NHS and military staff by comments made by journalists and politicians. They should be very careful, because from what I have seen the service is responsive to any criticisms. Those people should pay more tribute to the input that the NHS has had to the medical services of the MOD, which should not be forgotten.

Mr. Ingram: My hon. Friend makes a strong point. On my recent visit to Selly Oak, I was struck by the quality of the NHS staff, all of them dedicated to dealing with trauma cases that they would rather not see, and all the associated issues. We are trying to deliver the best, both in theatre and at home.

Dr. Julian Lewis: Will the Minister give way?

Mr. Ingram: No, I wish to make some progress on the medical theme.

The MOD's defence medical rehabilitation centre at Headley Court is the premier facility for the rehabilitation of injured service personnel. There is nothing quite like it in the NHS, and both the facilities and the staff who work there are second to none. Personnel with less serious injuries may also be referred to one of the MOD's 15 regional rehabilitation units in the UK and Germany, which provide accessible, regionally based assessment and treatment, including physiotherapy and group rehabilitation facilities.

Over the years there has been a growing awareness of the need to care for military patients' mental health as well as their physical health. We put a high priority on increasing awareness, providing effective diagnosis and ensuring professional treatment of psychological illnesses. Our mental health services provide community-based health care. There are now 15 military departments of community mental health across the UK, plus satellite centres overseas to provide out-patient care. We have made significant progress in that area and I know that my hon. Friend the Under-Secretary, who has responsibility, is constantly reviewing and updating our delivery of mental health care to serving personnel and veterans.

Another important area is the care and attention paid to the families of our serving personnel. Our service personnel on operations need to be reassured that the needs of their families are being met. I have already mentioned the improvements to service families' accommodation and I want to give a few more examples. We have invested £250 million in education for service children, both at home and in service schools overseas. We have partnered the Department for Education and Skills to make sure that children moving between schools get the best possible deal. We are changing the structure of the services so that moving house becomes less frequent, and we are changing Government policy so that schools are legally required not to disadvantage children from military families who are in transition from one school to another. Last month I announced a new service life insurance scheme which offers guaranteed life insurance to our personnel and their families. We remain committed to reviewing our support for service families so they get the best possible assistance.

I understand that during business questions there was a question raised about the MOD's refusal to purchase more helicopters. It may be worth commenting on that. It is another charge that is without foundation when examined in detail. It reminds me that the *Daily Mail* used to be called the Forgers' Gazette, because it used to make up stories and let the perception take the place of reality. The story was that the MOD shunned a chance to hire more helicopters. The Minister of State with responsibility for defence procurement, my noble Friend Lord Drayson, wrote to the newspaper—the letter has not yet been published, and it remains to be seen whether it will be. The letter states:

"On the basis of military advice we rejected the option to lease helicopters as these would be much less useful than new platforms, not just for current operations but also for the long-term."

I repeat, that decision was taken on military advice. The Minister of State also says that

"we are spending £230M making 14 extra Merlin and Chinook helicopters available to our forces."

So we are purchasing better equipment than that which was offered for lease.

The article also made two false claims about helicopter availability. It said that Apache helicopters were unable to fly on 31 May because they had used up their flying hours, but that was not the case. They were engaged in operations at that time. Nor was a garrison unable to be supplied with mortar rounds by helicopter. The garrison was resupplied by helicopter following the engagement. I make those points because I wish that Opposition Members would question the veracity of what is said in the newspapers.

Dr. Lewis *rose—*

Dr. Murrison *rose—*

Mr. Ingram: No, I will not give way. I have been very generous in giving way, and I just ask hon. Members to question the veracity of stories before they run with them. A simple query to the MOD would help.

Support to our people extends to those families who have to live through the tragedy of a loved one being killed on operations. They deserve and receive our deepest sympathies. Sadly an unacceptable backlog of inquests has built up. We have tackled that with the Ministry of Justice, as announced in the statement to the House yesterday by the Minister of State, Ministry of Justice, my right hon. and learned Friend the Member for Camberwell and Peckham (Ms Harman). In addition I have written to the Scottish Executive, in the form of Kenny MacAskill, the Justice Minister, suggesting an early meeting to discuss the scope for holding fatal accident inquiries in Scotland where appropriate. At present, the law in Scotland prohibits the holding of such inquiries if the death occurred outside Scotland. Hopefully, the Scottish Executive will agree to a change in the law.

I am conscious that no member of the Scottish National party is in his place. I received howls of outrage when I said, when winding up a debate a few weeks ago, that they were interested only in sensationalism, undermining our work and the break-up of Britain. They claimed that they were concerned about our armed forces, but not one of them has bothered to turn up for this debate today.

Wherever we operate, civilian personnel are adding significant value. Civilians contribute to defence in a huge variety of ways and, increasingly, they support

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military commanders deployed in operational theatres. They are essential to the smooth, successful running of operations. I take this opportunity to recognise their important contribution and thank them for their often unnoticed service.

Britain's defence depends on people more than anything else. We are fortunate to have such committed and professional personnel in our armed forces and civilian staff. This Government will continue to ensure they have the support that they need to do the important and dangerous tasks that we ask of them.

1.10 pm

Dr. Liam Fox (Woodspring) (Con): May I begin by adding my condolences and those of my colleagues condolences to the sympathy that the Minister extended to all the families of personnel killed recently in Iraq and Afghanistan? The thoughts and prayers of the whole House are with them in their suffering.

Like the Minister and some other parliamentary colleagues, I spent the past week or so in the Falklands. The visit was a poignant and moving reminder of the courage, resourcefulness and commitment of all our armed forces—and of the members of the Merchant Navy, whose contribution to the conflict is often overlooked. It was a reminder to us all that freedom does not come for free and may require substantial sacrifices.

The men and women who serve in our armed forces are unique. They are expected to be separated from their families for long periods, increasingly on a repeated basis. They are asked to risk life and limb for the security of their country and its people, and they are asked to make literally life-or-death decisions on the spur of the moment. No other group in our society is asked to do all those things and, sadly, that is something that our current society seems to forget all too often.

What do our armed forces expect in return for their sacrifices? They expect to be properly trained and equipped for the tasks that they undertake, and that the Government will not ask them to do more than they are willing to pay for. They expect that their families will be properly looked after, especially in their absence. They expect that the Government will always maximise the chance of success of any mission, and minimise the risk to those on the front line. In addition, they expect that they will be properly treated if they are injured. That is not too much to ask in return for the risks that they take, but all too often their expectations remain unfulfilled.

The backdrop to this debate and to the others that we have had in recent times is that our armed forces are overstretched and undermanned. When the Government came to office, they published the excellent strategic defence review, which still holds good today. From that came the defence planning assumptions, and from that the Treasury's budget for the MOD. Yet the defence planning assumptions have been exceeded for the past five years, so much so that they are largely fantasy now. That is the root of the problem. In April this year, the armed forces were undermanned by 5,850 personnel, according to Government requirements—the Army by 2,520, the Navy by 1,860, and the RAF by 1,460. The recent National Audit Office report also identified especially alarming manning shortfalls in pinchpoint trades, with intensive therapy nurses being 70 per cent. undermanned, and accident and emergency nurses 68 per cent. undermanned.

The Armed Forces Pay Review Body stated that there are more than 80 operational pinchpoint trades—18 in the Royal Navy, 24 in the Army and 41 in the RAF. The harmony guidelines, which determine the frequency of deployment and separation from families, are broken so regularly as to render them meaningless.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): I do not wish to be pedantic, but the hon. Gentleman has repeatedly used the term "undermanned". He should remember that there are women in our armed services.

Dr. Fox: That remark is so trivial and puerile that it is not worthy of a response.

All the problems that I have set out are made fundamentally worse by a Government who are fighting two major conflicts but refusing to fund them in full. No one could have put the problem more clearly than our outgoing Prime Minister, who said in his HMS Albion speech that defence spending had stayed

"constant at roughly...2.5 per cent. of GDP"

since 1997, if

"we add in the extra funding for Iraq and Afghanistan".

In other words, even though we are now fighting two major conflicts in Iraq and Afghanistan, the Government expect to expend the same proportion of our national income on our defence forces as they did in 1997, when we were not involved in those conflicts. The consequence of failing to fund in full the wars in Iraq and Afghanistan is that our armed forces are being systematically salami-sliced. The incoming Prime Minister is the man responsible for the underfunding and he must understand that he cannot increase our armed forces' commitments without also increasing the resources to do the job.

How has all that affected our armed forces personnel? I turn first to the question of equipment. The Government's failure to ensure that sufficient equipment was available on time for the war in Iraq is well documented, not least in the tragic case of Sergeant Roberts. I remind the House that the board of inquiry into his death said:

"During the summer of 2002, constraints were placed on military activities (including procurement) which might have negatively impacted on negotiations with the United Nations."

In September 2002, the then Secretary of State for Defence was asked to agree 16 urgent operation requirements, but he agreed only to 12. The procurement of enhanced combat body armour was not agreed at that time, owing to political considerations—despite a clear warning that 2nd Royal Tank Regiment was 40 per cent. short of enhanced combat body armour for 1,015 troops. In other words, to avoid accusations that they had already agreed to go to war with Iraq, the Secretary of State for Defence delayed the order of vital body armour, with the direct result that Sergeant Roberts was killed unnecessarily. That remains one of the darkest stains on the record of the current Government—and of course no Minister paid the price for that scandal.

However, that was not the only way in which our forces were being disadvantaged. When the individual

helicopter programmes were amalgamated in the overarching future rotor capability process, the overall budgets were reduced by £1.4 billion. In other words, when the Government introduced a single helicopter programme they used smoke and mirrors to reduce the budget, at a time when we were involved in two major conflicts. Spending on helicopter equipment has fallen from £662 million in 2001-02 to just £183 million in 2005-06, yet all hon. Members who have been to Iraq or Afghanistan will have heard complaints about the shortage of helicopters and the lack of lift capacity. The only people who appear not to hear that message when they visit are Ministers.

What of the Royal Navy? At a time of difficulty with recruitment and retention, what messages are we sending out? Since 1997, our frigate and destroyer fleet has been cut from 35 to 25, and our submarine attack fleet from 12 to eight. In addition, it is widely rumoured that an additional six ships will be mothballed, which would mean that almost half the fleet of 44 warships was mothballed. The six ships in question are four type 22 frigates—the Cumberland, Chatham, Cornwall and Cambleton—and two type 42 destroyers, the Exeter and the Southampton. The latter is due to relieve HMS Edinburgh in the Falklands in the coming days. All those reductions are based on the strategic falsehood that, because ships are now more technologically capable, numbers no longer matter. It ignores the basic truth that, however sophisticated a ship, it can be in only one place at a time.

The welfare of service families is of crucial importance. The surest route to a retention crisis is to create unhappy servicemen and women, and the easiest way to do that is to create unhappy service families. The quality of service housing has been shown to be deeply inadequate and the Minister of State admitted as much, although he said that changes were under way. The quality of service children's education has been a key concern, with improvements delayed by administrative problems. That is simply not good enough.

The interaction between the armed forces and the NHS remains disgracefully inadequate. When they move to different parts of the country, service families on NHS waiting lists must rejoin the new waiting list at the bottom and start all over again. That happens time and time again, and it is scandalous. After 10 years and huge increases in public expenditure the Government have yet to deal satisfactorily with that basic problem, and the House demands that something be done now.

Andrew Miller: I acknowledge the problems about the quality of accommodation for service personnel, although I seem to recall that it was the hon. Gentleman's Government who flogged off half the defence estate. My question is a practical one. Has he seen some of the new developments, for example at Culdrose in the south and Faslane in the north, where modern single living accommodation is available, and does he agree that it matches the standards appropriate for our personnel?

Dr. Fox: I have indeed visited some of the newest accommodation, which is of exceptionally good standard, but the hon. Gentleman pointedly referred to single accommodation, which indicates that too much accommodation still remains substandard. There is no point in a Government who have been in office for more than a decade saying that it was the preceding Government who caused the problems; this Government have had plenty of time, taxation and public money to put the problem right faster than they have done.

Andrew Miller: Does not the hon. Gentleman recognise that the estates built in the 1960s and 1970s need continuous maintenance, as my right hon. Friend the Minister said? Under the project developed by the Conservative Administration, that maintenance did not happen, so we inherited an enormous backlog. The task is huge and, like the railway problem, it cannot be tackled overnight.

Dr. Fox: It is an interesting definition of overnight that after more than 10 years the Government are still unable to get to grips with the problem properly. I am the first to admit that improvements are being made—we have all seen them—but the fact remains that the problem is still far too great and the quality of accommodation far too low in far too many parts of the country. To say that the Government have not had time to deal with it is one of the lamest excuses I have heard.

Mr. Ingram: In my opening comments I indicated a substantial increase for accommodation in our budget. How much more would the hon. Gentleman provide?

Dr. Fox: The Minister knows his parliamentary technique, but he well knows that as the Opposition have no idea when the election will be called and what the state of public finances and our commitments will be then, we will never get involved in those budgetary debates. We look to the Government currently in charge, who are raising taxes from the current UK working population and have responsibility for the armed forces, to discharge their duty properly while they are in office. When we come into office, which will not be a day too soon, we shall make sure that we deal with the issues at far greater speed than the Government have, in their "overnight" 10 years.

The medical issue of greatest concern for military personnel and their families is the quality of care they receive if they are injured on operations. As I have a medical background, when I visited the Shaibah logistics base I looked intensively at the quality of care being provided. I concur with the Minister: the quality of care would not have been out of place in most district general hospitals in the UK. I spoke to an NHS surgeon who had been seconded to Shaibah and had decided to join the Army as a consequence of being able to treat his patients when he wanted without interference from managers and with no Government-applied targets. He said into the bargain that in the three years they had been operating in Shaibah there had not been a single case of MRSA. Perhaps the NHS might want to learn from the excellent record of those working in our forward bases.

I note that the Select Committee on Defence is visiting Selly Oak hospital today to examine the provision of care. During my visit to the hospital I was highly impressed by the quality of medical care, although the House is obviously well aware from cases highlighted in

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the media that other elements of the care were criticised by families. I fully accept that injured personnel must be treated where there is access to a wide range of specialist services—orthopaedic, burns, plastic, reconstruction and so on.

The reduced size of our armed forces makes separate military hospitals utterly unviable, but there is absolutely no reason why we cannot have exclusively military units at Selly Oak. A military-managed unit is not enough. We want service personnel to be able to recover from their injuries securely, in the knowledge that those around them understand what they have been through, which cannot happen when there is a mixture of military and civilian patients. It is not good enough. Such conditions are particularly important for those who have suffered mental as well as physical trauma.

The Parliamentary Under-Secretary of State for Defence (Derek Twigg): As the hon. Gentleman knows, I have previously said in the House that we and the chiefs of staff are considering the development of a military ward as part of the new building at Selly Oak in Birmingham, but can we be clear about the Conservative view? Is the hon. Gentleman saying that if there were empty beds on such a ward and there was an emergency or an urgent need for beds, civilians would never be allowed to occupy them?

Dr. Fox: In a real emergency, it would obviously be up to the managers of the hospital to consider the situation in terms of the overall well-being of patients. We are saying that there is a difference between what the Government are suggesting—a military-managed unit—and what we want, which is that normally such a unit would be exclusively for military personnel. It is difficult for us to predict what might happen in exceptional circumstances, but it is clear that the Government are proposing a unit that has a mix of patients and is managed by the military. The Opposition want a unit that is exclusively for military patients. That distinction is important because there has been confusion between what the chiefs of staff have said and what the Prime Minister said in the House.

Derek Twigg *rose—*

Dr. Fox: If the Minister wants to tell me that the Government's intention is that when the new unit is established at Selly Oak it will be exclusively for military patients, except in exceptional circumstances, that will be a welcome advance in the Government's position.

Derek Twigg: Let us be clear. The chiefs of staff have not yet made a decision about the military ward; it is something that Ministers are happy to consider, but we are waiting for their decision. Is the hon. Gentleman saying that in no circumstances whatever will civilians be allowed into such a ward? Can he be clear about that?

Dr. Fox: The Minister is introducing a red herring. I have already said that it is impossible to say what would happen in a medical emergency. However, what the country wants is clear: treatment for our service personnel in appropriate circumstances. In my view, those appropriate circumstances are exclusively military units in NHS facilities. That is a perfectly reasonable thing to want. Ministers might now and again like to take decisions and govern rather than waiting for the chiefs of staff. Why cannot Ministers take the decision to do what large parts of the House and the country want?

Derek Conway: My hon. Friend brings his professional expertise to bear in a powerful criticism of the Government. Some of the interventions he has taken show just how rattled they are. The Minister may laugh—

Derek Twigg *indicated dissent.*

Derek Conway: Those who serve in the armed forces may not find it quite so funny.

Is my hon. Friend aware of the pressures on injured Territorial Army personnel from delays in medical treatment? What does he think about mental health provision generally, and in particular for TA personnel, who do not return to garrison towns but to their individual communities, where they feel far more exposed? Sadly, as far as the Government are concerned, this all appears to be just a matter to giggle about.

Dr. Fox: I am delighted that my hon. Friend raised that important point. Mental health facilities for the armed forces are key. As a country we do not deal with mental health problems as well as we should; in many cases the treatment we offer is disgracefully inadequate in the world's fifth richest country. Armed forces mental health staff are even more under strength than their civilian counterparts. According to the Government's figures, the Army requires 15 psychiatrists but has only six, and requires 53 mental health nurses but has only 43—yet service personnel are returning from the conflicts raging in Iraq and Afghanistan with mental health traumas ranging from depression and anxiety to post-traumatic stress disorder. At the start of this year, nearly 2,000 personnel returning from Iraq and Afghanistan had been diagnosed with mental health conditions. Let us remember that conditions such as post-traumatic stress disorder can take many years to manifest themselves.

Over the past four years, the Ministry of Defence has spent more than £10 million employing the Priory Group to treat service personnel, but even if there is success in the acute phases, the real problem lies in chronic illness, which my hon. Friend alluded to in his question. That is where charities such as Combat Stress come into the equation. Combat Stress is an ex-services mental welfare society that specialises in the treatment of mentally ill veterans. It keeps its administrative and fundraising expenses to a minimum and in my view is one of the most deserving charities in the country. Many people will be listening to the debate, but I am sure that if the audience numbers are not as high as we would like, our friends in the media will communicate the necessary information to the public. The website for Combat Stress is www.combatstress.org.uk and donations can be made online. A donation of £20 buys an hour of nursing care and £150 pays for an hour of psychiatric counselling. My plea to the public is to be generous.

Tragically, the suicide rate among Falklands veterans is utterly unacceptable. We must do anything that we can—through a combination of the public and the voluntary sectors—to reduce that in the future. As my hon. Friend says, there are particular problems with the way in which we treat reservists. On return from deployment, they do not have the comfort of being with their comrades for a defined period of time in the way that the regulars do. They need to be especially closely monitored and we are currently failing to do that. The negative signal that the Minister of State admitted is being sent out by the cut in the Territorial Army budget will do nothing to give the impression that those reservists are fully valued for the service that they give our country.

Mr. Ellwood: My hon. Friend began his remarks by talking about the events that took place 25 years ago in the Falklands, and he has just mentioned the number of suicides among people who served in that conflict. Is it not a worrying statistic that more than 300 of those service personnel have committed suicide, which is more than the number of people who were killed in the initial conflict? That shows that this country—this Government—must do far more to look after our service personnel, who do so much in very extreme circumstances.

Dr. Fox: My hon. Friend is absolutely right in his specific point, but there is also a generic point that applies to our society as a whole. Our society, in common with a number of Anglo-Saxon societies, does not deal with mental health issues appropriately. There is too much stigma attached to mental health issues—something that does not apply to any other illness of any other type. That encourages late presentation of illness and, consequently, our outcomes are poorer. There is a particular problem in the case of those who have served in the armed forces, who are often reluctant to seek psychiatric help from a general practitioner or a civilian psychiatrist because they believe that those people will not understand the originating trauma that they have been through.

We need to look at a co-ordinated way of improving all our mental health services. That is the last great public service reform that needs to be carried out in this country. We need to look at how we treat our armed forces in developing further the psychiatric services in the military. There will always be a culture gap; those who have been in the armed forces will always be suspicious of how well those in civilian services understand their problems. Perhaps the only way to deal with that is to recognise that we must have yet another expansion of military psychiatric services, as well as of civilian ones. We need to deal with that as a country. I honestly do not believe that this is a party political issue. It is a cultural, deeply ingrained issue which we need to deal with in a much more open and sympathetic way.

Mr. Don Touhig (Islwyn) (Lab/Co-op): Does the hon. Gentleman agree that those who have trained to become general practitioners are taught about mental illnesses for only a limited amount of time? Does he agree that if somebody went to their GP with a mental problem, it would be a good idea if the GP were to ask, "Were you ever in the services?" and act as a signpost to point that person not only to a proper consultant, but to organisations such as Combat Stress and the Veterans Agency, which can give the kind of embracing support that the military can provide?

Dr. Fox: The right hon. Gentleman makes an excellent point. It is important in two ways. First, a relatively small proportion of GPs have any training in psychiatry and, secondly, an even smaller number will have any background in the armed forces. It therefore seems perfectly sensible for the Ministry of Defence to liaise with the national health service and ensure that doctors are reminded that there are other services available for veterans who suffer from mental health problems. Far better co-ordination between the two would be a positive development following today's debate. The point is well made.

Andrew Miller: While the hon. Gentleman is in a bipartisan mood—and following the intervention from the hon. Member for Bournemouth, East (Mr. Ellwood) about the Falklands—will he acknowledge that this is not a new problem? Historically, there has been a shortage. Based on his comments about the way in which mental health has been stigmatised in society, he will know that there has been a problem historically in relation to the military. Work is currently going on. The response that he gave to my right hon. Friend the Member for Islwyn (Mr. Touhig) reflects a joining together of ideas based on an acceptance that mental health should not be stigmatised as it has been in the past.

Dr. Fox: The way in which mental health issues are dealt with in our country has been one of my political interests for some time, but we need more than a bipartisan approach in the House of Commons. The situation requires far-reaching changes in our attitudes to mental health on the outside. All politicians in all parties would do well to dedicate themselves to that.

The hon. Gentleman also alluded to another issue: it can take some time for things to appear. The PTSD problem was denied during the Vietnam war. Only some time later did it come to be accepted that it was a genuine medical entity that needed to be dealt with. I appeal to Ministers to look at what is happening in the United States in respect of traumatic brain injury. The Minister of State quite rightly pointed out that the quality of the body armour that we have today means that servicemen and women may survive injuries that would previously have been fatal. Our society will have to adjust to the consequence that there will be many more long-term disabled people following current conflicts. Another pertinent issue is the increased risk of concussion faced by those who survive blasts that might previously have been fatal. The United States is introducing protocols for its armed forces, which involve assessing the results of blast injury in theatre and again on coming out of theatre.

During Question Time, or in a previous debate—I apologise for not remembering which—the Minister gave an assurance that the Government would look into that matter. Perhaps we can be given more details today about what exactly is happening. A lot of service personnel were needlessly lost because of the length of time it took in the Vietnam conflict to recognise that PTSD was a real entity. How tragic it would be if we lost other service personnel because we did not understand how much of a problem traumatic brain injury is. It would be doubly unacceptable if the United States put in place protective measures to identify those problems in the

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case of their service personnel, but we did not do so in the United Kingdom. In future, we would find that to have been a bad decision which was unacceptable from the point of view of the duty of care.

Those with a mental illness are among the most vulnerable in our society, and how civilised a society we are can be judged by how we treat the most vulnerable. When mental illness results from military action designed to enhance the security of us all and we fail to deal with it, as we often do, it is a national scandal. We should all be ashamed that those who put their lives on the line for our safety are failed by our public services in that regard. A land fit for heroes it certainly is not, in that respect.

As I said, the demands placed on our armed forces are unique. Despite the many problems that they face, they remain the best in the world. It is the absolute duty of any Government to put national security at the top of the political agenda and to ensure that our armed forces are funded, equipped and cared for in a way that reflects their unique contribution to our national life. They deserve better than they are currently getting.

1.40 pm

Mr. Don Touhig (Islwyn) (Lab/Co-op): This debate on armed forces personnel comes just after we have marked the 25th anniversary of the end of the Falklands war. I join colleagues in all parts of the House in paying tribute to the courage of our forces who liberated the Falklands and those who continue to serve our country in Iraq and Afghanistan.

The commemoration of the Falklands conflict puts into focus the way in which we in Britain look at former service personnel—our veterans. Like many others, I was disturbed to read press reports that more veterans of the Falklands war have taken their own lives since 1982 than were killed in the conflict. The South Atlantic Medal Association says that it is almost certain that the suicide toll is greater than the 255 men who were killed in the Falklands. If the figures are correct, it is an indictment of all of us, and it is a wake-up call that we must do more.

There are many and various misconceptions about veterans and the problems that they face. It is important to emphasise that the overwhelming majority of men and women who leave the armed forces settle successfully into civilian life. But not all of them adjust to life outside the service, and in extreme cases that can lead to self-harm and to suicide. Recent statistics show that in a 23-year period—1984 to 2006—there have been 687 suicides among serving men and women in our armed forces: 672 men and 15 women. There appear to be no figures for veterans as a whole, but just one case is one case too many. We should be totally committed to reducing the incidence of suicide and self-harm in the armed forces and among our veterans.

I do not think that I am alone in being dismayed that significant numbers of those who are sleeping rough on the streets of our country are ex-services. Many of them suffer long-term combat-related psychological problems. I welcome the announcement by my hon. Friend the Minister for Veterans at St. Thomas' hospital in London that the programme of medical assessments set up for Gulf war veterans will be expanded to allow larger numbers of veterans to receive the service.

The medical assessment programme will now offer a mental health consultancy for all veterans who have seen military service since 1982, which includes those who fought in the Falklands campaign 25 years ago. The assessment will cover veterans who are worried that they may have a service-related mental health problem that is not fully understood within the national health service. My hon. Friend's decision is an excellent one and I sincerely hope it will be extended to all veterans, no matter when they served.

When I was a Defence Minister, I was invited to speak at the British Medical Association conference, but I received a phone call from the Prime Minister giving me the DCM, so I never got to the conference. In any event, in the conference preparations, I suggested that GPs should as a matter of course, whenever someone comes to see them with a psychological problem, ask whether they are ex-services and point them in the direction of organisations such as Combat Stress.

I pay tribute to the hard work that Combat Stress does. I share the view of the hon. Member for Woodspring (Dr. Fox). It is a specialist provider of clinical care and welfare support. It is an excellent organisation that should be supported. I spent a day as a fly on the wall, so to speak, with a Combat Stress caseworker, and I know that the support given is highly regarded by mental health professionals and is critical to improving the lives of ex-servicemen and women. That experience confirmed my view that we have to do more.

There is a view in the Ministry of Defence that veterans who have health problems following their discharge from the services get priority treatment in the national health service. I do not believe that that is the case. The NHS is a wonderful organisation that delivers world-class health care every hour of every day, but I have not seen evidence that ex-servicemen and women take priority.

If we are to recruit and retain the very best men and women to our armed forces, we must provide those exceptional people with exceptional support, which means looking after our people throughout life. As I have said before, the treatment of veterans has a real and direct bearing on our ability to recruit, train and retain the people we need to sustain our current and future operational capabilities.

The National Audit Office published a report in November 2006 entitled "Ministry of Defence—Recruitment and Retention in the Armed Forces". It stated:

> "Evidence from our survey of pinch point trades, as well as from Department's own surveys and the Armed Forces' Pay Review Body's findings, suggests that there are several common factors which persuade Service personnel to leave. These are mainly related to the impact of service life on family life, including the ability to plan ahead and work-life balance."

That is why I argued for a value agenda when I was in the MOD. We value our servicemen and women and their families; we value our reserves, cadets, their families and their employers; and we value our veterans, their widows and their families, and do everything in our power to demonstrate that we do value them.

Members of the armed forces draw heavily on the support that they get from their families and loved ones. The operational welfare package is so important because, among other things, it provides an additional 20 days' leave after a six-month tour. Families receive concessionary

travel and support through advice centres and internet access. It is an excellent way of demonstrating the value agenda, but such support initiatives for our servicemen and women must be continued when they leave the armed forces.

The Veterans Agency does tremendous work in providing a one-stop shop for advice and information, catering for veterans both young and old, and helping on issues as varied as advice on compensation and war pensions, housing, employment and commemorative events. The agency has a free phone number—0800 169 22 77—and a website. There is a growing need to expand its excellent services.

The Government have a good record of supporting the 5.5 million veterans we have in this country. We created the first ever Minister for Veterans. I pay tribute to my hon. Friend the Minister for Veterans for his work. I want his role to be enhanced. It is time to take the next step and create a Department for veterans, which would strengthen the role played by my hon. Friend and ensure even greater focus on the services provided to our veterans. It would develop, strengthen and co-ordinate links between Government Departments such as Health and Work and Pensions, and the voluntary organisations such as Combat Stress, the Royal British Legion, St Dunstan's and others.

A Department for veterans would provide a focal point in the public eye for veterans' issues. It would also send a positive message to the men and women who serve in the British armed forces that we will honour their commitment and their sacrifices—sacrifices that they are making in defending our country. Such a Department would make it clear that they and their families would have all the support that this country can provide for them for as long as they want it. A Department for Veterans would be able to take positive action on issues such as employment, homelessness, education, training, employment, financial benefit and research into matters such as post-traumatic stress and mental health.

On the train coming up from Wales last week—the train was delayed, so I had a long, long journey—I got into a conversation with a young man who had served in the Army for six years. He told me that he had been injured. Unfortunately, the level of support that he received was wholly unacceptable. From the information that he gave me, the Army had failed him. As we talked about his experience, my interests and so on, he asked me why there is no skills database that employers who are recruiting can use to access people who have left the armed forces and take advantage of the skills that they have. Our armed forces have highly transferable skills. Employers speak highly of former servicemen and women and of the excellent training provided by the armed forces.

Servicemen and women need to know that when they choose to leave the forces and take up a second career, we, as a country, will provide them with the necessary guidance, career advice and access to vacancies.

Dr. Fox: I want to take advantage of the right hon. Gentleman's experience. He discussed mental health problems, which, as has been mentioned in debate, may take some time to present themselves. Is not the point of departure from the armed forces a good moment to provide some advice on the possibility of mental health problems developing some way down the line and to make it clear what services are available?

Mr. Touhig: That is a good idea, and I believe that that is done to some degree. In my constituency work and as a Minister, I met people who had left the forces feeling strong, healthy, fit and ready to face anything that the world could throw at them, but one day something had hit them—family break-up, drink, drugs or God knows what—their lives changed dramatically and they did not know where to turn.

A year or so ago, I was sitting in my constituency office with a veteran who attempted suicide several times and who, but for the South Atlantic Medal Association, would not have known where to go. That is not acceptable today. An organisation such as the Veterans Agency should be as well known as the BBC, so that ex-servicemen and women know where to go for help. We must do more than we are.

In advocating the idea of a veterans department, I point out that the United States created one in 1989. In 2005, as a result of pressure from the veterans department in the United States, the United States Department of Labour distributed more than 300,000 wallet-sized cards to veterans and serving personnel. The cards include information about careers and health. That is a simple idea, but it has proved to be effective, so perhaps we should consider introducing a similar scheme here. Our most valuable asset is our people, and ex-servicemen and women—our veterans—can make a massive contribution to our economic well-being when they leave the services. We must encourage that and create opportunities for them.

Support for our veterans is about not only welfare issues, but recognising and remembering the sacrifices that they have made on our behalf. Campaign and service awards, the veterans badge and veterans day on 27 June, which is a big event next Wednesday, are all ways of demonstrating to our veterans that we appreciate and value what they have done in serving our country.

I have tabled early-day motion 356, which has attracted 179 signatures. It calls on the committee on honours and privileges to change its advice to Her Majesty the Queen on the wearing of the Pingat Jasa Malaysia medal, the PJM. I ask my right hon. Friend the Minister, of State, who has been hugely supportive, once again to press the committee on the matter. Her Majesty, as Queen of Australia and of New Zealand, on the advice of her Ministers, has agreed that Australian and New Zealand ex-servicemen can accept the PJM and wear it. The 35,000 British veterans of the Malaysia campaign deserve to be treated no less well than that. I think it wholly wrong that they cannot accept and wear the medal. They were told that they could receive the medal but that they were not permitted to wear it on public occasions. At best, that decision is unjust; at worst, it is a disgrace and a shame on Britain. I know that my right hon. Friend has taken an interest in the matter, and I ask him to press the committee once again to review its advice to Her Majesty.

This country has made great strides in recognising and supporting our veterans, but we can do much more. I hope that Ministers will find some merit in the points that I have made. I do not expect a full response today, but I look forward to a time when this Government, this

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Parliament and this country show even greater commitment to the men and women who have served in Britain's armed forces.

1.55 pm

Nick Harvey (North Devon) (LD): I welcome this afternoon's debate and the opportunity to pay tribute to the men and women of the armed forces for their courage, commitment and continuing efforts in operations around the world.

I echo the words of condolence that the Minister expressed at the beginning of the debate in respect of those who have lost their lives in Iraq and Afghanistan. I also want to express my concern about those who have returned after being physically injured or, indeed, psychologically wounded in those conflicts.

As other hon. Members have said, this is the 25th anniversary of the conflict in the Falklands. I pay tribute to the many service personnel who served in that conflict, to those who lost their lives and to the families who were here: then, as now, our armed forces rose to the challenges facing them and worked tirelessly and bravely in a hostile and challenging environment. Twenty-five years later, we are deployed in two conflicts, one in Iraq and one in Afghanistan, with more troops stationed around the world who are involved in both peacekeeping and humanitarian assistance.

While we are demanding so much from our troops, we must be sure to repay their work in kind, and we must not neglect the essential duty of care that is promised to them. Can we truly say we are fulfilling that promise in all circumstances? As we hear about critical overstretches, equipment shortages and shortfalls in welfare and health provisions, we need to take a hard look at what we can do better for the men and women of our armed forces and their families. We need a holistic approach, because piecemeal, bitty measures will not patch up the visible gaps and problems that we know need to be addressed.

Our current operations in Iraq and Afghanistan have taken an unquantifiable toll on our armed forces. Ministers are always loth to use the term "overstretch", but they have acknowledged that the harmony guidelines are being breached and that there are manning problems—equally, there are sometimes equipment problems. That is overstretch, and I cannot see any point in denying that the armed forces are overstretched, because it is apparent to anyone who examines the situation that that is the case.

Our work in Afghanistan is vital, and it will continue for a very long time—I hesitate to speculate how long it will take, but it is perfectly clear that we are in Afghanistan for the long haul.

On Sunday, General Sir Richard Dannatt called for an increase of 3,000 front-line soldiers to help the Army operate more effectively. That is a much-needed measure, and the Defence Secretary appeared to acknowledge that it is necessary to avoid the degradation of our armed forces. Unless we do something to address the manning and capability gap, our armed forces risk being physically and psychologically worn down, which will impact on their well-being and their ability to carry out missions successfully. Overstretch becomes more acute when troops feel little recompense for the added demands on them, which is why a comprehensive welfare, care and family package is needed.

For the past two years, notwithstanding what the Minister has said about recruitment, outflow from our armed forces has exceeded intake from civilian life in all three services. That has happened at a time when conflicts have become more critical and our armed forces are obviously overstretched. Between April 1990 and April 2007, the size of our regular forces has decreased by more than one third, but operational demands have increased. Although our operations were relatively small in the 1990s, we are now involved in two large conflicts. It is concerning that infantry battalions have been reduced, particularly when present operations are largely land-based. This has again served to exacerbate the overstretch of the infantry. The fact that more than 11,000 cases of soldiers going absent without leave have been reported since the start of the Iraq war, with 1,000 still unaccounted for, is testament to the difficulties experienced by our troops.

Mr. Ingram: I ask the hon. Gentleman to take account of what I said about the future infantry structure, future Army structure and the ending of the arms plot, the reality of which will be that there will be more available battalions, although there will be fewer in total. He just seems to gloss over that. We are making more available in that role without increasing the size of the Army. Will he address that point?

Nick Harvey: I am not glossing over it. The fact that the head of Army has said that he believes that he needs a further 3,000 troops seems to be a siren warning to which we should listen.

Mr. Ingram *indicated dissent.*

Nick Harvey: That was certainly what he appeared to me to be saying. I rather thought that the Secretary of State for Defence had more or less acknowledged that. I am astounded to hear the Minister demur from a sedentary position. I am disappointed; I thought that Members on both sides of the House agreed on that. Perhaps Ministers have not listened to the advice of General Dannatt.

We have to do more to retain our good men and women and to encourage more to enrol. Soldiers, especially those joining up as privates or lance-corporals, are still on comparatively low wages—notwithstanding the improvements to which the Minister referred—particularly when one looks at the demands being placed on them. When one measures the levels of pay per hour worked, one sees that many soldiers' salaries are below even the national minimum wage. Even when one adds the X-factor to compensate for the extra demands upon them, there seems to be little comfort.

The Defence White Paper of 1999 stated:

"People give us the critical edge that leads to success"

and went on to talk about the need to

"look after people properly and make sure that they are highly motivated."

We have to listen to the warnings that we are getting from our armed servicemen and ensure that we do more to meet that objective.

One of the most significant issues in human terms that we still face—this has been touched on at some length by others—is that of mental health. I welcome reports that the Government seem to be waking up to the fact that the psychological wounds of war are just as serious as the physical wounds, and are beginning to include more measures to provide mental health care. That is absolutely necessary, but we cannot just pay lip service to such a significant consequence of war. It is not easy to reconcile the many disturbing and difficult experiences of being in a conflict zone with the normality of everyday life back home. We have to work to make the transition easier.

The main obstacle for some personnel is admitting that things are not right and that they are unhappy, depressed or in distress; we must make this hurdle easier to cross. As the hon. Member for Woodspring (Dr. Fox) said, we have to tackle the problem at the core, which is the stigma throughout our society—this is not unique to the armed forces—that attaches to mental health problems. I do not think that the military ethos makes that any easier to deal with in the military context.

Already, personnel from Iraq and Afghanistan are being referred, with more than 1,000 service personnel receiving treatment from the Priory in the past three and a half years. I imagine that it will take some years yet until the full scale of these hidden wounds becomes apparent. I see from a written answer yesterday that, so far, 21 members of the armed forces have committed suicide after operating in Iraq between 2003 and 2006.

Reference has been made to the work of Combat Stress, and I endorse the words of others about the excellent work it does and has been doing for a very long time. The expertise that it has worked up in this field should not be underestimated, but Combat Stress is now facing a financial crisis. In future, the Ministry wants it to undertake its work on the basis of individual contracts and referrals. If Combat Stress is to be left with the task of developing bureaucratic systems to cope, it will end up needing a larger administration than the totality of what it has at present just to process the paperwork and the bureaucracy. It is vital that Combat Stress continues in the future as it has in the past to perform its role on the basis of one block contract. I urge the Government to engage with Combat Stress and to make sure that that is possible.

The hon. Member for Woodspring urged the Minister to take note of work going on in America on brain injuries. I urge the Minister to take more heed of work going on in America on Gulf war syndrome and, most specifically, toxicology work that appears to put some of the problems down to events at the very beginning of the Gulf war conflict, when some of the attacks on enemy weapons and armaments locations may have released into the atmosphere substances that may have in no small part contributed to the problems that followed. I hope that the MOD is in full contact with the American authorities on this and will take heed of that work.

As well as mental health, we have often highlighted in these debates the need to ensure that our troops are cared for in the general medical sense and that they receive the specialist attention they deserve. In theatre and in the immediate aftermath, some of the medical care available is of an enormously high standard, but Members on both sides understand that it is over the longer term and after the initial treatment has been given that things can be found lacking.

The Minister said that the service being offered to troops in Afghanistan should not be measured simply in terms of the time it is taking to get people to a hospital. I understand that, but, as the hon. Member for Westbury (Dr. Murrison) said, the critique offered last weekend came from someone very well placed to make it. I hope to see Ministers attending to the detail of some of the points that were made. Among those is the ongoing problem that we always reach in these debates: the lack of helicopter capacity. In the hostile terrain of Afghanistan, helicopters are indispensable and invaluable, both in conflict and medical situations. The Americans have dedicated medical helicopters and, although we cannot match the capabilities of the Americans, we need to consider how we can prioritise and improve the cover that we give to medical and military services. Helicopters remain a very high priority.

There are still persistent complaints about the standard, quality and availability of essential equipment. A report in *The Daily Telegraph* last week suggested that in Afghanistan, 50 per cent. of Apache helicopters are not working and only 70 per cent. of Chinooks are available, with no air assaults having taken place since the Paras left last year. There are indications, which the Minister denied in respect of the month of May, that flying hours are being used up before the end of the month and that we lack the spare parts needed for essential repairs to keep the helicopters flying. This is a big obstacle to the success of our mission in Afghanistan.

We have talked about the problem of British soldiers being killed in Iraq in "snatch" Land Rovers. I am disappointed by the vagueness of parliamentary answers to me and others about when more robust vehicles will reach the front line. I hope that we can have some reassurance on that. How can we expect our personnel to do their best and achieve success in difficult and enduring conflicts when we are not providing them with the necessary equipment to do the job?

Inevitably, housing has been referred to today. There is still far too much substandard housing. Whatever might be said about the deal with Annington Homes in 1996, the fact remains that that was 11 years ago. There has been plenty of opportunity to make some serious investment in the housing estate over the past 11 years, but not enough has been done. The Public Accounts Committee noted recently that many people are leaving the service on account of the "appalling" state of accommodation. Vice-Admiral Tim Laurence said:

> "The standard of accommodation has played a significant role in the recruitment and retention of personnel."

In addition to the problems of housing while they are in the services, there is also the problem, when people leave the service, of finding suitable and affordable accommodation in their local areas. I welcome what has been said today about addressing the local connection anomaly. That certainly should help, but it will gain only a certain number of points within the housing allocation system.

My hon. Friend the Member for Colchester (Bob Russell) is normally with us on these occasions, but I know that he is sorry that he cannot be here because his participation in the armed forces parliamentary scheme means that he is out on Salisbury plain today. Were he

[Nick Harvey]

here, he would undoubtedly wish to pipe up on the subject of education for service families, because in Colchester the Alderman Blaxill school, which has been serving military families and children coming out of the garrison for 50 years—and which the Defence Committee visited last year, and where, unusually, it held a formal sitting—is now, astonishingly, threatened with closure. I very much hope that the Ministry of Defence will make contact with colleagues at the Department for Education and Skills and with the local education authority. I am well aware that there are falling school rolls, not only in schools serving military families but across the board. I deplore the fact that many of these schools have had far too many pupils in them for far too long, and just as the opportunity presents itself to have schools of a smaller size and a more human scale, with a far more family atmosphere—which is particularly necessary where they are serving a lot of military children—they are threatened with closure. It would be a much better idea to allow the schools to continue with smaller numbers, rather than feeling obliged to close them and herd the children into larger schools.

Before leaving the subject of education, I urge Ministers to take seriously the best possible deployment of ICT—modern information and communications technology—to provide continuity in the education of children who are required to change school when their parents are posted. If they could take with them more educational records of achievement, and take coursework with them as part of a universal ICT programme, it would surely make their transition from one school to another all the more effective.

Ultimately, all these issues feed into the well-being of our forces, and that contributes to the success of our missions and the morale of the troops. The military covenant refers to morale. It says:

> "The effectiveness of the team depends on every individual, seen or unseen, playing their part to the full, and contributing to the cohesion of the whole. Success in such conditions depends above all on good morale which is the spirit that enables soldiers to triumph over adversity. High morale is the basis for the moral superiority and dominance required for success on operations and triumph in battle."

Those words should be ringing in all our ears, and should ring in the ears of the Ministry of Defence. Based on that definition, I think that a great deal more needs to be done to reinforce, improve and enhance morale. Our men and women are doing a difficult and challenging job, often in very difficult conditions, in these two major conflicts, and so far I do not think that we are doing enough to meet their basic needs, and to fulfil the duty of care that is owed to them.

2.14 pm

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): I should like to take the opportunity to commend our armed forces for the invaluable service that they have given our country. Britain has the best armed forces in the world and their courage and dedication are respected the world over.

The men and women of our armed forces have a tough job—perhaps the toughest job there is—and we as a nation depend on them in times of crisis both at home and abroad. That is recognised by the Labour Government, who since 1997 have invested and built up our armed forces. Unlike the previous Government, who slashed the defence budget by £0.5 billion a year during their last term of office, this Government have raised the defence budget by £1 billion a year to meet the needs of our troops and fulfil our international obligations.

Derek Conway: Given the observation that the hon. Gentleman has just made, would he tell the House how many major armed conflicts British troops were involved in when those changes took place? Not as many as under this Government, I would bet him.

Jim Sheridan: I do not have the answer to the question that the hon. Gentleman is posing, but I am happy to take advice and get back to him, perhaps in written form. But certainly the result of this Labour Government's consistent funding is that last year, the defence budget reached something in the region of £30 billion for the first time—20 per cent. more in real terms than the budget we inherited from the Conservatives in 1997. Over £1 billion more comes from the reserve for forces in Iraq and Afghanistan. There may be selective amnesia on the Opposition Benches, but I can well remember, as a shipyard worker on the Conservatives watch, that insecurity in the shipyards was the norm, and contrast that with today, where workers and management have extreme confidence in the future.

I am proud that the Government recognise the achievements of our armed forces, and equally proud that the Government understand that having good armed forces is not simply down to how much money we spend. That is why I am happy to support the Government as they move forward to deliver the changes to ensure that our armed forces are available to fulfil their duties and meet the challenges in an ever-changing world.

In today's environment the UK's armed forces can expect to be called upon to respond nationally and internationally to a broad spectrum of tensions, crises and conflicts. Our servicemen and women can therefore expect to deploy over great distances, often rapidly and unexpectedly, and for indeterminate periods, either in support of UK national interests or to strengthen international peace and security arrangements. Engaging in combat operations will remain the most demanding task that our service personnel will ever face.

People are the single most important aspect of our armed forces' operational capability. The Government recognised that as the key during the strategic defence review in 1998, which identified the need to recruit and retain personnel in every branch of the military. To that end, personnel issues were placed at the top of the reform agenda for the armed forces.

I am also pleased that the Government have focused their efforts on ensuring that the considerable demands placed on our service personnel are manageable, and that in their personal and family lives and in their terms and conditions of employment, they are fairly and appropriately supported. This the Government have achieved through the armed forces overarching personnel strategy, which provides a framework for all aspects of the service personnel policy agenda. The armed forces overarching personnel strategy utilises a whole-life approach,

from encouraging the young to join to supporting and remembering former service personnel.

That emphasis on improving personnel issues was expanded in the 1999 defence White Paper, which highlighted the fact that it was personnel who give our armed forces the critical edge that leads to success, whether in high-intensity conflict or peacekeeping operations.

It is no secret that recruitment and retention have been a big problem over the past 30 years, with figures dropping from 320,700 in 1980 to 190,420 this year—a fall of 130,280. Admittedly, the end of the cold war undoubtedly reduced the requirement for such large standing armed forces, but given the many strains placed on them by peacekeeping and operations in the war on terror, it is clear that the Army needs to be seen as a desirable career path. That is difficult in light of the socio-economic context, with employment at high levels in the public sector and the commercial world, offering other competing attractions for young people. Moreover, more and more young people are staying on in further education and training, again limiting the number of potential recruits.

The 1998 strategic defence review also highlighted the correlation between overstretch, whereby the armed forces were trying to do too much with too little manpower, and the higher than expected exit rates of service personnel, which led to more overstretching, creating a Catch-22 situation.

Despite those issues, the measures that the Government have introduced in an effort to encourage recruitment and retention in the Army, Navy and Air Force have helped and will continue to help in bolstering morale among serving soldiers, and act as an incentive to those considering careers in our armed forces.

The Government have also introduced the operational welfare package, which provides those deployed on operations with free internet access, free phone calls, newspapers, free mail, fitness equipment, free laundry, a rest and recuperation package, entertainment and an additional 20 days' leave after a six-month tour. Families receive a concessionary travel allowance for keeping in touch with relatives, and support through advice centres and internet access. The welfare package has been independently assessed twice by the Armed Forces Pay Review Body as being one of the best available when compared with those of armed forces around the world and our allies on operations.

Poor service accommodation has recently been picked up by the media and it has been highlighted as a factor in the high numbers of people leaving the armed forces. This is a problem with much of the accommodation dating back to the 1950s and 1960s, and I for one welcome the news that the Government are spending £1.3 billion on modern en-suite single bed spaces for service personnel as part of a £5 billion improvement project over the next 10 years. It must also be noted that during the past six years the percentage of service families' housing at the top standard has risen from 40 per cent. to 59 per cent. Nevertheless, I am aware that the Government attach the highest importance to improving living conditions further and this will hopefully turn the tide on the numbers leaving due to poor living conditions.

Given the nature of the work undertaken by the armed forces, it is necessary to ensure that the pay that soldiers receive is appropriate, and again the Government have successfully balanced this; the armed forces pay award this year was a good one. Basic pay for the lowest ranks will be increased by 9.3 per cent. and there is an increase of 3.3 per cent. across all ranks. In addition, the 3.6 per cent. increase in the tax-free operational allowance paid to British troops serving in Iraq and Afghanistan is a positive step in recruiting and retaining personnel.

The operational allowance is better than tax-free pay. It is fairer—the same benefit for everyone—tax-free, and for the lower paid, much better. The amount is pitched to ensure that the more junior personnel on operations are compensated for their tax bill while deployed. It is based on the tax paid on salary and allowances received on operations by a private with five years' service. The Armed Forces Pay Review Body has also awarded new financial retention incentives to address key operational pinchpoints.

The Government have also considered the family lives of service personnel and have established the Service Families Task Force, specifically to assist the families of service personnel and offer advice and assistance in cases where problems are being experienced with issues such as child care facilities, communication on matters relating to a spouse's deployment, education, health and housing. These measures, which ease the difficulties facing servicemen and women and their families and thus make it more likely that people will continue their service, are very welcome.

Indeed, some benefit can already be seen from these measures, with the numbers of personnel recruited in 2005-06 being 3 per cent. higher than in 2004-05 as the services achieved 96 per cent. of their target. In the six months between April and October 2006, 10,180 personnel joined the services, up from 8,810 in the same period in 2005.

I have welcomed all the initiatives undertaken by the Government in creating modern armed forces, which take into account and support service personnel. However, ordinary soldiers still lack a means of conveying their concerns to senior officers and Ministers except by way of their immediate superiors. In any environment, making a complaint or a comment to one's boss can be an intimidating prospect, and in an environment filled with rigorous discipline such as the armed forces this can be even worse.

My right hon. Friend the Minister will be aware that a so-far unofficial group calling itself the British Armed Forces Federation was formally constituted in December last year by former members of the services. The federation's objectives as stated in its constitution are to represent, promote and protect the professional, welfare, and other legitimate interests of all members of the federation in their capacity as serving or retired personnel of the armed forces. Furthermore, the British Armed Forces Federation also seeks to improve members' employment and working conditions and pension arrangements, and their treatment by the Ministry of Defence, and to promote the professional and personal development and economic and social well-being of members.

I must emphasise that the federation will not be a trade union for the armed forces. It will not conduct or condone any form of industrial action or insubordination within the armed forces. The federation will seek to work with the Ministry of Defence to put in place a

[Jim Sheridan]

form of understanding that could deal with such issues. It will also recognise the importance of the chain of command. If we look at its website, we see that it clearly reinforces the point that the chain of command is to be recognised, not overridden. The proposal might be seen as radical and dangerous by certain members of the armed forces, and possibly by some Opposition Members, but many other nations, including the United States and Australia, already have such federations, which have the support of the military command in those countries. The British forces federation will reflect the ethos and robust traditions of the three fighting services, but it will also meet the requirements of men and women who are serving in our armed forces.

Those aims in many ways tie in with the objectives set out by the Government for improving the welfare of service personnel and offer a unique channel of communication without the pressures that can be present with complaints and comments passed up the chain of command. My hon. Friend the Member for North Durham (Mr. Jones) introduced a Bill to this House earlier this month, which I am co-sponsoring, which calls for the British Armed Forces Federation to be recognised by the Ministry of Defence for that very reason. Recent controversies surrounding accommodation, treatment given in medical facilities to injured personnel returning from Iraq, and the scandal at Deepcut, highlight the increasing need for members of the armed forces to have an independent voice and to ensure that it is heard.

I am aware that the Armed Forces Act 2006 has introduced a complaints commissioner, who will be able to receive allegations and complaints from service personnel and third parties. The commissioner will have the power to refer allegations and complaints from service personnel and third parties—concerning bullying and other forms of unacceptable behaviour—to the chain of command. The chain of command will have a duty to ascertain whether the individual concerned wishes to make a complaint, and to ensure that he or she understands clearly how to go about it. The commissioner will also review the effectiveness, fairness and efficiency of the whole redress system and provide an annual report to the Secretary of State which will be considered by the House. That is welcome, but it does not cover the broader views of the armed forces as a whole in the same manner as an armed forces federation. I ask the Secretary of State and the Government to consider supporting the Bill when it returns to the House in October for its Second Reading.

I would like to address one other issue: wounded soldiers and veterans. As is only right and proper, the medical care for the armed forces on operational missions is widely recognised as being of a very high standard. Military medical teams have the equipment and resources that they need, including large stocks of blood, plasma and oxygen. Military commanders are required to ensure that casualty evacuation and treatment facilities are in place before they approve an operation. The Government have made it a clear priority to ensure that service personnel who are seriously injured receive a very high standard of care, including returning them to the UK for specialist treatment. Selly Oak hospital in Birmingham, which is the primary reception hospital for casualties evacuated back to the UK, is at the leading edge of medical care for the most common types of injuries. The Chief of the General Staff, General Sir Richard Dannatt, said in a BBC interview on 13 March 2007:

> "There is nowhere better in the country, nowhere more expert at polytrauma medicine, than that hospital in Selly Oak. That's why our people are there."

The Government recognise and appreciate the importance of our service personnel continuing to feel part of the military family, and have continued to increase the numbers of military nurses and welfare support at Selly Oak. The Ministry of Defence has worked with the hospital authorities to change the layout of the ward to produce a separate area for some military patients whose condition allows them to be nursed together, utilising the two bays and isolation rooms at the far end of the orthopaedic trauma ward. A rolling survey this year of military in-patients undergoing treatment at Selly Oak shows almost total agreement among respondents that their treatment overall was good, very good, or excellent.

Decisions on closing military hospitals were made in the mid-1990s by the previous Government, and there is insufficient demand, even when our military forces are in action, to warrant an independent military hospital. Serious casualties from Iraq and Afghanistan need and receive advanced levels of care across a wide range of medical disciplines that can be found only in a major trauma hospital. Our numbers of casualties would not sustain a separate military hospital with the modern specialist equipment and skills of medical staff needed to provide the treatment that they justly deserve. For many years, the Royal hospital Haslar has had nothing like the range of medical facilities and expertise that a major trust hospital such as Selly Oak has.

On the issue of veterans, as the Member of Parliament for Paisley and Renfrewshire, North, I cannot make a speech without mentioning the work of Erskine, which, since 1916, has provided nursing and medical care for former members of our armed forces. The work undertaken by Erskine throughout Scotland is remarkable and highlights a continuing need to support former service personnel. Since its inception, Erskine has cared for soldiers from both world wars as well as more recent conflicts, and is already looking after young men and women who have come to Erskine from current conflicts in Iraq and Afghanistan. Our veterans' needs are constantly changing, and the new home that Erskine is building in Glasgow, along with the additional beds planned for the Edinburgh home, will provide them with much-needed facilities. Erskine has established four dedicated care homes in Scotland and a fifth is due to open in Glasgow in the autumn. It also operates a bursary scheme in areas without an Erskine care home. In partnership homes in Aberdeen, Inverness, Perth, Dundee and Dumfries, the highest possible standards of care are provided.

We can therefore see that Erskine's experience and skill in helping sick and injured former service personnel is providing an invaluable service. However, the need for Erskine as a charity also indicates a lack of such provision. I wonder whether the Minister will agree that, given the "whole-life" ethos brought forward by the armed forces overarching personnel strategy, his Department could work more closely with charities such as Erskine to ensure that the care for those who have served our country so well is provided locally across the UK.

To conclude, the reforms brought forward by the Government—to make life in the armed services a desirable option and to treat service personnel as people—are important in ensuring that the British armed forces remain the best in the world. Our armed forces can only benefit from that, and will continue to lead the way in peacekeeping and in securing the defence of the UK.

2.35 pm

Derek Conway (Old Bexley and Sidcup) (Con): It is a genuine pleasure to follow the hon. Member for Paisley and Renfrewshire, North (Jim Sheridan), who made a sincere and brave speech. I am sure that his Front-Bench colleagues will be grateful for his support. He will understand if some of us are not quite as enthusiastic about the record of this Government, but at least he made a brave attempt to defend them.

Such debates typically have a formula. The Minister makes a fairly optimistic speech, or is as optimistic as he can be, and the Opposition present their list of moans. However, although criticisms have been directed at the Government, none of them is personally directed at the Minister of State, who has had to leave his place, or his colleague the Under-Secretary, who now defends the Dispatch Box. Our criticisms are of the Government overall; we realise that lurking in other Departments are people with clunking fists who have as much influence over MOD policy as any Minister who has the privilege to serve in that Department. It would be unfortunate if the Minister, who got a little prickly in dealing with some of our interventions, thought that they were attacks on him personally, because he is highly regarded as having done a good job. Although he may be re-roled in the next seven days—we will have to wait and see—he can look back on his tenure in office with some pride.

Today's debate has been slightly different. We often sit in the Chamber endlessly during long opening Front-Bench speeches, but the speech by my hon. Friend the Member for Woodspring (Dr. Fox), who is not currently in his place, was a powerful analysis of what is going on in our armed forces. It was one of the most powerful opening speeches that I have heard in this House; his critique of the Government was very telling. He fulfilled his brief extraordinarily well, given that it is about holding the Government to account—not necessarily forever explaining what he would do should he become Secretary of State for Defence, but making that Department's Ministers account for their stewardship, while they have it, of our armed forces.

In the borough of Bexley, we are very proud to have the headquarters of the 71st Yeomanry Signal Regiment, which is a Territorial Army unit. My hon. Friend the Member for Bexleyheath and Crayford (Mr. Evennett)—who shares with the hon. Member for Erith and Thamesmead (John Austin) the representation of the borough of Bexley—and I recently visited that unit to see what training and morale was like. It is always impressive for Members of this House when they have an opportunity to visit regular or Territorial regiments and see the level of commitment and dedication that the men and women who serve there bring to their task. Although that unit is a Territorial unit, their training standards are exceptionally high and their level of commitment is second to none. We in Bexley are proud of our local regiment and think that it does a very good job. Like many Territorial Army units, many of its members also see active service.

Many members of the armed forces, regular and Territorial, wonder whether society as a whole values what they are doing. As our society moves away from large-scale wars, which are increasingly a matter of history, and from institutions like national service, it becomes difficult for the civilian population, and indeed parliamentarians, to understand what servicemen do, how they live their lives, how they train, and, from time to time, their perverse sense of humour.

The hon. Member for Paisley and Renfrewshire, North mentioned Tory defence cuts. Now that I am becoming such a greybeard in this place, I can say that I was fairly involved when Tom King, as he then was, announced in this Chamber the defence cuts that were supposed to be part of the dividend from the fall of the Soviet empire. As politicians, we have to understand that all Prime Ministers, whether Tory, Liberal Democrat or Labour, are the same—they get very grand. It is all very well for them to float around on the international stage making agreements and committing the country to do this, that and the other, but it is the troops on the ground who bear the brunt. So although Britain remains a member of the Security Council, has the fifth largest economy in the world and perceives itself as having a major part to play in many international conflicts, it behoves hon. Members, especially senior Members and those in the Government, to have a little humility when they sign up to great exercises and bear in mind the serious consequences of their actions.

Although my party when in government undoubtedly had an impact on restructuring the armed forces—we cannot deny that—one has to put restructuring in the context of the demands that are being made on our armed forces. There is much talk about overstretch, but there is also a genuine feeling that we are asking far too much of far too few people. Politicians must either curb their pomposity in wanting to get involved in conflicts around the globe or be duty-bound to ensure that the people whom they commit to certain injury and possible death have as much support as possible.

Although recruitment could always be better, it is—perhaps perversely—fairly strong. Several hon. Members who take a particular interest in reserve forces visited a unit called 4 Para, which has a strong recruitment policy. It trains in many areas—it is all macho stuff, but it comprises an impressive bunch of Territorial Army soldiers. It is interesting to note that 88 per cent.—a high proportion—of that battalion have been on active service in Afghanistan, Bosnia or Iraq.

About 300 years ago, at a time when I could fit into a uniform, I was in the Territorial Army and a major with a NATO infantry battalion. At least then, when we were training for the Russian hordes to come charging across the German plains, most of us knew that it was unlikely to happen, so any injuries were normally sustained on training exercises. As a TA major, it made me slightly nervous to see the coffins that we had to take on the exercises. We thought that we had signed up for weekends, not to come back in a box. The training that one receives and the commitment that one gives when one is not expected to stand opposite someone who is actively trying to kill are different.

That is not the challenge that faces our TA soldiers today, however. They are deployed in challenging theatres

[Derek Conway]

of action. Some of our colleagues have, to their credit, experienced recent active service. I therefore hope that the Under-Secretary takes on board the reason for our dismay about his colleagues' announcements on cuts in TA funding. There is undoubtedly a link between training for the TA in the uniformed civilian capacity and that for those who will be required to go on active service. There is no point in having a TA unit such as 4 Para, with 88 per cent. of its servicemen deployed in active theatre, training on kit that will not have to be used on active service, where more modern equipment will probably be available. The Under-Secretary must therefore ensure that TA soldiers train with the equipment that they will have to use when they are in a life-threatening situation That is why the training budget is important.

Most TA recruits go through a version of a regular training course, which has modernised to take account of young people today. They are sometimes not quite as fit as their grandfathers would have been at a similar age; they have different expectations, and they are not brought up in a culture of deference, yet they are shoehorned into a regimental system that can be a bit of a shock. Most, if not all, adjust to it quickly. Most people are impressed by the training that is available.

Most people will think, "Do we care? Does it really matter?" about today's announcement of the cuts in competitions. However, the competition cups are an important focus for both TA and regular Army units, especially the infantry. Being up against regular Army teams is an important part of reserve Army and TA training. One of the greater pleasures of being a Territorial soldier was when the TA teams beat the regular teams, because there is inevitably some rivalry. It is therefore a pity that competitions can be written off as if that had no genuine impact on training. The Minister responsible for the armed forces will find that that is not the case. Although the Ministry will have offered the cut because the Treasury is making it find savings, I doubt whether many infantry personnel involved in the process believe that it is a good idea.

Is the skill base of our armed forces today any use? Is it better or worse than that of previous generations? Many old sailors—and no doubt old soldiers—would have watched what happened to the hostages in Iran, perhaps with a little despair. Personally, I do not think that the young people involved had very much choice in how they behaved, but eyebrows were probably raised when one of them went off from an active unit with an iPod plugged in. I am sure that not many soldiers would patrol the streets of Iraq and Afghanistan with their iPods plugged in. But that is the sort of generational change that people have to come to terms with.

Are the current generation as good as previous generations? I certainly find when I visit units that they are a very good crowd indeed. I believe that the young men and women who have decided to join the armed forces are a very impressive bunch. One could hardly say that they are joining for great riches. The Minister made great play of the changes to armed forces pay levels—that is to be welcomed; all credit to the Ministry for bullying something out of the Treasury—but as the hon. Member for North Devon (Nick Harvey) said in a wide-ranging speech, the pay is still far too low. It is quite pathetic that privates and lance-corporals on active service could be earning more money stacking shelves in Tesco, where the greatest threat to their lives is likely to be a can of beans dropping on their foot. That is really quite a scandal. The Minister may well be right that armed forces pay has improved, but, by God, it has a long way to go. Frankly, we do not pay these people nearly enough for the risks that they have to face.

We have already talked extensively about housing conditions, so I do not want to labour the point. However, I do believe that we have a duty to ensure that the kit deployed, particularly to those in active theatre, is the very best possible.

When Ministers say that everything is pretty good, and when the Prime Minister always says that our troops can have anything they want, it is easy to be rather confused when on an almost fortnightly or monthly basis we also read reports of senior officers and those serving with practical experience saying that their impression in the field is not quite the same as the impression given by Ministers to this House. There is clearly a bit of a mismatch between what Ministers think is happening in the field and what our soldiers are actually experiencing.

Are the risks to our armed forces greater than they once were? At the moment, they are most certainly greater than they were during the cold war. Are the rewards better? In fairness to the Government, it would not be right to say that it is all doom and gloom, but there have been additions and changes that do not make it any easier to be a soldier—particularly a soldier—today. During one Prime Minister's Question Time, I criticised the Prime Minister in respect of the intervention of the Attorney-General. I suggested that it was pretty hard for a young 18 to 19-year-old soldier to be looking ahead for a sniper on the streets of Basra, while having to look behind his back to the Attorney-General. That may well have been a rather facetious example to put to the Prime Minister, but I hope that the point was made and taken. It is quite difficult, particularly for very young people on active service, to cope with legal pressures, which were never placed to the same extent on previous generations.

An important part of our duty of care relates to medical provision, which I thought my hon. Friend the Member for Woodspring was right to concentrate on. It is all very well for Ministers to say that it is all about the press niggling. The reports we read this weekend from Colonel Parker about what is going on should give pause for thought about how casevac—casualty evacuation—is actually operating. Undoubtedly, the mental health pressures, particularly on those who are not returning to regimental bases—for example, those in the Territorial Army—should be taken more seriously.

The subject of helicopters may already have been flogged to death, but it has to be said again that they are a very important part of modern warfare. There is a widespread and genuine feeling among the armed forces that they are being let down in that regard.

One area that we hardly ever mention in the House is particularly important to how the infantry operates—the work of the regimental associations. My own regiment, the Light Infantry, is now called the Rifles. Names come and go and everybody accepts that that is part of life. However, for most of those who serve now and who have served in the past, the most important thread of consistency comes from the work of the regimental associations. They often have a very small staff indeed,

but a great deal of voluntary work goes on, too, to ensure that there is a continuing sense of belonging to the regiment.

It is also worth putting on record the thanks of the House to the benevolent charities for the armed forces. They do an amazing job in raising funds and getting help to people very quickly. I hope that the Minister will not take this as a criticism of his Department, because it is not meant unkindly, but there is a belief that the armed forces charities react much more quickly to immediate need than the Department does. I am sure that there are obvious reasons for that, including the pressures and regulations that Government Departments face in relation to the way in which they operate. It seems sad, none the less, that a regimental charity can react almost instantly to the demands of someone in need while the Department seems to grind on at a much slower pace even though a bit of speed is desperately needed.

As we hold the Minister and his Friends to account this afternoon, we must ask whether the Government have failed. I do not think that it would be fair to say that they have, but the Minister must understand that the demands that he and his party have placed on our armed forces have been exceptionally high. The duty of care that is placed on him and his colleagues must therefore be even higher.

2.51 pm

Mr. Mark Lancaster (North-East Milton Keynes) (Con): It is a pleasure to be able to contribute to the debate today. I should start by reminding the House of my interest, in that I am a serving officer in the Territorial Army.

It is especially a pleasure to follow my hon. Friend the Member for Old Bexley and Sidcup (Derek Conway). Between us, we represent how the TA has changed. He spoke of serving in the TA some years ago and going on exercise on the north German plain, hoping to defend the United Kingdom against the Russian hordes. Of course, that is not the TA of today.

Before I speak further about the Territorial Army, I would like to thank the Minister. I want to acknowledge that the welfare package for servicemen on operational service has improved in recent months, and certainly since the time I served in Kosovo in 1999, when I used to have to queue for 20 minutes for my weekly two-minute phone call to my wife. The situation is much better now. I want to ask him a question that he will not be able to answer now. Will he confirm that a problem that existed in Afghanistan last year has been addressed? Under the Paradigm phone system, the soldiers who were out in remote units and having to use the mobile Paradigm system were being charged three times the amount that those using the landline system were paying to top up their units. Those people were being discriminated against, and I would be grateful if the Minister wrote to me to confirm that that practice has now ceased.

Since I first joined the Army on 11 November 1988—yes, I was a very young man at the time—I have seen rapid changes taking place. It is clear that the Territorial Army has never been under as much strain as it is at the moment. Its numbers are at an all-time low, at just over 32,000. That does not include the officer training corps, but the OTC cannot be deployed. Among the 32,000, there is also a significant number who cannot be deployed on operations, either because they have already been so deployed, have come back and are within the time bar, or because they are going through recruit training. In those circumstances, they are not fit for role and cannot be deployed. Perhaps it says much that, in recent years, I was deployed as a Territorial Army soldier to Kosovo in 1999, to Bosnia in 2002 and to Afghanistan last summer, as the Minister knows. I fear that he might want to deploy me again after he has heard some of my comments this afternoon, but that is a different matter.

Only last year, General John McColl said that the equivalent of 21 infantry battalions had been deployed by the Territorial Army in the past three years. That is why I want to say a few words about today's official announcement that there will be a £5 million cut in the Territorial Army budget over the next two years. I said in my intervention on the Minister of State that that would probably be the equivalent of a £50 million cut for the regular Army, and I was not exaggerating. All too often in the House, we tend to talk in generalities, but I intend to go into specific detail to explain exactly why I said that.

Fortunately—unfortunately, perhaps, for the Minister—I have a copy of the paper that has been prepared by General John McColl on the exact arrangements being proposed to implement a £2.5 million cut this year and a cut of the same amount next year. I want to take this opportunity to describe to the House the impact that the proposed cuts will have. The first relates to capability.

The Territorial Army future army structure was designed to rebalance the TA. It was a recognition of the overstretch that the Minister of State described in his opening speech. Some units—Royal Engineers, Army Air Corps and Medical Corps—were suffering such overstretch that their harmony guidelines were not being met, and they were having to go on repeat tour after repeat tour after repeat tour. The FAS was designed to give uplift to some units so that they could better support units in the regular Army that were being directly affected by the overstretch, and other units that were not affected could be downsized.

The Minister of State recognised that in March 2006, when he said in a statement to the House:

> "The organisational changes of TA rebalancing will include strengthening the Royal Engineer element of the TA".

Can the Under-Secretary of State explain why, as a direct result of the cuts announced today, 124 Squadron 71 Engineer Regiment and 139 Squadron 73 Engineer Regiment will now not be established until 1 April 2009, two years after they were originally to be established? Indeed, there is no guarantee that they will be established then. That will rely entirely on the reinstatement in future years of the funding that has been cut for the next two years.

We have talked at length about the pressure on helicopters in theatre—lack of helicopters and lack of crews. The Minister of State recognised that problem as well when he said, in the same statement in March last year,

> "The following new TA units will be formed: an Army Air Corps regiment to support the Apache attack helicopter regiments in the Regular Army".

If it is so important to create those units, why is it that, as a result of today's announcement, 2 Squadron 6 Regiment Army Air Corps will not be formed until 1 April 2009 either?

[Mr. Mark Lancaster]

That, alas, is not the end of it. We shall also have to wait for the formation of 280 Squadron 162 Regiment The Royal Logistics Corps; 155 Transport Regiment The Royal Logistics Corps will not expand any further; and crucially, the squadron to support our medics who are under such pressure in Afghanistan and Iraq will not be established until 1 April 2009.

It is not only capability that will be hit so badly in the TA. Personnel will be affected as well. In his statement last year, the Minister of State acknowledged that the Territorial Army was not the same as the regular Army. TA soldiers like me train perhaps one evening a week and over the occasional weekend. We all have busy jobs. Although they are not necessarily Members of Parliament, by definition most TA soldiers are busy professionals—successful, can-do people with busy day jobs. We are entirely reliant on a very small number of permanent staff in TA units who act as the backbone or skeleton to keep the organisation on the road. But as a result of recent mobilisations many TA soldiers have gone off to Afghanistan and Iraq, and enormous pressure has been put on those permanent staff.

We have had major problems with both pay and mobilisation. In his statement, the Minister of State said:

"we will strengthen the support we give TA units, with about 240 permanent staff recruited to provide administration, welfare, training and employer support."—[*Official Report*, 23 March 2006; Vol. 444, c. 427.]

The document, however, is very revealing. Not only is further recruitment of non-regular permanent staff to be stopped entirely, but of the 244 who were originally promised, only 31 have been recruited to date. That figure will not increase, despite what the Minister of State said in his statement about what a genuine requirement this was. I should be grateful if the Under-Secretary of State explained why that is.

My hon. Friend the Member for Old Bexley and Sidcup mentioned competitions. It might be thought that they would be easy to cut because they are not particularly important, but so much of the spirit and ethos of the TA is about doing things not only for the right reasons—my colleagues and I want to serve our country and do the right thing—but because they are great fun. I assure the Minister that if he removed the fun element from the TA, we would very soon see a reduction in the numbers turning up on drill nights and at weekends.

The proposed cuts in competitions are severe. The Cambrian patrol is a traditional competition that takes place in Wales every year. It is designed not for officers or senior non-commissioned officers, but for the smallest blocks—sections. It offers a lance-corporal or corporal on the first rung of the command ladder their first opportunity to take their small unit away to do genuine training. That is being cut next year, and I understand that it is being cut for the foreseeable future; no TA unit will be able to participate. The Nijmegen march in Holland has been running for about 94 years. It provides an opportunity for junior TA commanders and their colleagues to do something fun; they go overseas and do a 100 km march. That is also being cut for the foreseeable future.

One of the key skills that we must give our TA soldiers is basic skill at arms, especially if they are going to be sent on operational service in Afghanistan or Iraq. However, as a direct result of the £5 million of cuts, all divisional skill-at-arms meetings have been cut and will not be reinstigated for the foreseeable future.

Employer support of the TA is often taken for granted. I would not have been able to take part in my first two mobilisations, to Kosovo and Bosnia, without the support of my employer. I recognise that it might be easy to sell to employers the idea that if they send their TA soldier employee away for six months he will return a far better employee; he might be employed as a storeman in the TA, but he will come back capable of being a stores manager, such is the benefit of his experience. The Reserve Forces Act 1996 rightly protects TA soldiers and reservists by ensuring that they get their job back, but it does not guarantee them a promotion when they return. That must be looked into.

Because so many TA soldiers have been deployed time and again, employer support is beginning to be lost. We had one measure in place to repay employers: exercise executive stretch. It was run regionally, and every year there was an opportunity for employers who had supported the TA to send their non-TA employees to take part in a team-building exercise over a weekend. The employees would participate in a series of military activities, such as assault courses and command tasks. It was an ideal way to thank employers and to offer them a service by putting their non-TA employees through a team-building exercise. It was greatly valued by employers across the country. Yet as a direct result of the proposed £5 million of cuts, it will not happen next year.

The biggest impact of the cuts will be on recruiting. I understand that the recruiting element of the cuts will be about £2.5 million. The directive has been handed down that all recruiting for units that are not directly supplying soldiers on mobilised service in Afghanistan and Iraq is to stop next year. That is incredibly short-sighted. I speak as a former squadron commander who had 120 soldiers in my unit. The average length of service for a TA soldier is only 3 years. Therefore once every three years, a third of the unit will leave. To turn off the tap and not recruit in one year might create a saving in that year, but it will have an incredibly dramatic impact in years two, three and four.

TA units simply will not recover. A TA unit by its nature can only do one thing at a time. It may have 124 soldiers, but some of them—probably at least 20 at present—will be away on operations, and at least 30 will be recruits who can do nothing other than their recruit training. That leaves a possible total of about 60 who could turn up on any given Tuesday; and of those 60, perhaps only 20 will come in. It might therefore be possible to achieve only one project on a Tuesday or a weekend.

When I was a squadron commander, I was fortunate in inheriting a squadron that was 90 per cent. recruited because it had done a lot of recruitment activities in the two previous years to increase its numbers. The mistake I made was that as soon as I inherited that squadron I focused on genuine training—the Minister will appreciate that bomb disposal experts need a lot of training—and we did not focus on recruiting for six months. The

impact was felt the next year and the year after, when my numbers went down by 20 per cent. That was a tough lesson to learn.

The decision to turn off the tap for recruiting for all non-TA units not directly delivering to Afghanistan or Iraq is, therefore, possibly the most damaging measure in the proposals. I urge the Minister of State to look again—

Mr. Ingram: I am grateful to the hon. Gentleman for giving way and I am sorry that I was not in my place for the opening portion of his remarks. I have listened to the latter portion and he makes a strong case. As ever, I will take stock of the points he has made and set them against the advice that we have received from others in the chain of command. I can give him the commitment that I will give due consideration to the weight of his arguments.

Mr. Lancaster: I am grateful to the Minister, who has a reputation for being very fair-minded. He has demonstrated that once again this afternoon, and I have great respect for him.

I have one concern with which the Minister might be able to help me. I asked a series of parliamentary questions this week, and one of the answers revealed that not a single representation had been made to the Minister—he is nodding in agreement—and that concerns me. So the Commander, Regional Forces, the ultimate head of the TA, made no representations about the proposed £5 million cuts? Did the assistant Chief of the Defence Staff, the senior two-star TA officer, make no representations about those cuts? Did the Deputy Inspector General TA, a TA brigadier, make no representations about those cuts? If that is the case, I find it very sad. It is a sad state of affairs when lowly Major Lancaster has to stand up in Parliament to argue the case for the Territorial Army. I urge the Minister to look again at the announcements that are being made today, because the long-term impact on the TA will be very severe.

3.7 pm

Mr. Bernard Jenkin (North Essex) (Con): It gives me great pleasure to follow my hon. Friend the Member for North-East Milton Keynes (Mr. Lancaster), who has made an important and impressive contribution to the debate. I am delighted that the Minister responded in the way that he did. I shall come to the question of budgets, as my hon. Friend's speech was a microcosm of the great debate about budgets and the way in which that is affecting personnel policies in the Army.

I start, as everybody else has started, by taking this opportunity to pay tribute to our armed forces, their professionalism and dedication, and especially to those serving on operations. I also extend my sympathies to those who have suffered injury or been bereaved, and I honour our fallen.

I wish to explain to the House the reason for the absence of so many members of the Defence Committee. Once again, somehow, one of the key armed forces debates has coincided with a long-planned visit by the Committee. Today, the majority of my colleagues on that Committee are visiting the military unit at the Selly Oak hospital. I would not dream of suggesting to the House that there is any intention on the part of the Government to hold these debates while the Committee is on a planned a visit, but it does seem to happen remarkably often. We cancelled a trip to NATO for a debate earlier this year in order perhaps to wrong-foot the Government. I suggest that the House authorities could take a little care when planning these debates and liaise with the Defence Committee. We know quite far ahead when we will be abroad or on a visit. We have a heavy programme of work, and it would assist us and the House if greater co-ordination could be achieved. I appreciate that that is not a point directly for the Minister, but I hope that my remarks will be noted in other quarters.

This debate is about armed forces personnel. I was most impressed by what I heard about Combat Stress from my hon. Friend the Member for Woodspring (Dr. Fox), the right hon. Member for Islwyn (Mr. Touhig) and the hon. Member for North Devon (Nick Harvey). I should like to join them in expressing concern about the future of a charity that undertakes very important work. Just last week, the Defence Committee took evidence from representatives of Combat Stress and of other service charities including the Royal British Legion, the Soldiers, Sailors, Airmen and Families Association, and the Army Families Federation. They all welcomed the fact that the Government had appointed a Minister for Veterans, but they expressed some disappointment that that had raised expectations that have yet to be delivered.

I make no criticism of the Minister for Veterans, but I agree with the right hon. Member for Islwyn, who is no longer in his place, that the MOD should have a department for veterans that can deliver something. In contrast, a Minister with that responsibility is just a conduit for information. It would help recruitment and retention if we could help people who have served in the armed forces to feel that they remain in that wider family. I do not think that that happens at present.

I want to concentrate on three main issues: overstretch, training and morale. As the hon. Member for North Devon remarked, no one can deny that our armed forces are overstretched. Indeed, when pressed, the Chief of the Defence Staff admitted to the Defence Committee a short while ago that the armed forces were stretched to the point where the elastic could stretch no further. Perhaps the elastic has to break before the MOD's definition of overstretch is reached, but he was pretty blunt and forthright in saying that the situation could not be allowed to continue for more than 12 months.

If that is so, my sense is that the Government are gambling on being able to contain the overstretch by drawing down some of our present commitments. However, unless the new Prime Minister introduces a dramatic change of policy, I do not foresee that there is much prospect that we will be able to reduce our commitments. If we do so in Iraq, I fear that we will use the slack to increase our commitments in Afghanistan. Indeed, I understand that a further battalion has been deployed to Afghanistan, with not so much as a whisper of an announcement to this House. If that move is planned, or if the battalion has been deployed, I should be grateful for a response at the end of the debate.

Overstretch, of course, impinges on armed forces personnel. Earlier today, and at very short notice, I obtained what I believe to be the MOD's latest monthly manning statement. Why cannot this report be placed

[Mr. Bernard Jenkin]

in the House of Commons Library automatically and as a matter of policy? I have asked that question before. In a written answer of 24 June 2002, the Minister of State told me that "UK Armed Forces Trained Strengths and Requirements", which is a tri-service publication, was placed in the Library on a regular basis. The raw figures in the monthly manning statement are more useful, yet this morning I was told that I had to table a written question before the Ministry of Defence would put the information in the Library. When I asked the Library to point out to the MOD that there was to be a debate on armed forces personnel today so it might be quite useful to have the information beforehand, the MOD generously relented, but there is a degree of formality about the process that we could dispense with if the Minister ensured that when the statement is published a copy is placed in the Library. I am sure that would assist the librarians.

I shall refer only to the Army figures, but the same patterns are reflected for all three forces. The monthly manning statement shows that the whole trained Army strength stands at 99,030, which is 2.7 per cent. below the target of 101,800. When the strategic defence review was published, it was supported by the Adjutant-General, who gave evidence to the Defence Committee that the target trained Army strength was to be 108,500. That figure was never achieved, and armed forces personnel are taking the strain of manpower shortages—in undermanned units, undermanned battalions, shorter tour intervals and curtailed or cancelled training exercises.

My hon. Friend the Member for North-East Milton Keynes discussed the cuts in the Territorial Army. It is ironic that the situation is exactly the same as in the regular Army. My hon. Friend the Member for Woodspring pointed out that although it has been implied that the SDR was duly funded, that was not the case. We know from the biography of the former Chief of the Defence Staff, now Lord Guthrie, that he never received the money that he felt had been implicitly promised at the time of the SDR. He even went to see the Chancellor about the matter—the language was florid, we understand.

As the Government make more commitments for equipment programmes, operations and support for operations, manpower suffers, so unfortunately I am not surprised to learn that the TA has suffered yet another cut with no complaint from any of the service chiefs. They all have budgets to protect. If one of them were to complain about the TA cut to which my hon. Friend the Member for North-East Milton Keynes referred, the first question would be, "What other cuts will you offer?"

Our defence policy is determined not by what is required to support military operations but by the limitations on resources. That is why the manning statement shows that the soldier strength of the Territorial Army stands at 30,550, which represents a shortage of 6,300 men and women—a shortfall of 15 per cent. It obscures the fact that the SDR target strength for the TA was between 41,000 and 45,000, which is considerably more than the current target.

As my hon. Friend the Member for Woodspring pointed out, we are spending less on our defence than our commitments demand. The budget is determined by spending limits, not by the military requirement. In particular, whatever increase in budget has been delivered, it does not reflect what is widely regarded to be the inflation rate for defence costs. The Select Committee received evidence that the defence costs inflation rate is somewhat in excess of 8 per cent. per annum. Therefore, given less-than-inflation increases in the defence budget year after year, alongside a heavy equipment programme that looks as though it cannot be funded and which escalates in cost as the years go by, the only way to fit our defence activities into the budget envelope is by cutting personnel. The headcount is such a high proportion of the cost in the armed forces; that is why the target size of the Army, the Royal Air Force and the Royal Navy is reduced year on year.

The graphs presented in Ministry of Defence briefings to Members of Parliament show sliding, declining numbers of personnel employed in the armed forces year on year. They show those numbers declining below the actual target. I do not think that we shall ever see fully trained, fully manned armed forces under this Government, even according to the target figures that they now give us. This is a serious situation. It is quite obvious that all three services are extensively deployed on operations and all three are suffering the kind of overstretch that we have been talking about. That is as much true of the Army as any of the other services.

Mr. Eric Joyce (Falkirk) (Lab): May I help the hon. Gentleman by pointing out one detail? He mentioned the manning requirement and targets. As I recall, during the '90s, when his party was still in power, it was fairly normal to have a manning requirement of, let us call it, 99 or 100 per cent. and a manning target that was a lot lower—about 90 per cent. That meant that the targets were quite readily hit, but those targets were a great deal lower. They were simply based on what it was thought could be practically achieved. Does he recognise that the manning requirement and the manning target are now something like 96 and 97 per cent.? They are very close, or, at least, they are an accurate reflection of the situation—unlike in the early '90s.

Mr. Jenkin: The manning requirement has been reduced to reflect what the Government can afford. Quite early on in my defence career, when the Government were something like 6,000 or 7,000 men short in the Army, I said at a meeting in the Ministry of Defence, "If you could recruit 6,000 or 7,000 extra men, where would you get the money from?" In our 2001 election manifesto, we said that recruitment should be carried out to allow the Army to reach its fully trained requirement. The Government immediately said that that was a £1.6 billion defence commitment—until we pointed out that it was their own target and they were publicly pledged to achieve it. That £1.6 billion never existed.

The tragedy that we face now—perhaps tragedy is too strong a word; I shall use the word "challenge" instead. The challenge that we face now is that the situation is different. In the '90s, a larger gap might have passed without comment. In 1990, one would have been hard-pressed to find one in 10 armed servicemen who had ever fired a shot in anger. We are now living in a different world and one would be hard put to find any armed serviceman or woman who has been in the armed forces for any length of time who has not served on operations. I put it to the Minister that the Government are not fulfilling their obligations to the people upon whom we depend for so much.

That is reflected in the tour intervals. I attended Colchester military festival in Colchester, which my constituency circumnavigates, a few days ago. It was an impressive display.

Mr. Ingram: I am grateful to the hon. Gentleman for giving way. I am intrigued by his earlier argument. He seemed to be saying that we should have a much bigger Army, and much bigger armed forces overall. I set out in my contribution the difficulties that we face in trying to recruit to current levels. Can he tell me what magic formula he has that would allow us to grow, assuming that such growth was necessary, by the thousands that he thinks are required? He is arguing for a figure bigger than we are able to attain.

Mr. Jenkin: I put it to the Chief of the Defence Staff in the Select Committee that as a "back of a fag packet" figure, if it were to meet the harmony guidelines set out in the strategic defence review and the requirements for tour intervals and so on, the Army would be about 130,000 to 135,000 strong. I am sufficiently realistic to recognise that that will not be the case. However, I suggest to the Minister of State that where there is a will, there is a way. If there were resources, it could be done. As in every other branch of military activity, there is probably not enough money in recruitment.

I know that strenuous efforts have been made. I have had meetings in the past with the director of Army recruitment, who has taken me to task about how difficult it is to attract and recruit people in today's labour market. Where unit-led recruitment is properly incentivised, and where a commanding officer of a battalion makes it his job to ensure that his battalion is fully recruited, it can be done. There is not the will to recruit those numbers, because if they were recruited, the money would have to be found from other budget headings, and that would be a painful process.

I was speaking about tour intervals. It is surprising— *[Interruption.]* I hear the Minister of State muttering in frustration at my comments. We have incredibly talented and able people, who could run the fire service and who sorted out the foot and mouth crisis. They are extremely capable. Is the right hon. Gentleman seriously asking the House to believe that it is beyond the wit of any general in the British Army to work out how we could recruit to strength, if the money were available? I am sorry—I do not believe it.

Mr. Ingram: That is not what I asked the hon. Gentleman about. I asked him to say what his magic formula would be to get the figures that he had in mind. The notional figure—not the defined figure in the SDR—was 108,500, which was reduced to 105,000. The present figure is 101,800. That is an Army strength that we find it hard to achieve, no matter what resources we throw at the market. It is not just a matter of good will or determination. There must be something else that the hon. Gentleman is holding back from us. If he can give me that formula, I will make sure that it is applied.

Mr. Jenkin: I understand the question from the Minister of State. I reiterate that with resources and willpower, the necessary numbers could be recruited.

Mr. Mark Harper (Forest of Dean) (Con): One factor that will not make things any easier is the cutting of excellent products such as the defence schools presentation team and replacing them with an internet-based tool. I know that it is not a recruitment vehicle, but it goes into our schools to tell our young people exactly what the Ministry of Defence and our armed forces do, and it has excellent resources and excellent feedback from those schools. It is madness and very short-sighted to cut that, and it is such lack of thinking that leads to the problem.

Mr. Jenkin: I welcome that comment. I draw attention also to what my hon. Friend the Member for Newark (Patrick Mercer) has regularly pointed out. If a commanding officer sets targets for all his officers to recruit and to achieve recruiting targets, it can be done. His former battalion, the Sherwood Foresters, was very well recruited as a result of that philosophy.

Let me move on to training. When I visited the Colchester military festival, I found 16 Air Assault Brigade already starting its training for its second tour in Helmand, where I believe it will be deployed some time in the spring of 2008. That brought home to me how the commitments that our armed forces face today produce a relentless treadmill of operations for our front-line infantry battalions.

The Defence Committee recently visited Helmand province, where we were immensely impressed by Brigadier Lorimer's 12 Mechanised Brigade. It is doing a marvellous job, although it has its work cut out and is insufficiently supported by some of our NATO allies. Overall, there are not enough troops in theatre. NATO's combined joint statement of requirement for Afghanistan has not been fulfilled by all the NATO nations that signed up to the principle, and once again British armed forces personnel are taking the strain. Incidentally, it is striking to see a man wearing naval uniform in the middle of the desert, but it underlines the tri-service nature of operations and how the three armed forces have integrated so well.

As 16 Air Assault Brigade is commencing its training to return to Afghanistan, I asked someone, "What equipment are you training with?" The mobility and firepower of a vehicle known as WMIK, which is an open Land Rover with a .50 calibre machine gun strapped to its top, are vital to operations in Afghanistan. Almost all the vehicles are deployed in Afghanistan, so the entire brigade has one WMIK vehicle for training purposes in the UK, and will not be able to do any training until it returns to Afghanistan.

The fact that the Government appear to have been reduced to buying and providing equipment for the front line only, because they cannot afford enough equipment for the front line and for training, is affecting morale and the effectiveness of our armed forces personnel. As every soldier knows, however, sweat saves blood, and sweat on the right equipment will also save blood. If we are sending our troops to Afghanistan without their having had sufficient training on the equipment that they will use in theatre, we are putting lives at risk. I cannot put it any more clearly, but that is what the Government are now doing. I fear that there is complacency about the professionalism of our armed forces. We always ask our people to take up the slack or make up the shortfalls through their ingenuity and professionalism, but there are limits. I hope that the Minister will give me

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an undertaking that brigades preparing for deployment in Afghanistan or Iraq will be able to train on the equipment that they will use.

Finally, I want to address two points on morale. First, I want to discuss the aftermath of the HMS Cornwall incident. I am privileged to be a member of the Defence Committee, which was briefed on General Fulton's report earlier this week. I encourage the House to understand that the report is hard-hitting and comprehensive, although it leaves some questions unanswered. That is why my right hon. Friend the Member for North-East Hampshire (Mr. Arbuthnot), the Defence Committee Chairman, has made it clear that the Committee will examine the report further, and I hope that we can make some concrete recommendations to the Government as a result.

I wonder whether the Minister will confirm one thing that did not come out in Monday's statement. The Secretary of State told the House that

> "The central lesson is that we must improve our ability to identify and assess the risks that this complex environment generates, and to train and posture our forces accordingly."—[*Official Report*, 19 June 2007; Vol. 461, c. 1256.]

That underlines the comprehensive nature of the failure that resulted in the capture of those sailors and Royal Marines.

I understand the reluctance to find a single scapegoat for that failure; indeed, we should not scapegoat any particular service in this episode. Will the Minister confirm that HMS Cornwall was ultimately under the command of the commander of joint operations at PJHQ? It was part of a tri-service operation, the complexity of which—particularly multinational tri-service operations—perhaps led to the lack of flow of information, to which the Secretary of State referred in his statement, which contributed to an obvious mis-assessment of the threat at the time of the capture. If that is the case, will the Minister set out whether the report has considered the chain of command right to the top, which is absolutely vital for the credibility of the report?

Finally, on morale, what contributes to poor morale are judgments made by the courts that add considerably to the complexity of military operations because of the number of lawyers who have to be deployed alongside the soldiers, sailors and airmen. Having studied the judgment in the case of Baha Mousa, which the House of Lords decided last week, I am reassured that the international applicability of the Human Rights Act to British public bodies working overseas is very limited and does not extend to military operations. It extends only to detainees—who can blame the family for bringing the case?—contained in a British-controlled environment, even in another sovereign state.

There was a dissenting opinion among the six Law Lords. Lord Bingham made it clear that he did not think that the Act extended to international jurisdiction. Article 1 of the convention, which extends the jurisdiction, was not carried into UK law. The other Law Lords understood that that was Parliament's intention, even though Parliament expressly left out article 1 from the Human Rights Act.

I am probably not explaining this particularly well, but the point is that the soldiers, sailors and airmen whom we deploy on operations now have to operate in what can only be described as a very fluid legal environment.

Mr. Ingram *indicated dissent.*

Mr. Jenkin: The Minister shakes his head. Why did the Government contest the case? Why did the Government's QC go into the court and contest the international applicability of the Human Rights Act? That was what was set down in the Act of Parliament. The Act does not apply British law internationally; that is read, by implication, directly from the convention. This puts our armed servicemen and women in an increasingly invidious position.

I sat on the Delegated Legislation Committee that last week dealt with the orders arising from the Armed Forces Discipline Acts. Our armed servicemen have to operate in a much more complicated legal environment. There has to be a limit, because I gather from the Joint Services Command and Staff College at Shrivenham that we now have an 11th principle of warfare, which servicemen have to learn—legitimacy. Effectively, we are asking our armed servicemen to question the orders they are given, in case they are being given an illegal order. The two soldiers who refused to be deployed to Iraq in 2003 were never court-martialled, because the Government did not want to test the legality of their refusal to deploy. I believe this is undermining the chain of command on which our armed servicemen depend.

Far preferable would be a system of armed forces discipline that rested on comprehensive Acts of Parliament that were not internationally justiciable, either under the convention on human rights or by the International Criminal Court. If we in the House can satisfy ourselves that our armed servicemen are acting legitimately and according to law, what business is it of a judge from another nationality who knows nothing about the national interests at stake in a military operation? I think that is why the United States refuses to sign up to the International Criminal Court. It is why the French Government opted their military out of the convention on human rights. I think that is the position that we should have for our own armed servicemen, so that when they face a military tribunal and are exonerated, they do not face the double jeopardy that was suffered by Trooper Williams, who was exonerated by his commanding officer but subsequently prosecuted by another court, only to be exonerated again, or by the Parachute Regiment men who came back from Iraq and were acquitted in a court of law after they had already been acquitted by their commanding officers. I think we owe our armed servicemen a clear framework of discipline and procedure, which these international arrangements do not give them.

3.41 pm

Mr. Roger Williams (Brecon and Radnorshire) (LD): I am very pleased to be able to take part in this debate and pay my tribute to our servicemen and women, who carry out very difficult tasks on our behalf and often suffer severe injuries. Like the hon. Member for Old Bexley and Sidcup (Derek Conway), when I meet service personnel I am always impressed by their quality and their commitment. They are rightly held in very high regard by this nation.

I represent the town of Brecon, which houses 160 Brigade Wales, headquarters of the Army in Wales, and

I must say that the relationships between the local communities and the military have never been better. I should like to compliment successive brigadiers who have commanded 160 Brigade Wales, and their officers, for the work they have done to achieve that. The Army makes very heavy use of the countryside in mid-Wales, but the population understand that the Army needs to have well-trained troops ready to pursue the national needs and interests. The Minister must have heard this before, but the more Welsh land the Army eats, the better disposed are the farmers and landowners in mid-Wales to the use that the Army makes of the facilities.

Derring Lines, which is based in Brecon, is where senior NCOs and junior officers are trained in their leadership duties as company and platoon commanders. We welcome the fact that Sandhurst officer cadets now spend the last six weeks of their training in Derring Lines, being tested on the Sennybridge ranges—and they certainly are tested on the Sennybridge ranges. I remember talking to a Gurkha in Brunei, and when he heard that I had come from Sennybridge he said, "The Arctic was cold but it was dry, the jungle was wet but it was warm, but Sennybridge was cold and wet and you needed a high degree of personal organisation to survive there." We have a Gurkha company based in Brecon, the Mandalay company, which acts as a demonstration company for training purposes. It is very well respected in the military and civilian communities based in Brecon, and its members have had improved terms and conditions, including extending accompanied service, so that their wives and families are with them longer. Their wives are well respected in their workplaces in Brecon and their children are made welcome in the schools.

With almost every infantry soldier being either stationed or trained in Brecon at some time, I meet a lot of the infantry, and they complain about the quality of the kit issued to them. A number of hon. Members, including my hon. Friend the Member for North Devon (Nick Harvey), have drawn attention to concerns about high-technology issues—for example, those relating to helicopters—but often soldiers complain about basics such as assault vests and other types of kit. Whenever I see them, it seems that they are trying to buy kit to replace what has been issued or to modify or enhance the kit that they have. They do that with their own money, which saps their confidence and enthusiasm for their job.

I talked this through with a number of soldiers the other day. I will not go into every example they gave me, but I thought it might be interesting to set out a few of their concerns, because it is unacceptable that they have to spend their own money modifying kit that should be issued in a usable form.

The pouches on the right shoulder of assault vests are properly positioned for firing from a standing position, but from a prone position it is impossible to get the butt of the weapon into the shoulder because the pouch is too high. The solution is to move the pouch down, making the vest fit for purpose, but it is bizarre that soldiers have to pay for that, rather than be issued with the kit in that form.

Soldiers also complain that the ammunition pouches are too small to carry the A2 magazines for the SA80, but are perfect for the magazines for the SA81. The solution is to place the pouches further down the vest with a larger flap, once again at a cost to individual soldiers.

Soldiers are even complaining about their trousers, which are sourced from China and have to be reinforced around the knees and crotches because on deployment they wear out. What could be worse than having kit that is not fit for purpose on deployment?

A lightly built soldier was issued with Osprey body armour for a 104 cm chest size. It was too big for him and the Velcro fastening was only partly engaged, so when he ran it came undone. One can understand how dangerous that was. The solution was to modify it to make it fit.

I was told that the molly strips put on body armour to hold pouches and carry other equipment are too thin—19 mm rather than the 25 mm that other armies use—so equipment falls off. I was also told that soldiers would wear neck armour when they were in vehicles, but not outside them, because the pop studs that hold that neck armour on are shiny and can be easily seen. A toned-down colour would have solved that problem.

Mr. Joyce: I have been listening carefully and my imagination was caught by the hon. Gentleman's reference to reinforced crotches. His points might be perfectly valid, but is he aware that the armed forces already have procedures in train whereby quartermasters and commanding officers ask such questions and the information is fed back into the design process?

Mr. Williams: I thank the hon. Gentleman for that point, because I was about to refer to it. I asked the soldiers whether they were feeding back their points so that standard bits of equipment could be better designed. Their response was that they do feed back, but changes are rarely made. Will the Minister say whether there are any other systems or facilities to ensure that kit is better designed in future, so that individual soldiers, especially junior ones, who are not well paid, do not have to spend their own money on replacing, modifying or enhancing it?

It is great to come into contact with serving soldiers in my constituency, which has a strong tradition in regiments such as the 24th Foot and the South Wales Borderers. Recently, we have gone through tough times, with the amalgamation of the Royal Welch Fusiliers and the Royal Regiment of Wales to form the Royal Welsh. It is too tough that young soldiers either to have to buy replacements for their equipment or enhance it and make it fit for purpose. What processes are in place to ensure that design can be enhanced?

Mr. Ingram: Our armed forces have never been so well equipped in terms of personal equipment. Anyone who visits any theatre of operation remarks on that. The hon. Gentleman has given a litany of issues that, he said, need to be addressed. The likelihood is that they are all being addressed. The problem is that there is usually a lead time between examination of what is wrong and delivery of a correction. We must get it right; the worst thing is to get something that does not function. Note will be taken of the issues he has mentioned. If a corrective measure is not in place, there might be a good reason for it; if not, we will attend to it.

Mr. Williams: I thank the Minister for that response. Many hon. Members have spoken of their admiration for his approach to the job, and I accept his commitment. From the point of view of morale, and being able to use the more complicated equipment, it will help if the basic equipment is fit for purpose.

3.53 pm

Willie Rennie (Dunfermline and West Fife) (LD): I welcome the opportunity to take part in this debate. I express my condolences to the families and friends of those who have lost their lives in the service of our country, and to those who have been injured. I shall return to that later, when I focus on the issue of mental health services and health services for the armed forces in general.

It is a pity that the Minister of State has just left the Chamber, because I was about to compliment him on his dedication to the job. Although we often disagree, I do have respect for him, despite the fact that he can start a fight in an empty room. I agree with him that it is unfortunate that the Scottish National party Members are absent again today. Their leader, the right hon. Member for Banff and Buchan (Mr. Salmond), who claims to want Scotland to be an independent nation, is not sufficiently interested in the armed forces to be present in the Chamber today.

While we are on the issue of Scotland, I was disappointed that the Educational Institute of Scotland teachers conference criticised the Ministry of Defence's efforts to recruit from our schools and to educate young people about the value of the armed forces. We should encourage as many people as possible to join the armed forces, because it is an honourable and significant profession.

I wish to focus primarily on overstretch, which has been mentioned several times this afternoon. I am pleased that the Minister has admitted that there are problems to do with what he would describe as "stretch", some would describe as "very stretched", and others would describe as "overstretch." It might be pedantic to make such distinctions, but at least the Minister has accepted that there is an issue. To me, this is about what we do about the problem now that we have recognised that there is one. How far does it have to go before we say, "Enough is enough" and take some remedial action to solve it? The chiefs of staff say that they can cope with current commitments with the current numbers, but how long will it be before we cannot cope, and how will we know when that has happened?

The National Audit Office says that our armed forces are about 5,000, or 2.8 per cent., below strength. That has been the case for the past five years as they have been operating above protected deployment levels. During that period, some 14.5 per cent. of soldiers have been sent on missions more frequently than recommended by harmony guidelines. Medical services have been hit worst, with reservists filling 66 per cent. of vacant accident and emergency department and intensive therapy nursing posts. The Defence Committee has said that personnel shortages are creating a "clear danger" and that the military will be unable to maintain its commitments in the near future. With major deployments in Iraq, Afghanistan and the Balkans, and forces working in a total of 28 different countries, the Committee found that services were operating

"in insufficient numbers and without the equipment they need".

We have heard much about General Sir Richard Dannatt, but it is worth considering that in saying that relations between the armed forces and the Government could be undermined if current levels of commitment were maintained, he said that he was

"reflecting a view widely held in the armed services".

Apparently he has spoken out again recently, calling for an extra 3,000 front-line soldiers. General Dannatt fears that the Army risks being so worn down by the conflicts in Iraq and Afghanistan that it cannot operate properly. He called for extra troops during an impromptu speech at the end of a conference in Whitehall a couple of weeks ago.

Adrian Weale from the British Armed Forces Federation has pointed out that defence funding was based on assumptions made in the late 1990s. He said:

"We were never expected to be having to mount these two"—

by which he means Iraq and Afghanistan—

"what are called medium-scale enduring operations at the same time. And that's put a lot of pressure on the armed forces."

Our very own Defence Secretary admitted recently that the scale of operations meant that

"we could be in danger of degrading our armed forces".

There is no "could" about it. There is no doubt that we are degrading our armed forces, and that is having an effect on their sustainability and on the morale of our troops. All the indicators that I mentioned earlier are clear evidence that our armed forces are being degraded.

It will come as no surprise to Members that Liberal Democrats believe that the Iraq war has contributed significantly to the retention problems in the armed forces. I again pay tribute to those who have lost their lives in Iraq in the service of their country. By invading Iraq, we created a moral obligation to support the country, and our armed forces have an important role in achieving that, but we must recognise that the commitment cannot be open-ended and that the current strategy is not succeeding. That is why earlier this year the Liberal Democrats said that it is time for us to go. We reached the conclusion that our troops should get out, and soon. Unfortunately, the Government have not listened to that advice, but we hope that they will listen sooner or later.

What are the consequences of this overstretch? According to an MOD survey, a rising number of soldiers are no longer given full recommended rest periods between operations. Only 30 per cent. of ordinary soldiers who responded to the survey were satisfied with the notice given for extra duties. Almost three out of five rated their work load as high or very high, and only 31 per cent. felt valued, with nearly one in four saying that their morale was low.

The same survey found that one in five soldiers want to quit at the earliest opportunity, with many blaming overstretch. More than half often think about quitting and more than a third blamed operational commitment and overstretch. That is why figures from the Defence Analytical Services Agency show that approximately 14,500 left the Army in 2006. Many left before their period of engagement was up. The retention crisis has led to some of our most skilled and experienced soldiers quitting the armed forces. I acknowledge that recruitment

levels are okay and tend to meet the targets that have been set. However, the structure is like a big leaking tank—no matter how much one puts in the top, it simply pours out at the bottom.

Overstretch effectively breeds overstretch. The more our forces are asked to do, the more they want to leave early. The more personnel leave early, the greater the overstretch, and so on. We must break that vicious circle if we are to maintain the high standards and worldwide reputation of our armed forces.

I want to outline more examples that show that our forces are being degraded. Ministers will have read reports that show that the Army is so short-staffed that military bandsmen have been put on standby to replace infantry battalions guarding Cyprus. Fifty musicians from the Welsh Guards will be the first band scheduled to go to Cyprus, followed by the Grenadier Guards and the Rifles. The first deployment is expected in January next year. One musician said:

"The worst thing about this is that we are essentially professional musicians who have not seen a rifle since our basic training".

Members of the armed forces have raised concerns with me about being in the storeroom one moment and finding themselves on the front line in Iraq the next. They were led to believe that they would not undertake front-line duties, only to find themselves thrust forward to conduct patrols and raids, even though they did not have appropriate training to fulfil such dangerous roles. I have asked the armed forces Minister to explain that in a previous debate and through parliamentary questions. So far, despite persistence, I have not received a satisfactory answer. Perhaps the Under-Secretary can enlighten us in his summing up.

It is unacceptable that, with an ethnic minority population of just under 10 per cent. in the United Kingdom, the current figure for the recruitment of ethnic minority military personnel in the three services is just below 5 per cent. That is half the proportion of the ethnic minority population in the UK. All the services missed the target for UK ethnic minority intake in 2005-06, but the RAF and the Royal Navy did especially badly, despite the fact that the Ministry of Defence said that it would take action in the past year. I acknowledge that the Army is managing to achieve its recruitment targets for black and ethnic minority recruits, but the Navy and Air Force are well short.

Other countries, such as the USA and Canada, which adopt proactive recruitment policies, invariably have a higher proportion of ethnic minority recruits. In the US army, three times the proportion of recruits are from ethnic minority groups compared with the US population as a whole. Recruitment from our own ethnic minorities could be even worse, with recruitment from overseas masking the genuine problems in the UK. Figures that my hon. Friend the Member for Colchester (Bob Russell) obtained reveal that one in 10 soldiers in the British Army are from abroad. Citizens from 57 countries are recruited to compensate for falling numbers of young Britons signing up. It is a welcome step that our Army is appealing to countries and citizens in other parts of the world, but that also sends a message that we are failing to connect with our ethnic minority communities in the UK.

To revert to my original point about ethnic minority recruitment, I am extremely concerned about the position, especially in the Navy and the RAF, but also in the Army because its apparent success may be due purely to overseas recruitment. Action is obviously required, which is why I was particularly pleased to see and take part in an exhibition earlier this week. It was called "We Were There", it was run by the Ministry of Defence and it took place upstairs in the House.

The exhibition highlighted the little-known contribution of the ethnic minorities to our armed forces over the last 250 years. Let us take the example of Indra Lal Roy, who was attacked by German Fokker aircraft in the first world war. His plane was shot down in flames during the engagement, and he was posthumously awarded the distinguished flying cross. Another example is Regimental Sergeant-Major Khamis Juma, who was twice wounded during his service between 1905 and 1945. He received nine different medals.

The UK has a great tradition of recruitment from ethnic minority communities, which should be recognised by all. Those brave men whom I have highlighted and many more should be used as role models—I am sure that the Ministry of Defence would want to do exactly that—to promote the ethnic minorities and encourage them to join the armed forces.

I want to mention briefly a constituency issue that I have had to deal with. A primary school teacher recently approached me. She is a naval reservist down at Rosyth and she was concerned about being prevented from taking part in what she considered to be essential training. We investigated the issue and looked back into the guidelines that stretch all the way back to 1945. I recognise that the issue of primary school teachers in education is a devolved matter, but I would welcome the Minister's intervention.

My constituent has not been able to participate in this essential training. Under the guidelines, teachers are somewhat bizarrely allowed time off during the school term for a variety of different purposes—including to attend the river purification board, which no longer exists in Scotland. We really need to look further into those guidelines. My constituent views this training as essential, but the education department did not want to release her from her duties. I have been trying to press upon that education department the real value of taking part in such training, whether it be for the Territorial Army or the Royal Naval Reserve. Excellent training is provided and the education department should recognise it. As I said, I would welcome the Minister's intervention in this matter.

Let me deal now with mental health. Last week, along with the Defence Committee, I visited Combat Stress, which has been mentioned several times in the debate. We also had the opportunity during that visit to meet ex-servicemen who were receiving care from Combat Stress. Many of them were there for post-traumatic stress disorder. Combat Stress provides a service that is well appreciated for what it is—a first-class service provided in a military-friendly environment, which is almost unique in the UK. Combat Stress has three centres, but it only touches the surface of the problem. It has high waiting times and there is a long waiting list, even for those who know about the service, but I believe that awareness among ex-servicemen is very low. That problem of awareness has to be addressed, especially among primary care health professionals, who are often unaware that this specialist service is available.

[Willie Rennie]

We are now seeing earlier presentations of these problems. Between 2001 and 2007, the average age of Combat Stress patients has fallen from 64 to 44—a drop of 20 years in just six years. In that same time frame, the percentage of women has increased from 1 per cent. to 4 per cent. From the Falklands war, there have been 400 cases over 25 years, but from Iraq there have already been 140 cases in three years. There is a great need for an expansion in the service. I am aware that the Government are taking great steps to try to deal with the problem, but I hope that they will take even greater and more urgent steps. With increased coverage of post-traumatic stress disorder in recent months, we are likely to see a huge increase in demand, as I mentioned earlier. We need quick and significant action to deal with the problem.

Awareness of Combat Stress needs to be improved among nurses, doctors and other health professionals, especially those working in primary care. Two ex-servicemen from my constituency approached me last year about their frustration at the lack of support they received for what turned out to be PTSD. They said that their GP had provided little advice or support, and that it was only after they found out about Combat Stress that things began to happen. Awareness of Combat Stress among primary care health practitioners really must improve.

Entitled ex-servicemen pay for their treatment through their war pension, which covers 100 per cent. of the cost of six weeks' treatment. About 60 per cent. of Combat Stress funds are generated in this way, leaving 40 per cent. to be raised through charitable fundraising. If an ex-serviceman cannot access his war pension, or requires more than six weeks' treatment, the costs are covered by Combat Stress.

Ex-servicemen resent having to rely on charity for something that they believe should be paid for by the Government. They already feel as though they have been dumped, ignored and neglected by the armed forces, and they now feel extremely bitter that they have to rely on charity. I urge the Government to consider new ways of funding Combat Stress, other than through the war pension, which is not a satisfactory method of funding.

Finally, I want to make a plea. I can see some benefit in channelling money for mental health services for ex-servicemen through the NHS, as it might provide the connection that they need between the general NHS, Combat Stress and the MOD. I am worried, however, that if we rely solely on the NHS to fund Combat Stress, it might not be given the same priority. Local NHS departments face huge pressures and conflicting demands, and I do not believe as they would give Combat Stress the same priority as the MOD does. I am extremely concerned that going down a new funding route for Combat Stress might have the effect of de-prioritising the organisation, and I would encourage the Minister to consider that point.

4.11 pm

Mr. Tobias Ellwood (Bournemouth, East) (Con): It is a pleasure to participate in this important debate, and an honour to follow the hon. Member for Dunfermline and West Fife (Willie Rennie), who made a powerful speech about the importance of dealing with combat stress and the pressures being placed on bands. I served in Cyprus, and I appreciate the importance of the strategic role that it plays. I am saddened that we are now having to man the forts there with regimental bands, important though the service that they provide is.

It is also sad that we have had only two Back-Bench speeches from Labour Members, compared with about six from the Opposition. I hope that that is a reflection more of the fact that changes will soon be taking place on the Government Benches than of the importance that Labour Members place on military matters.

I am pleased to be able to participate in the debate, not least because my own regiment—the 4th Battalion the Rifles—is now based in Basra, in Iraq. On behalf of the House, I should like to wish Colonel Sanders and the battalion a safe tour of duty and a safe return to the United Kingdom.

The Minister of State began by saying, rather defensively, that Britain could cope with its commitment. That sums up the difference between the Conservative and Labour approaches to the armed forces. We feel that there is an element of overstretch in our armed forces, that they are over-committed and that we are asking too much of a force whose size is ever diminishing. The Government continue to state that we have the right sized Army, Navy and Air Force for today, and that we are managing our commitments well. I would like to illustrate why we are struggling to cope by brutally examining how the size, the funding and the commitments have changed over the past 10 years.

The Navy has shrunk by about 9,000 personnel. The frigate and destroyer fleet has been reduced from 35 to 25, and the number of our submarines has been reduced from 12 to eight. Another six ships are about to be mothballed, and a cloud is hanging over one of our major naval bases. Indeed, reference has been made to our naval force being smaller than that of Belgium. I do not understand the Government's wanting to close naval bases. Circumstances and threats change; what would happen if there were a requirement to increase our naval power? Where would we put the ships that were required, if we had got rid of a naval base such as Portsmouth? It would be difficult to rebuild such an important strategic location.

There is also a question mark over the aircraft carriers. We have been given no indication of when we will see the two replacements. We have heard many announcements about how great the T45 is. It is indeed an amazing ship, but the fact is that there are fewer T45s than T22s, or the T42s that they are intended to replace. As was pointed out by my hon. Friend the Member for Woodspring (Dr. Fox), one ship can only be in one place at any one time.

We have seen a reduction in Army personnel since 1997. There were 101,300 then; now there are only 99,400. It would be possible to fit every member of the British Army into Wembley stadium, should anyone wish to do so. That is a sad reflection of the size of our armed forces in view of the weight at which we continue to punch and the respect that we continue to command across the world. We are now down to 36 battalions, we have seen regiments disappear and the time between tours of operational duties has been reduced, giving soldiers less of that critical time to be spent with their

families before being redeployed. We now have a smaller Army than Italy, Germany or France, although, as we all know—we do far more than any one of them, or, indeed, all three put together.

I am afraid that the position in the RAF is no different. We have seen the closure of a number of bases, including those at Lyneham and Coltishall, and a reduction in fast jet training hours. There are now huge capability gaps: our ability to deal with circumstances and threats is being reduced because we no longer have the aeroplanes in the skies. The Sea Harriers used to be based on our aircraft carriers. They are quite distinctive, because their radar capacity allows the sea fleet to see further over the horizon than the new T45, or indeed the carriers themselves. Taking the Sea Harriers out of service puts our surface ships under threat as never before. The Jaguars are also being removed from service. We do not have the Typhoons, and the F-35—the joint strike fighter aircraft—has not even been built yet, although it is supposed to be replacing the Sea Harriers. We are struggling with other aircraft too, including Nimrods. That capability gap is becoming bigger and bigger, yet we see no evidence of any attempt to expedite the replacement process.

As if that were not bad enough, manning has been reduced by around 9,000. I saw the impact of that when I visited the Falkland Islands recently on HMS Chatham, another ship that is, sadly, destined to be mothballed. I spoke to various RAF and naval personnel, and it was clear that they were being asked to do more. The frequency of their operations was greater than ever before. They used to be posted back to the United Kingdom to perform various light duties that allowed them to spend time with their families, perhaps looking after a naval base or helping to run an air base. Those duties have now been outsourced, and as a result many more demands are placed on all soldiers, sailors and airmen in operational environments.

I intervened on the Minister of State earlier to make a point about recruitment and retention. It is clear that more personnel are leaving the armed forces than joining them. There is a haemorrhaging of strength, to the tune of about 1,500 a year. That is unsustainable, particularly given the number of commitments in which we are involved. The Minister has been forced to reduce the target size of the three main armed forces, which allows him to announce that we are meeting percentage targets of around 97, 96 and 95 per cent. for the respective forces. Moving the goalposts so that he can tell the House that the targets are being met is a rather unsubtle and disruptive way of trying to prove that he is meeting requirements.

In reality, we are losing experienced personnel. The people who are leaving the armed forces are the corporals and the sergeants, those with valuable experience, and we need to do more to try and retain them. I acknowledge the importance of initiatives that have been mentioned today, some of them connected with remuneration, but I still believe that we could do much more. I think that Members on both sides of the House agree that the present circumstances are different from those of 10, 15 and 50 years ago. The armed forces face stiffer competition in recruitment and retention because of the jobs that are now available in the private sector. Money is also an issue.

Our armed forces are both smaller and busier. The Prime Minister said aboard HMS Albion on 17 January that the defence budget has remained fairly constant if the funds that have been put forward for Iraq and Afghanistan are included. That amounts to a shocking admission that we are having to pay for those huge operations out of existing defence budgets. That is wrong; it did not happen in the Falklands, and it should not happen in Afghanistan and Iraq. The consequence is that in order to pay for these two large operational commitments other budgets are continuously salami-sliced.

I hope that the new Prime Minister will take account of the many voices expressing continued concern about various aspects of our armed forces. General Sir Mike Jackson, in his Dimbleby lecture, attacked the pay and conditions and the medical support for our troops. General Rose has also commented that our armed forces are inadequately equipped, particularly in Afghanistan and Iraq. The most damning indictment has come from Admiral Sir Alan West, former head of the Navy. He has condemned what is happening to our armed forces and he said:

"I suppose we should retire to our island and hope no one gets to us".

General Dannatt has also subtly raised significant concerns about the size of our armed forces. He said that we were only just able to cope in Iraq. I think that he was then sat on by various Ministers and others in the armed forces to make sure that he was not too vocal in expressing his views. However, he did let the cat out of the bag by saying that there were concerns and explaining the impact of our commitments in Iraq on all the other activities that we are undertaking.

This debate is timely, as all the European Union Foreign Ministers are meeting at the European summit. As if our armed forces did not have enough to do under their current UK and NATO commitments, there is also a push to introduce ever more responsibilities under the EU umbrella. I would be grateful if the Minister explained what the situation is in relation to the constitution and committing our military personnel to what I term double-hatting by providing troops to the 60,000-strong force created by the EU to serve as a rapid reaction corps.

I disagree with that proposal. It stems from an agreement that came out of the St. Malo summit in 1998, which was supposed to focus on Africa but which ended up committing the EU in this way:

"The Union must have the capacity for autonomous action, backed up by credible military forces, the means to decide to use them, and a readiness to do so, in order to respond to international crises."

That was a deliberate attempt to create something outside the NATO umbrella: the document goes on to say that the force would be a

"national or multinational European means outside the NATO framework".

That led on to the Berlin-plus agreement, giving the EU access to NATO assets. In addition to claiming those assets, it asks generals and commanders and their units to double-hat by being in two places at once, which simply cannot be done.

There is also the danger of the duplication of roles. In Sudan at present, there is an EU mission with military personnel, and just down the road there is a

[Mr. Tobias Ellwood]

NATO mission doing exactly the same job of reporting back and working with the Sudanese. That is an unnecessary duplication. The Minister squirms but I assure him that that is the case and it must be looked into.

The European Defence Agency—as it is termed—was part of the original EU constitution, and I hope that the Minister will consider that, especially as we did not have an opportunity to vote. An example of the split in interest between what NATO and the European Union are doing is in Afghanistan, where the French are pushing for one system of electronically marking vehicles so that they can be tracked by satellites, but all the other NATO countries want to use another—the blue force tracker system. That is confusing to our personnel, an overlap and a complete waste of money.

The ambassador in Afghanistan, Sir Sherard Cowper-Coles, has said that we will be in that country for decades. I am pleased that the Minister is back in his place, because he mentioned the Hip helicopters that were offered to the UK, and the misreporting by the press. I have looked at what was actually reported and it is clear that there was a genuine offer of helicopters for £20 million. It was turned down by the Government. That could have been the right decision, but I tried to ask the Minister earlier—he would not take interventions on the subject—what the cost of replacing those helicopters with Chinooks or other craft would be. If the Soviet-designed models could be used as transport helicopters more cheaply than bringing in operational helicopters, it should have been considered. Had the deal been accepted, it would have freed up Chinooks for combat operations, rather than using them as a taxi service, which is why they are needed in Afghanistan.

Both my hon. Friend the shadow spokesman and the Minister mentioned the medical facilities in Afghanistan. I pay tribute to the medical support that our armed forces receive, but it must be improved. I question why there is a logistical chain stretching from Afghanistan back to the UK, which is duplicated by the German chain, the Italian chain, the Dutch chain and the American chain. Many of the casevacs go through Dubai in any case, where there are excellent medical facilities. If we are operating in Afghanistan under a NATO umbrella, why do we not share the assets and the logistical chains? The problem occurs not only with casevacs, but with avgas and other logistical issues. There is huge duplication and it causes a phenomenal waste of money. I would be grateful if the Minister would look into that.

My hon. Friend the Member for North Essex (Mr. Jenkin) commented on the embarrassing fiasco a couple of months ago in the Shatt al-Arab waterway. This is my first opportunity to comment on the report, because many hon. Members were prevented from contributing when the Secretary of State made his statement. The case of the 17 service personnel arrested by the Iranians has been described as not being our finest hour. In fact, it was a deep embarrassment. We became the laughing stock of NATO and the middle east, and I am saddened that the reports have been shrouded in secrecy despite the many schoolboy errors being made very public. Nobody has been sacked, reprimanded or even blamed, and that is astonishing. It raises more questions than it answers. It was not our finest moment, but we should be able to draw a line under it by determining the facts and somebody falling on their sword. That is not going to happen, and we will somehow tuck it away and move on as if nothing had happened. That is wrong.

I am rightly proud of serving in our armed forces and I am glad that we are able to debate these issues today. I pay tribute to the work that they do while we sit in the comfort of this Chamber. Again and again, Britain steps up to the plate while other countries shy away. On both sides of the House, we can be proud of the role that we play in the world. However, I do not think that we can keep up the pace of our commitments without dire consequences for our combat effectiveness. I hope that the new Prime Minister will take note.

I fear that this will be the last debate in which we will see some of the faces on the Government Front Bench today. If there is to be a reshuffle in the next couple of weeks, I wish Ministers all the best. This country will be moving into a new chapter with a new Prime Minister, and we will see whether there is a new approach to prioritising the needs of our armed forces.

4.30 pm

Mr. Simon Burns (West Chelmsford) (Con): May I begin by offering an apology to the House? A long-standing commitment meant that unfortunately I was unable to be here for the opening speeches. For that reason, I am very grateful to you, Madam Deputy Speaker, for calling me to speak so that I can raise a constituency matter.

I suspect that the problem about which I wish to speak—the difficulties faced by armed forces personnel leaving the services in finding accommodation and housing—is one that arises in many other constituencies. Obviously, some will have bought properties, and I am pleased that the MOD has found ways to facilitate that and to extend the encouragement given to people to purchase their own homes, but it will not be a viable option for many members of the armed forces.

Armed forces personnel can be stationed anywhere in the country, with the result that they find it difficult to access social housing in their home area. However, their families, roots and connections do not change. One of my Chelmsford constituents was due to retire from the Royal Marines at the start of last year. Before he did so, his mother came to see me about exactly that problem. People who have served in our armed forces and taken part in active operations should be treated as a special case. They have been prepared to put their lives on the line for this country, and they deserve to be given special treatment when it comes to housing provision on leaving the forces. If such people want to be housed in the town or area that was their home before they joined up, they should have that option.

I know that the tri-service regulations provide guidance and help to members of the armed forces and to local authorities, but problems have arisen when councils have not understood or appreciated in full their role in helping retiring service personnel. Indeed, local authorities have treated those people as though they were making themselves deliberately homeless, even though the MOD gives retiring personnel certificates that specify that that is not the case. Some armed forces families have found themselves facing the prospect of being put temporarily

into hostels or bed and breakfast establishments before more suitable housing is made available. To me, that is wrong.

I wrote to the Minister of State in February or March last year, and I received a response that was helpful, at least in the context of the rules and regulations as they stood at the time. The rules are well intentioned but they do not provide what I wanted: immediate special treatment for retiring members of the armed forces. In addition, the Minister's response highlighted the problem that many local authorities do not understand the regime or operate the rules as the MOD would like.

Subsequently, I have raised the matter at various times, and did so again at Defence questions on Monday. The Under-Secretary of State for Defence tried to be helpful in response, but he has been more helpful in the letter that I received from him today. I suspect that other hon. Members who have expressed a concern and interest in this matter will have received the same letter, and I welcome the joint statement on the problem issued by him and the Minister for Housing and Planning at the Department for Communities and Local Government. As the statement rightly points out:

"Local authorities in England are responsible for framing their own policies and procedures for allocating social housing."

However, it makes the important point that not all local authorities fully consider the local connections of armed forces personnel. I do not know how Ministers plan to proceed, but if they were to issue local authorities with guidance, or a reminder about that requirement, it would be extremely welcome, as it could eliminate some of the confusion, or ostrich-like behaviour, of some local authorities.

I welcome the Government's commitment that pending the outcome of their current review of housing policy they anticipate making proposals "in due course" to enshrine—I assume in legislation—more action to ensure that retiring members of the armed forces get a better deal for housing and social housing, with a local connection where it is relevant. That is important.

Derek Twigg: I thank the hon. Gentleman for his comments. Given today's announcement and my previous statements, there is no excuse for local councils to be in any doubt about our intentions. I am sure that he will agree that Members of Parliament can play a vital role by taking matters up directly with their local authorities and housing associations in their constituencies.

Mr. Burns: I am grateful to the Minister and I assure him that I shall be writing to my local authority to make sure there is no misunderstanding.

Andrew Mackinlay (Thurrock) (Lab): I wholeheartedly support what the hon. Gentleman, my Essex colleague, is saying. May I use this opportunity to remind my hon. Friend the Minister that he can deliver only for England and Wales? Will he undertake to ensure that the Scottish and Northern Ireland Executives will be able to deliver in terms of housing? The Minister is mumbling or rumbling, and I am not sure whether he is saying that he cannot deliver for Scotland, but the need for social housing in Scotland and Northern Ireland is as great as in England, Wales and Essex.

Mr. Burns *rose—*

Mr. Deputy Speaker (Sir Alan Haselhurst): Order. I do not think that "mumbling and rumbling" is unparliamentary, but I am sure that the hon. Member for Thurrock (Andrew Mackinlay) will be disappointed if the Minister has not heard what he said.

Mr. Burns: I am grateful to the hon. Member for Thurrock, my colleague from Essex. I hope it is not unparliamentary—or lese-majesty—for me to point out that I was just about to tell him exactly what you said, Mr. Deputy Speaker. The Minister has certainly heard the hon. Gentleman's important intervention and will no doubt respond to it in his own way in due course.

I do not want to push my luck, but I should like to refer again to the statement, which I warmly welcome. It says:

"The Government have therefore decided to make the necessary changes to housing legislation, at the earliest opportunity, to ensure that Service personnel are treated fairly and put on an equal footing with other people applying for social housing."

On the face of it, that is welcome but, quite apart from the armed forces context, the application process for social housing is not always as fair to everyone as the statement suggests. There were changes in the regulations on social housing in 2002—not for local authority allocations, but for 50 per cent. of housing association allocations. People can get allocated housing association accommodation more quickly than the indigenous population who are on a local government housing waiting list.

If members of the armed forces, particularly those who have served on operations around the world, need to exercise their local connections and return to the locality where they were born and brought up, I would like—if I am not being too greedy—the service that they have given their country to be recognised in preferential treatment, so that their families can be housed. Those families should never have to go into hostels or bed-and-breakfast accommodation. I hope that the Minister will give some consideration to that, because the system as it has operated since 2002 is not quite as fair as the statement suggests. However, I do not want to be churlish or spoil the moment, because I broadly welcome what he and the Minister for Housing and Planning have done.

On a completely different point, I am particularly pleased that the Under-Secretary is winding up the debate and I would like to refer to another matter that has been of great importance to my constituents and a source of considerable pleasure and pride: the introduction of the veterans badges. As anyone who is familiar with the scheme will know, the Government keep altering the time scale—rightly so—so that the scheme will encompass more people who have served their country in all wings of the armed forces. For a variety of reasons, the scheme—like many other schemes—was not as well known to individuals as it could have been. There were a number of veterans, particularly in the first wave, who were unaware that they were eligible and did not apply for badges, notwithstanding the tremendous work that the Royal British Legion and other veterans organisations did to try to get as many people as possible to receive their badges.

[Mr. Burns]

I welcome the fact that the Ministry of Defence and the Veterans Agency encouraged and facilitated Members of Parliament to help their constituents to acquire those badges. Having acquired a significant number of them for my constituents over the past 18 months, I must say that I am particularly pleased not only by how easily, but by how quickly, effectively and efficiently the system works. One takes it for granted—probably through bitter experience—that when one is dealing with a Department, regardless of who the Government are, things can get bogged down, there can be issues with the time scale, or there can be minor problems that string out the whole process. When acquiring the badges on behalf of my constituents, I was amazed by how quickly, effectively and efficiently things were done, and I pay tribute to all those involved. I am also pleased that we were able to have an input and that we were allowed, in effect, to get those badges on behalf of our constituents.

I thank the Under-Secretary, who had only just taken up his post when I had a presentation ceremony and a tea party arranged for 180 veterans and their families in my constituency. It is a shock to a Member of Parliament who has put a considerable amount of work into organising such an event—as did the staff in my office—to discover four days beforehand that the Under-Secretary was no longer the Under-Secretary and so would not be able to come. I will not go into the gory details of why the previous Under-Secretary was no longer the Under-Secretary; he ceased to be a Minister and we were Minister-less.

The veterans, many of whom had served in the second world war, in the Korean war, and in the Malaysia conflict during the late 1940s, were looking forward to a Minister being present. He may have been a Labour Minister of Defence, but that did not matter to the Minister or to the veterans, because party politics had been cast aside in recognising the debt that we owed to our veterans. The current Under-Secretary very kindly and at very short notice agreed to come to the ceremony. He did not just swan in, present the badges, get photographed and swan out. It was noticeable and greatly appreciated that he stayed to the end, mixing with the families and the veterans, and showing an interest in their lives and what they had accomplished.

The feedback that I got after the ceremony was tremendous. The veterans were genuinely appreciative not only of the efforts that went into arranging the presentation of the medals, but of the fact that a Minister who had been in post for 48 hours was prepared to come, as was the Lord Lieutenant of Essex, who kindly stepped in when we thought we would be Minister-less.

Andrew Mackinlay: He has a uniform.

Mr. Burns: Indeed, and medals.

I thank the Minister for taking part. It is an extremely good scheme, because it gives veterans recognition and a badge that they can wear with pride, and it reminds them of the service that they gave to their country, at whatever time that was.

4.46 pm

Mr. Mark Harper (Forest of Dean) (Con): We have had a good debate, with five contributions from the Conservatives, two from the Liberal Democrat Back Benches and two from Labour. My hon. Friend the Member for North Essex (Mr. Jenkin) referred to the unfortunate scheduling of the debate, which clashes with the Defence Committee's visit to Selly Oak. I am sure that was unintentional. At business questions, it was cruelly suggested that the debate was scheduled to enable comrades opposite to attend Ascot. I am sure that was an unworthy slur.

My hon. Friend the Member for Woodspring (Dr. Fox), in a powerful performance, set out our belief that the armed forces are overstretched. The latest figures, released today by the Ministry of Defence, show once again that the deficit in the trained strength of the armed forces compared to the requirement has widened to 6,670, with another fall in the strength of our armed forces. We do not know how many people are serving in the Army this month because data are not available following the introduction of the new personnel administration system. I suspect that that figure has not been going in the right direction, either. There is an ongoing problem.

The Ministry of Defence's refusal to accept that there is any overstretch is incredible. A little honesty would be much more sensible. The Secretary of State for Defence, having returned from Iraq with the Chancellor, admitted that the armed forces were in danger of being significantly "damaged" if they continued to fight in the same numbers abroad. He also admitted that with so many troops deployed on operations, training vital to the military's long-term effectiveness had taken a back seat. The Secretary of State admitted that if we were seeking to sustain the operational tempo that is under way, we were in danger of degrading our forces. When Ministers try to pretend that we are not overstretched, just stretched, they do not do themselves any favours. A little openness, transparency and engagement with the argument would be welcome.

In his opening remarks the Minister of State suggested that recruitment was looking much better. Indeed, over the past year recruitment is up, compared with the year before. To be fair, he said only that it was an improvement on the year before. However, in recent years recruitment has been very poor. Over the past five years recruitment has fallen from 26,350 in 2003 to 23,540 in 2004, and was down to 17,590 in 2005, which was the worst year. It is only from that very low base that we see an improvement. It is true that things are starting to go in the right direction, but it is from a very low base. It is still true that the number of people leaving our armed forces considerably outstrips the number joining. In both of the past two years, the size of our armed forces has fallen by more than 5,000, which is clearly unsustainable when we are engaged on operations overseas.

It is worth repeating the key point made by my hon. Friend the shadow Defence Secretary and one or two other hon. Members. As the Prime Minister has said, we spend 2.5 per cent. of GDP on defence, and it has remained constant. Common sense suggests that if one spends the same amount when one is engaged in two military conflicts as when one is not engaged in military conflict, something has to give. What is giving is the long-term sustainability of our armed forces, and training is under threat and cuts in equipment are being made. We are in great danger of damaging our armed forces for the long term if we do not address the situation.

My hon. Friend the Member for North Essex raised the issue of cost inflation in the armed forces. Notably, when the hon. Member for Paisley and Renfrewshire, North (Jim Sheridan) discussed funding, he talked about it only in cash terms, but the correct way to examine it is as a share of GDP. My hon. Friend put his finger on it, when he pointed out that costs in the armed forces are rising faster than in the economy generally, which is why one must keep pace with growth in the size of the economy.

On recruitment and retention, the hon. Member for Dunfermline and West Fife (Willie Rennie) drew attention to the important part that Commonwealth citizens play in our armed forces, which is worth remembering. Frankly, if we were not recruiting armed forces personnel from Commonwealth countries, we would be in even greater difficulty than we are at the moment.

My hon. Friend the Member for Woodspring discussed our concerns about mental health with impressive clarity, which was acknowledged on both sides of the House. There was also an excellent contribution by the right hon. Member for Islwyn (Mr. Touhig) drawing on his experience. There was general acknowledgement and endorsement of Combat Stress, which is an excellent organisation.

Turning to the treatment that armed forces personnel receive for physical injuries, I, too, have been fortunate enough to visit Selly Oak, and I have also visited Headley Court. Conservative Members have always been clear that the medical care at those establishments is excellent, and Front Benchers have never criticised it. Having spoken to our service personnel, some of whom have suffered severe injuries, I was struck by their attitude and continuing courage, which is humbling. They do not complain; they just get on with things.

The support that injured personnel get from their home communities makes a tremendous difference. Several people whom I spoke to had featured in their local press. They had received letters from people whom they had never met before, and football teams had been very supportive—some of them had received a visit from the local football manager. Such support from the local community is incredibly helpful to them, and it also helps communities to understand a little better just what our armed forces do for us, which we should always remember.

As my hon. Friend the Member for Woodspring said, although the medical treatment is very good, it is important to have a dedicated military ward. Negotiations are under way for the new private finance initiative hospital in Birmingham, and it is incredibly important to include a dedicated military ward in the plans. Uncharacteristically, the Minister made rather a silly point when he challenged my hon. Friend about the exceptional circumstances. If a tragic event resulting in a requirement for medical care were to occur, one would, of course, use those facilities in the same way as a military hospital would have been used 20 years ago. In the normal scheme of things, however, a dedicated ward for our military personnel is necessary. As the new PFI is put together, it would be worth making sure that we achieve that.

On mental health services, a recent report from Health and Social Care Advisory Services, carried out with Combat Stress, drew attention to the fact that the guidance from the Department of Health spends very little time talking about the needs of veterans as a specific category. The guidance mentions other groups that need particular care, for example prisoners, but does not really talk about veterans as a social category. The Minister, with his Government colleagues, could perhaps do something about that.

I do not need to dwell on the cuts in the Territorial Army because my hon. Friend the Member for North-East Milton Keynes (Mr. Lancaster) gave an excellent exposé of the damage that would do. To his credit, the Minister of State agreed to look at that issue again. If he is unable to reverse the cuts completely, I hope he will go some way to putting them right. The examples that my hon. Friend gave would be tremendously damaging and the signal they would send to those serving in the Territorial Army would be unfortunate given the work that we ask them to do.

The Minister mentioned the statement from the Minister of State at the Ministry of Justice yesterday about the progress on military inquests. The treatment of families who have lost their loved ones, who have paid the ultimate price, is incredibly important. I know that the Department takes it seriously, but although it has put in extra resources the brutal truth is that the rate at which we are losing service personnel is outstripping the capacity of coroners to deal with their inquests. The backlog, at 109 inquests, is only one lower than it was last October, which was the level that prompted the extra resources. I do not know whether it will require extra resources or whether the coroners involved—the Wiltshire and Swindon coroner now—need to disperse more of the inquests. Very few have been dispersed around the country.

I do not know what the solution is, but the current situation is not sustainable. If the backlog is still well over 100 in a few months, that will not be acceptable to the families. Inquests are still outstanding four years after people have lost their loved ones. I know that the Minister wants to deal with that, but the current system is not working.

I know that the hon. Member for Brecon and Radnorshire (Mr. Williams) referred to the important military training that is performed in his constituency, but I hope he will forgive me for missing his speech. I am not sure how favourably everyone who serves in the armed forces looks upon the training that they undergo in his constituency, but the training is necessary to get our armed forces in good shape for operations abroad.

A couple of Members raised the Iran hostages issue, on which we had a statement this week. I wanted to draw the attention of the House to the photograph that was printed in many national newspapers at the time, and was reprinted in the *Daily Mail* yesterday, of our service personnel, in their rather ill-fitting suits, waving at their captors. I thought it was interesting and I wanted to say something positive about some of those personnel. Three personnel on the right-hand side of the photograph deserve particular praise. The way they conducted themselves—by standing there rather grim-faced and failing to wave at the camera—demonstrated how, in a very difficult situation, some of our personnel were able to demonstrate clearly to those who chose to look that they were not going to play along with the propaganda exercise conducted by the Iranian regime. They should be very proud of themselves, particularly the young man third from the right, who was an example to the others.

[Mr. Mark Harper]

I want to raise with the Minister a subject that I mentioned in an intervention on my hon. Friend the Member for North Essex—the defence schools presentation team. My hon. Friend the Member for Old Bexley and Sidcup (Derek Conway) spoke of the lack of understanding of the armed forces and the military ethos in society as a whole. The defence schools presentation team is not a recruiting exercise. It is a tri-service team, which includes even Ministry of Defence civil servants. It visits schools and teaches them about the importance of defence and the Ministry of Defence. It plays a critical role, and its presentations fit very well into the citizenship curriculum.

I went for myself to see one of those presentations at Cove school in Farnborough last week. I did so because the Under-Secretary of State for Defence, in a written answer, explained how powerful the presentations are, and said that schools frequently ask for the team to come back, and that the team does very good work, and in the second half of the written answer explained that unfortunately the team was being done away with—for cost reasons, effectively. I think that is short-sighted and I want to explain why.

The team gives schools a comprehensive briefing. Schools give up about half a day. The tri-service team, including MOD civil servants, makes a presentation about the role of the armed forces in society and the constitutional position. It goes through some of the recent operations that we have been involved in. Most importantly, it gives the students the opportunity to do a role-play of a crisis in a fictional country, and it takes them through some of the challenges in deploying military assets, and some of the difficult challenges that Ministers and the armed forces have to grapple with. The children then present their solutions to the problems in front of their classmates. Having been there for a morning, I thought that the exercise was incredibly worth while, and that it would be very short-sighted to get rid of it. One thing amused me, though: not one of the students or staff in the room knew the name of the present Defence Secretary, so the 229 staff in the Ministry of Defence press office need to do a little more work to improve the MOD's public relations.

I want to raise three further points. The first is on war pension priority in the national health service, which is incredibly important. The right hon. Member for Islwyn (Mr. Touhig), who has held the job of Minister for Veterans and therefore should be in a position to know these things, said he did not believe that priority was being given. For Members who do not know, the NHS is told that if a war pensioner needs medical treatment they should be treated as a priority. That is a difficult promise to deliver because it sets up a conflict for clinicians, who want to deal with patients according to their clinical priority. But of course that promise is made to veterans. Like the right hon. Gentleman, I am not sure that priority is being given.

There is one further issue of confusion. It was my understanding, and it is in the guidance that is given to doctors and NHS trusts, that the priority applies only to veterans in receipt of a war pension, and it applies only to the specific thing for which they receive the war pension. But in a debate in Westminster Hall, the Under-Secretary of State said he was happy to confirm that

"priority treatment applies to all disablements that have been found to be due to service, irrespective of whether they result in a pension...three groups are eligible for priority treatment from the health services for a service-related condition: those who receive a continuing war pension; those who receive a one-off gratuity; and those whose condition has been found to be caused by service, but has not attracted an award."—[*Official Report, Westminster Hall*, 12 June 2007; Vol. 461, c. 262WH.]

My understanding is that that is certainly not the Department of Health advice that is given to NHS trusts. I am not sure that it would be that practical anyway, because I do not know how a doctor or NHS trust is supposed to know whether a condition has been caused by service if there is no war pension. It would be very helpful if the Minister clarified that today, or wrote to me and placed the letter in the Library, because this is very important and clear guidance needs to be given to those veterans and war pensioners.

My hon. Friend the Member for West Chelmsford (Mr. Burns) referred to the Government's welcome statement today about changing the rules for eligibility for social housing. That change is promised for England, but the hon. Member for Thurrock (Andrew Mackinlay) said that such matters are devolved, and I hope that Ministers will work hard with the devolved Assemblies in Scotland, Wales and Northern Ireland to ensure that our United Kingdom armed forces personnel, wherever they live in the UK, receive consistent and equal treatment. I know that that is slightly more challenging now that not all the Assemblies are under the control of the national governing party, but I hope that the Government will try to achieve that, because that would be better for our armed forces.

The central problem, as my hon. Friend the Member for Woodspring has outlined, is that our armed forces' commitments have outstripped the resources available, and there is no sign that that will improve. Even if we see some reduction in commitments, the fact that our armed forces have been shrinking for the last two years and that there is no sign of that process going into reverse, means that we have no spare capacity—quite the opposite. That is the central point that leads to many of the issues raised by hon. Members on both sides of the House, and that is the central fact that the Minister needs to address when he replies.

5.6 pm

The Parliamentary Under-Secretary of State for Defence (Derek Twigg): I welcome today's wide-ranging debate. I was struck by the number of comments on the job done by my right hon. Friend the Minister of State. As someone who is fairly new to the Department, I have found his experience and help invaluable, and I can see why he is so highly thought of by the House. I also thank the hon. Member for West Chelmsford (Mr. Burns) for his kind comments on the veterans badge and my attendance at the event, which I enjoyed. As he said, the widespread popularity of the veterans badge is continuing to grow, and we should reach our half-millionth badge by this autumn. Members of Parliament play a crucial role in getting that message across.

We all recognise the tremendous job that our armed forces do, and their courage, dedication and professionalism, which is clear to those of us who have been out to operations, but also that of the civilians who support them and the tremendous work that they do within the

Ministry of Defence and elsewhere. We ask them to do a great deal and there is a high operational tempo, but they do a fantastic job. We have made significant improvements in terms of equipment and support for our armed forces. When I went to Afghanistan and Iraq, the clear message from the vast majority of our armed forces personnel was that they had the best personal kit that they had ever had.

I thank the Opposition for their comments on Monday on the Falklands commemorations, which were a tremendous success. I put on record my appreciation for the hard work of our team in the MOD, many of whom are members of the armed forces, in putting together the organisation and activities. I know from talking to the veterans, families and widows how appreciative they were of their efforts. The commemorations struck the right tone, recognising the tremendous feat that our armed forces carried out. I would also like to praise the South Atlantic Medal Association for its outstanding work in leading the veterans.

We have talked a lot about the problems today, which I will come to shortly, but the armed forces provide tremendous opportunities. We hear a lot about mental health issues and other problems that people face when they leave the armed forces, but for the vast majority the armed forces provide a very beneficial experience. They develop great skills in leadership and teamwork, which they take back into civilian life. That is often forgotten because of the attention that is given to the problems that exist, but for the vast majority, the armed forces offer a positive experience and they then make an important contribution to our communities and the life around them.

Much has been said today about the whole-life approach, not just when serving, but afterwards. That is the right approach and it is the one that the Government are taking and will develop further. I shall not pretend that there are not issues and problems that we need to address—of course there are—and we could do better in various areas. The Government have taken a tremendous step forward in recent years in the support given to our armed forces and veterans. I therefore reject the comment that we are complacent; we are active in improving the situation.

Hon. Members have mentioned a range of issues, one of which is pay. It is important to reiterate that the 3.3 per cent. award was one of the best in recent years, and the increase of about 9 per cent. for our junior ranks is a tremendous improvement. We have also introduced the operational allowance of £2,320 and special pay arrangements for pinchpoint grades to meet shortages. We have made strides on pay: we have recognised the operational tempo and the contribution of our armed forces, and we will continue to consider what more we can do.

Mr. Lancaster: This is almost a continuation of a conversation in a previous debate, but does the Minister know how many people, like me, were not part of a formed unit and were mobilised before the introduction of the Joint Personnel Administration, so their operational bonus has still not been paid?

Derek Twigg: I understand that the hon. Gentleman's operational bonus has now been paid. He made an interesting point in a previous debate, and it was taken in the right spirit. Clearly, we want to make sure that our people get their operational bonus. I am not aware of any further problems, but I assure him that we will double-check that. I know that he is talking about reservists as a whole, not just himself.

Reference has been made to housing. We accept that the legacy of under-investment goes back many years. The point was made that we have been in office for 10 years and have not solved the problem. The Conservative party was in office for 18 years, and the housing stock and estate that it handed over to us was not in a great state; we had to deal with more problems and difficulties. We accept our responsibility, and I hope that the Opposition accept responsibility for what they did not do in government. We need to get on with the work and improve the housing stock and estate as much as possible. It is like painting the Forth bridge, but we have allocated £5 billion over the next 10 years. Single living accommodation is being improved massively, and service family accommodation is also being improved. There is more to do, and if we can do more than is currently planned in the coming years, we will. It will take some time to reach the desired stage.

As part of the strategic remuneration review, the Government are considering how we can give further help to members of the armed forces to buy a house or equity in a property. Given the changes in the coming years in relation to super-garrisons and other basing strategies, that is the way to go. Most Members would support that, but work is ongoing, and we will make an announcement at the appropriate time.

Housing advice is provided to service leavers, and we have developed several projects to support those who become homeless. There was a particular problem with homelessness in London, and that has been reduced significantly.

The announcement today on local connection has been welcomed by the House, and many Members of the House have pushed for the change. The situation in Scotland has been mentioned, and we will take that up with the Administration there.

In relation to recruitment and retention, supporting families and providing good accommodation is very important. Having that support and stability at home is crucial to members of our armed forces serving in operations, not least in Iraq and Afghanistan. The service families federations also do an important job in that regard. We are aware that our families need to be given the best possible support.

Cadets are not often mentioned in debates on the Floor of the House, so I just want to make a few comments about them. They are a huge success story, with 130,000 young people spread over 3,000 villages, towns and cities. They are one of the biggest youth organisations in the United Kingdom. Through the cadets, young people from all backgrounds gain valuable skills and experience, including problem-solving, leadership and physical training. I pay tribute to all of them and to the 26,000 adult volunteers who support and mentor them. I think that it is the best youth organisation in the country.

We are keen to give increasing numbers of young people the opportunity to benefit from the cadets. That is why we decided to introduce a scheme to pilot the expansion of the combined cadet forces traditionally associated with public and grammar schools into a wider range of state schools. We have already announced

[Derek Twigg]

the first five schools that will participate in the scheme, and I am delighted today to announce the sixth—Walker technology college in Newcastle upon Tyne. There is much to be done to prepare this new contingent, but based on the enthusiasm that we have already seen I think that that will be easily taken forward.

Andrew Mackinlay: I welcome my hon. Friend's announcement on extending combined cadet force schemes in schools. However, several Members have been concerned over many years about the disparity of funding between the three cadet forces—the air cadets, the sea cadets and the Army cadets. The RAF cadets have full funding whereas the others are funded on a comparable basis to the Scout Association. I do not begrudge them that one little bit—in fact, I would like to see it extended to the other cadet services—but it is an unfair anomaly that needs to be remedied soon so that there is parity of treatment.

Derek Twigg: I take my hon. Friend's point entirely. I cannot offer him any change to that situation in the near future, but part of the reason for mentioning the cadets today was to highlight the tremendous job that they do, and I take on board his concerns.

Further to the youth aspect and the Army presentation teams that the hon. Member for Forest of Dean (Mr. Harper) mentioned, I made clear the reasoning behind what happened and what is involved in that work. As he knows, we are considering another proposal called Defence Dynamics—a web-based system that we believe will be popular with schools. I have offered to give him a presentation when that is possible.

Let me turn to the issues involved in the health and welfare of our personnel, which is why we are here. On Afghanistan and the report that appeared at the weekend, I have spoken to the Surgeon General and to other clinicians, and they are clear that our approach is the right one. The newspaper article was written in an unfortunate way that gave the wrong impression. What is important is that we have dedicated, often consultant-led medical teams out there at the front, not far from the operations that are taking place, to support our injured service personnel. It is important that that rapid medical attention is available, because that saves lives. Of course, they will eventually have to be transferred back through medevac, but it is important that that essential medical expertise and help is out there. That is why we take that approach. As regards helicopters, one cannot compare what went on in Vietnam with Afghanistan, because it is completely different geographically. We ensure that our people are well looked after and that they have the emergency treatment that they need when out there on operations and supporting operations.

The article did not explain the improved facilities that are being provided in Afghanistan and Iraq, such as scanners, digital X-rays and telemedicine, as well as the clotting bandages and tourniquets that are also helping to save lives. It is clear from the medics I speak to, and from many of the service personnel who have been wounded and their colleagues, that lives of our service personnel are being saved today that would not have been saved a number of years ago. Talking to clinicians and seeing some of the wounded service personnel who have been saved makes it clear that our medical teams out there in operations are doing a tremendous job.

Mr. Harper: I have a copy of the full article to which the Under-Secretary referred, and the reporting of it accurately characterises it. However, it took me a great deal of time to get hold of it. I was transferred from the *Army Journal* to the Ministry of Defence press office, and I had to threaten to talk to the Under-Secretary before I was allowed to have a copy. I was trying to be good, get the document, examine it in context and do all the things that we are supposed to do. The press office needs to be more open. That would be helpful.

Derek Twigg: I assure the hon. Gentleman that if he needs such a document, he will get it. There is no reason not to give it to him.

Mr. Ellwood: In my contribution, I asked why we are repeating medical services in our NATO structure in Afghanistan. We are under an international remit and working as part of an international body. It is strange that we have replicated operations in Kandahar, and different field hospitals from different contributors, including the Canadians, the Dutch and the British. Not only that, but we have assets in Dubai on which we can lean. Will the Under-Secretary consider whether we can make some cost savings?

Derek Twigg: I understand the hon. Gentleman's point and I will examine the matter. Of course, we call on our coalition partners for support, if needed. I assure him that I shall consider whether more can be done to improve matters.

I apologise to the hon. Member for North-East Milton Keynes (Mr. Lancaster)—I understand that he may not have received his bonus yet. I was assured elsewhere that he had. Clearly, he is so well paid that he did not notice.

Mr. Lancaster: For the record, I have already stated that I will donate my bonus to the Royal British Legion.

Dr. Julian Lewis *rose—*

Derek Twigg: If the hon. Gentleman will forgive me, I want to make progress.

We have considered Selly Oak several times. It is clear to everyone who has been to that hospital, including Opposition Members and other colleagues, that it provides tremendous treatment. There have been massive improvements in welfare support, through the provision of welfare officers, psychiatric nurses, liaison officers and so on. A partition is now being built, to help us group our wounded service personnel together better. There is a link to Headley Court, which has a tremendous record. I was there again yesterday and it is a world-class facility.

Some of the press speculation and stories have been deeply damaging to the morale of our NHS nurses and their colleagues, who have been tremendous. They are part of the reason why so many of our service personnel have lived and recovered better than expected, and they work closely with our military medical personnel. I wanted to put it on record that they do a tremendous job. Press attacks on Selly Oak have not helped them, and we should acknowledge their work.

I was disappointed with the comments of the hon. Member for Forest of Dean about the military ward. I was trying to clarify that we have an opportunity through the new private finance initiative hospital in Birmingham to develop a military ward. However, it is important to

understand what that will be. Of course, if a major crash or incident occurs and beds are available, we would use them. However, we must be clear about when we would allow civilians in there. For example, if there are 32 beds, 15 of which are empty and the hospital needs more beds, are we to say that they cannot be used unless a major incident occurs, and that they must remain empty? What if an 86-year-old Normandy veteran needed treatment? Ministers will make the decisions and we always listen to the views of the chiefs of staff on such matters.

Let me deal with mental health, about which there has been some misunderstanding today. There is significant support pre and post-deployment for serving personnel, and advice for their families. Treatment and care are available on operations and when personnel return to the UK. Psychiatric support is clearly provided. I have heard nothing to suggest that that provision is not working well or that it has not been there when people have needed it.

The position of reservists in the context of mental health was raised previously. That is why we decided, as a result of a report produced by King's college, to provide the reservists mental health scheme. Reservists now have a mental health assessment programme and treatment available to them. That is a new development from last year. As far as I know, the reservists and their families have welcomed it. It is an important step forward.

I recently announced an extension of the medical assessment programme for veterans at St. Thomas' hospital. This goes back to 1982 and includes the Falklands veterans. Again, an additional service is now available that was not available before, and it will be up and running in the near future. I think that that is another major step forward.

Many hon. Members have discussed the NHS and how we should link into it. We are currently working to develop a number of pilots whereby the NHS, Combat Stress and the Government will work together to provide centres of excellence around the country. We will provide the expertise and training so that NHS clinicians are better able to understand and treat those who come into the system with mental illness as a result of their service. Once again, that is a major step forward.

Of course Combat Stress does a brilliant job, as do service charities generally, whether it be the British Legion, SSAFA—the Soldiers, Sailors, Airmen and Families Association—or others. They do a fantastic job for our service personnel and veterans. I can give hon. Members an assurance that Combat Stress will get a significant increase in funding this year. We will continue to work closely with the organisation and involve it in our discussions with the NHS about the pilot schemes. I can also assure the House that we talk regularly to our NHS colleagues and that I have had meetings with the Secretary of State and other Health Ministers about how best to link in and support veterans. I wanted to give the House that assurance.

On the issue of priority treatment, I will write to the hon. Member for Forest of Dean. We deal with people in the NHS and ask them to ensure that the information is sent out to clinicians and GPs about getting priority treatment for these troops. We will continue to do so.

On the tracking system in respect of the welfare of the more seriously wounded, I know that hon. Members are very concerned about the whole-life approach. We are developing a tracking system and we will involve case workers in the Veterans Agency and elsewhere to support and keep track of the more seriously wounded and the people who are most vulnerable. That will be rolling out soon and it will be another important move forward in our support for our wonderful veterans. As a result of the welfare conference with the single services and the service charities, we continue to look for ways to improve the welfare package generally and to support our armed forces personnel and our veterans.

Dr. Fox: Will the Minister take this opportunity to tell us how the profiling would be done to identify those regarded as at risk of mental health problems later on? There is a very important point at stake here because problems like PTSD often take a long time to present and the individuals affected may have left the armed forces. They will be asked to self-diagnose and self-present, so how will the tracking system work?

Derek Twigg: The hon. Gentleman makes an important and valid point. Tracking someone who may have mental health problems subsequently is obviously a different issue from tracking someone who presents with a general or a mental health problem or who has received injuries in battle during his period of service. As the hon. Gentleman knows, people with mental health issues and PTSD present some time later, so it is obviously not possible to track in that context. That is part of the reason why we are setting up mental health assessment programmes, which will allow people to get an assessment. It is also why we are developing pilots with the NHS and Combat Stress to provide treatment for our armed forces personnel. It is important to stress that we are seeing a significant development in the approach to mental health for our veterans.

Let me move on to an issue that has not been much debated today, but is very important—resettlement. We have an extensive resettlement package for our service leavers. Something in the region of 20,000 people leave every year. This is a very important package, which provides training, education and general support for our service leavers to give them the best possible start in civilian life. The longer someone has been in service, the better the package. We should recognise the importance of this scheme. About 93 per cent. of those who have been through the resettlement package who want to find work do so within six months. That is another important aspect of our support for service personnel.

I am conscious of the time, so let me make a couple of final points. The issue of how we can best further help and support our veterans and armed forces personnel is important. We have a duty to continue to look at ways of improving such support. We have taken major steps forward, but a key area is to ensure that we work with all our partners, including the NHS, local authorities and particularly the service charities, which do a tremendous job. We will continue to examine the ways in which we can take these matters forward. We have taken significant steps forward in recent years in the support that we give to our armed forces and to their care and welfare, and we will continue to do that work.

Lord Commissioner of Her Majesty's Treasury (Mr. Dave Watts): I beg to ask leave to withdraw the motion.

Motion, by leave, withdrawn.

Kirsty Jones

Motion made, and Question proposed, That this House do now adjourn.—*[Mr. Watts.]*

5.30 pm

Mr. Roger Williams (Brecon and Radnorshire) (LD): Mr. Deputy Speaker, I would like to thank you and Mr. Speaker for granting me the opportunity to hold this important debate. It is not a debate that I would wish to have; in fact, I would be very pleased if we did not need to have it. The fact remains, however, that the murderer or murderers of Kirsty Jones still remain at large. They have not been identified, charged or convicted. I called for this debate on the basis of the determination of Kirsty's parents, Sue and Glynn Jones, to ensure that the perpetrator of the crime is identified, and also because of the good, substantial work that has been carried out by Dyfed-Powys police.

Kirsty Jones lived in Tredomen, near Brecon, and was 23 when, in the summer of 2000, she left home on a three-month backpacking holiday around the world. In August 2000, Kirsty attended a three-day trek in the mountain region of Chiang Mai province. Hill treks are a popular tourist attraction. The guides are mainly from the Karen hill tribes of northern Thailand. This was the case on the trek attended by Kirsty, and one of the guides was known as Narong.

On the evening of 9 August 2000, Kirsty was drinking in Chiang Mai with some friends she had met. At about 11 pm, she visited the night market to buy presents for her family. She was alone. Fifteen minutes after midnight on 10 August 2000, screams could be heard coming from her room in the Aree guesthouse, where she was staying. She was heard to say, "Get out, get out. Help me, help me." A number of guests gathered outside the room, but tragically, did not enter. Later the next morning, the body of Kirsty Jones was found in her room. She had been raped and strangled.

The Thai press attacked the local police and accused them of incompetence in dealing with the scene and the investigation. Very quickly, the police publicly announced that Andrew Gill, the guesthouse owner, was responsible for the murder and that DNA evidence taken from the scene would confirm this. However, examination of this forensic evidence quickly established that the crime scene DNA was of south-east Asian origin and eliminated Gill as the donor. This was a significant event for the Thai police, as there was no evidence to link Gill to the murder.

Two witnesses then gave statements implicating Gill. These were Surin Champranet, the guesthouse co-owner, and his girlfriend. Both stated that they had seen Gill in Kirsty's room at the time of the murder, and later leaving her room. Gill was charged with conspiracy to murder. This was the first time that a murder conspiracy charge had been made in Thai law. Gill was then held in prison in Bangkok.

On 30 November 2000, the acting district attorney, Mr. Umnaj Chotichai of the Attorney-General's office, announced that the charges against Gill were to be dropped. He stated that the witness testimony of Surin and his girlfriend was unbelievable and contradicted their original testimony. There was also no forensic evidence to implicate Gill. This was later confirmed by the Thai Attorney-General in a meeting with Dyfed-Powys police. All these facts have been reported in both the Thai and British press and are a matter of public record.

Kirsty's parents, Susan and Glynn, were understandably disappointed by this development. My predecessor, Richard Livsey, contacted Baroness Scotland, then the Under-Secretary of State at the Foreign and Commonwealth Office. Baroness Scotland supported the involvement of the UK police and, following contact with Scotland Yard, it was agreed that Dyfed-Powys police would be best placed to provide support to the family and contact with the Thai authorities. It was agreed that the most practical and realistic support we could offer was through family liaison and access to the Forensic Science Service.

The Welsh force has visited Thailand on four occasions, on the last with members of the family. On the initial visit, it was established that the case had been closed in Thai law. Following a considerable amount of negotiation and persuasion by Dyfed-Powys police and Kirsty's parents Susan and Glynn, the Thai Attorney-General had to be persuaded that the case should be reopened.

The Attorney-General agreed to reopen the case on the basis of the arguments of the Welsh police officers. As a result, a number of exhibits were brought to the United Kingdom by the Thai police for examination at the Forensic Science Service laboratory. It was clear at that time that the origin of the DNA was south-east Asian. Examination of the exhibits and samples provided a full DNA profile, and the most interesting line of inquiry.

Dyfed-Powys police and the Forensic Science Service suggested parameters in which a mass screening could be carried out in the locality of the murder. That has not been pursued to its natural conclusion, and there appears to be a lack of understanding on the part of the Thai police of its value to the investigation.

Dyfed-Powys police have never been given access to original statements made by witnesses in the case. There is a suggestion from the Thai police that the forensic evidence was planted on the scene following the murder. The Welsh police cannot and will not comment on that. What they can say, on the basis of a mature assessment of the forensic evidence, is that the key to the investigation is the identification of the donor of the DNA evidence. It is that person who will provide the answer to how it got there. In any event, it is essential to adopt a structured approach to locating the donor.

The Thai Department of Special Investigation has yet to trace and interview key witnesses who made statements implicating the only person who has been charged with links to Kirsty's murder. There are other key witnesses, yet to be interviewed by the DSI, who have previously indicated that they have knowledge of attempts to contaminate the scene by a Thai national linked to the guesthouse. Dyfed-Powys police have had constantly to suggest lines of inquiry to the DSI. When told that one of the key witnesses had been found dead, they insisted that DNA and fingerprints be taken from the body, which later confirmed that they were not those of the man whom they wanted to question.

That is just one instance of the DSI taking its cue from the Welsh police. In fact, it would appear that when the DSI is not pursuing lines of inquiry fed to it by Dyfed-Powys police, it is failing to establish direct

contact with them. For example, on a number of occasions the Thais have agreed to forward an official letter of request with supporting documents to enable key witnesses to be interviewed again in the United Kingdom. That has still not materialised. The Welsh police are reluctant to proceed without that letter of authority, as the Thais retain primacy in the investigation and it needs to be clear on what grounds interviews are to take place.

In the past 12 months, the family and the Welsh police have continually pressed the Thai investigators to make progress with the investigation. The process has been slow and at times painful, and it is a constant struggle to obtain accurate information from the Thai authorities. It appears that action takes place only after pressure is placed on the Thai authorities by the United Kingdom police, the family, or the Foreign Office, which has provided valuable assistance.

Kirsty's parents have waited nearly seven years for justice for their daughter, whose murderer is still at large. Both her parents and Dyfed-Powys police want to ensure continued support from the Foreign Office in securing a thorough investigation from the Thai authorities. I have come here today to ask the Minister if he will continue to lobby the Thai authorities to put maximum effort into bringing the perpetrators of the crime to justice, and in doing so bring closure to the family and make Thailand a safer place for young people and tourists to visit. That can be done in a number of ways.

Once Dyfed-Powys police had gained access to forensic evidence from the crime scene, they were able to ascertain that the donor was of south Asian origin. The next step must be to hold a mass DNA screening in the Chiang Mai area, within structured parameters. That has been requested by the Welsh police, but has never materialised. Will the Minister use his influence to bring this about? The answers to what happened on that fateful night in August 2000 are in Chiang Mai, and this is a vital step in finding Kirsty's murderer.

Key witnesses in the case must be re-interviewed, including all those who were staying in the guest house at the time of the murder, the co-proprietor of the guest house where Kirsty was staying, his girlfriend, and witnesses who suggested that the scene had been contaminated by Surin Champranet. A further issue is the lack of initiative by the Thai authorities in developing new lines of inquiry. Taking their cue from the Welsh police will help in finding Kirsty's murderer, but we also need to know that they are proactively pursuing the perpetrators of this crime, and not simply waiting for suggestions from overseas.

Kirsty's parents are unable to attend the debate, but have asked me to express their deep frustration at the slow progress made by the Department of Special Investigations. What started as a botched investigation of Kirsty's murder, with widespread contamination of the crime scene, has led to charges being laid and later withdrawn. The family and Dyfed-Powys police do not have unrealistic expectations of the Thai authorities; all they ask is for a methodical and professional investigation of what is a very detectable crime. They have received many promises of action from the Thai authorities, many of which have yet to materialise. There is a sustained lack of progress in the Thai investigation; further to that, the Thai authorities seem to act only once pressure has been placed on them by the UK police or the Foreign Office.

I ask the Minister to use all the facilities at the disposal of the Foreign Office to encourage the Thai authorities not to give up on this case, for the sake of the family and the safety of young people travelling in Thailand.

5.42 pm

The Minister for Trade (Mr. Ian McCartney): I thank the hon. Member for Brecon and Radnorshire (Mr. Williams) for requesting this debate on behalf of his constituents. It follows a meeting in March 2006, requested by the hon. Gentleman, which was attended by my predecessor, the current Minister for Climate Change and the Environment, Mrs. Jones and Dyfed-Powys police, but which, sadly, the hon. Gentleman could not attend.

I am grateful to have been afforded the opportunity to express my sincere condolences to the Jones family following the tragic murder of their daughter, Kirsty, in an horrific incident in Thailand on 10 August 2000 and to assure the Joneses of our continued support. I have arranged to meet the Thai ambassador following the debate to discuss Kirsty's case and the hon. Gentleman's comments.

Kirsty was enjoying a backpacking holiday through Asia when, at the age of 23, her life was brutally cut short. I am sure that the hon. Gentleman has already offered his condolences to the Jones family on Kirsty's senseless death. I would like to add to my condolences those of my right hon. Friend the Foreign Secretary.

Few people can understand the grief that a parent feels when they lose a child, regardless of how old that child might have been. I experienced the devastating loss of my beloved only son eight years ago, and I know that I shall never fully come to terms with his death. Perhaps more than most, therefore, I am able to empathise with Mr. and Mrs. Jones. That said, I would never have the presumption to suggest that I understand what the family has gone through since Kirsty's tragic death. In particular, I am aware of the family's concerns regarding the progress made in the investigation into Kirsty's murder, which have been so eloquently set out by the hon. Gentleman.

I propose to set out the help we have given, and what we are doing. It is without reservation that I say to Mr. and Mrs. Jones, through the hon. Gentleman, that I give an assurance of our continued assistance. We will, in short, continue to do all that we properly can to ensure that the investigation continues.

To Mr. and Mrs. Jones there is, of course, only one case of concern. I have no desire to suggest any comparisons with other cases, but I think that it is appropriate to introduce some context into a case such as Kirsty's, particularly as the hon. Gentleman raised the wider issue of the safety of young people.

Thailand is an increasingly popular destination for British travellers with more than 850,000 of them making a visit there every year. The draw is obvious—the climate, the exotic culture and the regional history are but three factors that entice backpackers and luxury travellers alike. The vast majority of the visits are trouble-free. However, our consular operation is committed to delivering high-quality support to British nationals abroad, in particular when crises arise and tragedy strikes.

[Mr. Ian McCartney]

Sadly, in 2006 our consular team provided assistance to 252 families who had suffered the death of a family member in Thailand. In the majority of those cases the death was from natural causes, but three of those who died were, tragically, murdered. I therefore fully recognise that the murder of a family member is a totally devastating, life-changing experience for loved ones of the victims. I also recognise the need of the bereaved families to have justice.

The hon. Gentleman spoke about the background of Kirsty's case and the concerns that her family have about the progress made by the Thai authorities' investigations. While we cannot interfere in another country's legal process, we can make appropriate representations to local authorities if we have concerns that the investigation is not being carried out in line with local procedures. I would like to assure the hon. Gentleman that we are committed to continuing to make representations on Kirsty's case where appropriate.

The Thai Department for Special Investigations—the DSI—has been conducting a reinvestigation of Kirsty's murder since June 2005. The DSI fully understands the close interest that we take in ensuring that everything can be done to find Kirsty's murderer. Despite having no legal obligation to do so, DSI representatives have regularly met colleagues from our embassy in Bangkok to relay updates on the progress made and to answer questions from the family and Dyfed-Powys police.

We have put a considerable amount of work into building a close and open relationship with the DSI to ensure that as much information as possible is given to the family. It is often the case that the professionalism and effectiveness of foreign police forces are called into question when investigations are not concluded quickly. I have never felt the need to comment on such issues, as I feel that it would be inappropriate for me to do so in the context of a consular case. I need to maintain good relations. Suffice it to say that I probably do not need to remind the hon. Gentleman that the purpose of the Foreign and Commonwealth Office—our mission statement—is:

"To work for UK interests in a safe, just and prosperous world."

We take every opportunity to promote British standards of good governance across the globe. We do so with the caveat of respecting sovereign jurisdiction and without the desire to interfere in the legal processes of another state.

The hon. Gentleman raised his concerns over the delay in the DSI producing a formal request for UK police assistance on certain aspects of the investigation. As he mentioned, the DSI undertook to issue that request during a video-conference with the family and Dyfed-Powys police in February this year. I will follow that up with the ambassador. During our most recent meeting with the DSI on 4 June, the newly appointed director of foreign affairs confirmed that, due to renewed efforts in its lines of inquiry—of which the Jones family are aware—he judged it unwise to press ahead immediately with the request for further assistance. He would instead order the request to be drafted so that, when the DSI deemed it to be appropriate, it could be passed swiftly to the UK police.

I would like to assure the hon. Gentleman that we continue to be committed to providing the family with a high level of consular assistance. Our embassy in Bangkok will continue to meet the Thai Department for Special Investigations to relay updates in its investigation to the family and in turn to relay any questions that it may have.

As I have said, I cannot begin to imagine the distress that the Jones family continue to feel about Kirsty's murderer not being brought to justice. I think that the activity that I have mentioned highlights that we have already made the Thai authorities, and in particular the DSI, keenly aware of our interest. We will continue to do so and I give the hon. Gentleman my assurance on that.

I should like to close by saying that it is not natural for parents to outlive their children. I am keenly aware of, empathise with and understand the distress caused by the loss of Kirsty. The family grieve for two lives, the one they had with Kirsty from the moment she was conceived and the one that was yet to come and was so cruelly taken away from them. They have my heartfelt sympathy and my thoughts are with them. More than that, I will do what I can to bring the murderer to justice. I wish to meet the family, if they wish to meet me; it would be my honour to do so. If the hon. Gentleman will put that request to the family, I will arrange it as soon as I can.

I thank the hon. Gentleman for the way in which he has prosecuted the case on behalf of the family and, in particular, on behalf of Kirsty.

Question put and agreed to.

Adjourned accordingly at ten minutes to Six o'clock.

Westminster Hall

Tuesday 5 June 2007

[MR. DAVID AMESS *in the Chair*]

Water and Sanitation (Developing Countries)

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Cawsey.]*

9.30 am

Mr. William Cash (Stone) (Con): First, I welcome the Secretary of State for International Development to the debate. I know that he has taken a great interest in these matters over a long period of time.

As I walked through Westminster Hall, I noted the exhibition on slavery. We know the figures involved and the amount of commitment given in the late 18th century and early 19th century to ensuring that people would no longer suffer as a result of that despicable crime. I am also bound to consider the matter before us in the context of the number of people who have died as a result of the lack of provision of water and sanitation. Obviously, we are not talking about deliberately inflicted circumstances, but people are dying unnecessarily on a scale commensurate with many of the other great concerns that we ought to have. I ask the House a simple question: why does a child die from water-related disease every 15 seconds? That situation cannot continue.

Clean water is life; foul water is death. We, as parents and grandparents, ought to consider that in the context of our own kith and kin. How would we feel if our children or grandchildren were dying of such terrible diseases? In the 19th century, Chadwick and Snow both addressed the question in not dissimilar circumstances. In the aftermath of the industrial revolution and in the slums of Manchester, Birmingham, Sheffield and so on, there was no proper water provision. In the 1830s, 1840s, 1850s and 1860s, a series of reports was produced, because people realised both how awful the situation was and the fact that it was capable of being remedied. It was not only a moral dilemma and problem, but a practical problem. To begin with, Chadwick did not get the reasons for the problem of bad water right—it was John Snow who did so—but in combination they managed to solve the problem, although it took a long time. We now have the technology and the facility, but do we have the political will?

I am bound to add a personal anecdote. In 1849, my great-great-grandfather, William Cash, died of cholera in the great epidemic. Prince Albert also died of cholera a short time later. The curious thing was that my great-great-grandfather was chairman of the National Temperance Society, so he drank water. Even at this distance in time, one must acknowledge the fact that that was, to say the least, something of an irony, because when he and the other directors of the company that he had founded—the National Provident Institution—were gathered together for lunch, the others all drank beer, wine or whatever else was on offer, but he drank water and regrettably died within days.

This important debate is about a present issue. I do not want to overstate comparisons, but I want to contextualise the discussion. We shall have a debate later today on Darfur, and we face the problem of civil wars and conflict in Africa. I have mentioned slavery, both historical and modern, and there is also the problem of AIDS. However, to my mind, it is inconceivable that we cannot give the problem of water and sanitation the attention that it requires. I repeat: a child dies every 15 seconds as a result of water-related disease. I seek an increase in the amount of attention given nationally and internationally to this issue.

I should mention a number of articles. I want to get the problem out in the open because there is a question that we have to address to the media at large. We live in a media age: we know perfectly well that the best way to keep a secret is to make a speech in the House of Commons. A number of people have played an important part in trying to raise the question, but we need a continuation of that process. We need awareness to be built up in the same way as awareness of the other subjects that I mentioned. Larry Elliot and Ashley Seager of *The Guardian* have written important articles, as have Fiona Harvey of the *Financial Times*, Paul Vallely of *The Independent* and Tom Stevenson of *The Daily Telegraph*. They have taken an interest, but they are isolated examples in the context of a child dying every 15 seconds. We need a continuous commitment.

The Select Committee on International Development recently produced a good report. I pay tribute to Tearfund and WaterAid, to Laura Webster and Jennean Akadiri, both of whom have been enormously helpful to me. I also pay tribute to the 220 MPs who have signed my early-day motion on this issue, and the approximately 300 MPs who signed my motion on the reduction of third world debt.

I am interested in the subject because, leaving aside other matters—sovereignty, Europe and things of that ilk—the practical questions of life and death and of people's lives are of ever greater importance, because they can be solved by combined action throughout the world and through the national and international agencies. I appeal not only to the newspapers, but to *The Economist*, the Economist Intelligence Unit, the *New Statesman*, and *The Spectator*. I ask them to give this subject space, to give it attention and the coverage that it deserves.

Recently the *British Medical Journal*, for the first time in 150 years, did a report on which issues the public throughout the world regarded as the most significant and the most important. It discussed which medical and related solutions had led to the biggest change in the world, and some 15 milestones were chosen. Interestingly, sanitation came above antibiotics, by a clear head. When people focus on sanitation and water, they realise that it is the issue that spreads its tributaries throughout all public health problems and throughout the entire global landscape, in a way that deserves the sort of attention that I hope it will receive.

One billion people globally lack access to safe water, and 2.6 billion people lack access to sanitation. As I have said, a child dies every 15 seconds from diarrhoea, and 443 million school days are lost globally each year

[Mr. William Cash]

to the illness. Half the world's hospital beds are taken up with people suffering from water-borne diseases. 40 billion working hours are lost each year in Africa to the need to carry water, and 11 per cent. more children attend school when sanitation is available. Improvements to water and sanitation are crucial if development interventions are to be effective. New hospitals will remain full and new schools could remain empty unless water and sanitation are included in the bundle of essential services that are given priority nationally. Water and sanitation are also important to improving the lives and status of women. However, globally, aid to the sector has fallen and less aid has been focused on the countries that need it the most. Although spending on health and education has doubled since 1990, the share of global aid spent on water and sanitation is contracting. The problem is compounded by the fact that renewable freshwater supplies are running low due to a sixfold growth in consumption in the 20th century, and that issue is likely to be exacerbated by climate change.

Ann McKechin (Glasgow, North) (Lab): I very much welcome this debate. As a member of the International Development Committee, I have visited a number of pit latrines this year as part of our investigation and report. Does the hon. Gentleman agree that the lack of funding for sanitation, which is much more severe than the lack of funding for water, is a very serious problem? People fail to address the issue, sometimes simply out of embarrassment, but it is vital to do so if we are to save the many lives that he has spoken about this morning.

Mr. Cash: I am grateful to the hon. Lady. She has taken a great interest in this subject and was a contributor to the Committee's report. I agree with her 100 per cent. My constituency abuts Stoke-on-Trent, where sanitary ware has traditionally been produced in this country, and I shall be in touch with people there to try to promote their interest in the subject for the very reason that she has mentioned.

Some people might think that provision of latrines, lavatories, toilets, sewerage and so on is a difficult subject, but I disagree. It is so vital and the pit latrines that the hon. Lady mentioned are so fundamental that we must take it seriously. Piped water, for example, can be provided, but what is the point of piped water if it becomes contaminated by sewage? It is essential that we tackle those issues, and I am grateful to the hon. Lady for her intervention.

It is estimated that the target for water and sanitation in the millennium development goals will be met in all regions only if donors and developing country Governments double their spending from $14 billion to $30 billion per year immediately, with priority given to Africa and south Asia and to the issue of sanitation. I pay tribute to the Secretary of State for his work, and I hope that he will take my criticisms, such as they are, in good heart. With a change of Prime Minister, who knows what might happen to the right hon. Gentleman? However, the plain fact is that his voice in such matters will continue to reverberate, and I sincerely trust that the new Prime Minister, when he takes over, will give water and sanitation the sort of priority that he has given to education in Africa.

I turn to the Government's record on the issue. United Kingdom aid to the water and sanitation sector fell steadily between 2000 and 2004, but the Secretary of State has made a number of positive recent announcements. In March 2004, the Department for International Development produced a water action plan and in 2005 the Secretary of State announced a doubling of aid for water and sanitation for Africa by 2007-08 from £47.5 million to £95 million. In the context of what I have said, I am bound to ask whether that is enough—even though it is considerable.

DFID's 2006 White Paper included water and sanitation as one of the four key basic services—the others are health, education and social protection—on which it will spend 50 per cent. of its aid. The White Paper also announced a "doubling of the doubling" to Africa, with aid increasing to £200 million per year by 2010-11, as the Secretary of State said in reply to my question in the House the other day. DFID is drafting a new policy paper on water and sanitation, and it published a document earlier this year called, "Why we need a global action plan on water and sanitation". I am not going to say that those are just fine words; they are important, but the Department must do better.

The Secretary of State has demonstrated considerable commitment to the issues, but with the Chancellor championing education and the Prime Minister closely linked to commitments on HIV/AIDS, it could be argued that water and sanitation have not received the same high-level political commitment from the UK at international summits. The Committee's report also accused DFID of having a blind spot when it comes to sanitation, as the hon. Member for Glasgow, North (Ann McKechin) said.

Aid from other European Union member states has also declined. The EU water initiative, launched in 2002, aimed to increase high-level support for those issues and to improve mechanisms for co-ordination between donors nationally. However, despite DFID attempts to improve the initiative, there remains a general lack of commitment from most member states, and we believe that the initiative has largely failed to achieve its objectives.

Other major donors to the sector include the United States and the World Bank. The amount of money that the World Bank provides for water and sanitation is great, but it, too, must do better. Major donors have tended not to focus on the poorest people in the poorest countries; instead, they have spent more on a small number of major infrastructure projects in middle-income countries.

When one looks at who suffers the most in Africa, and in sub-Saharan Africa in particular, it is important to note that the poorest people in the poorest slums pay the most for water. There are rackets in certain countries. In Kenya, for example, there are disparities in the amount of money that the water carriers and suppliers seek, and the net result is that poor people pay disproportionately more for water. That is inconceivable when one considers the impact that it is bound to have on poor people and their children. No wonder, one child dies every 15 seconds.

The G8, which is about to reconvene, last discussed water and sanitation in 2003, when it signed up to the

Evian action plan on water and sanitation. The plan, however, was more a broad statement of intent than a concerted strategy for meeting the MDG targets. With two days to go before the G8 meeting and with one child dying every 15 seconds, I believe that now is the time to revisit the issue of water and sanitation and for the G8 to commit itself to a comprehensive plan of action.

Will the Secretary of State speak to the Prime Minister? Will he push for a global action plan on water and sanitation at the G8 summit, the day after tomorrow? That is a specific request—in fact, I would call it a demand. I do not want to overstate the case, but I want to ask: will the Secretary of State please speak to the Prime Minister and raise the issue as a top priority in the G8? That is needed as a first step to providing high-level political commitment to action. The Prime Minister has just made a speech in Berlin about commitments made at the previous G8 meetings being not fulfilled by other countries. Now we have an opportunity to raise the issue in the context of a child dying every 15 seconds as a result of water and sanitation problems. Certainly DFID has acknowledged the need for a plan at that level, but we need more commitment immediately.

Given the fact that 220 MPs have signed my early-day motion and that five chairmen of all-party groups on African matters were among the first six signatories, the fact that we went to Downing street with WaterAid and Tearfund only three weeks ago and presented a petition—I have a reply from the Prime Minister acknowledging that—and the fact that we are setting up a new all-party committee on water and sanitation to look more deeply into these questions, I again urge the Secretary of State and the Prime Minister to respond. I am writing to the Prime Minister today to urge him to bring the issue up at the G8. I look forward to hearing him report back to Parliament on the issue, presumably on Monday. I do not think that what I have proposed is a challenge or an unreasonable request. In the context of what I have said, it is essential.

Finally, we must ensure that sanitation is fully integrated into all health, education and other development initiatives. I say this to my hon. Friend the Member for Boston and Skegness (Mark Simmonds), who is my party's Front-Bench spokesman. We are giving a great deal of attention to the subject, as I have no doubt he will demonstrate when he speaks. No schools or health facilities should be built without latrines. Indeed, I understand that the new health care strategy is to be launched today in relation to this matter. We must fulfil our commitments on spending in the sector and work hard to ensure that other countries make it a priority. That includes countries within the EU, although I am always concerned about whether it will manage to achieve its targets. We must ensure that efforts are made to integrate the water sector fully into climate change plans, too.

I end by simply saying this. If I have demonstrated a passionate concern about the issue, it is because I believe that it matters. It matters because, as I said at the beginning of my speech, clean water is life; foul water is death. We can no longer allow a child to die every 15 seconds as a result of a failure on water and sanitation.

9.53 am

Mr. Tom Clarke (Coatbridge, Chryston and Bellshill) (Lab): It is an enormous pleasure to follow the hon. Member for Stone (Mr. Cash). I congratulate him on achieving a debate on a such an important subject, and on the eve of the G8 summit, too, as he said. He has shown a great interest in the subject and has pursued it with the diligence that we have come to expect from him.

I am also particularly grateful for the excellent support that the hon. Gentleman gave to the International Development (Reporting and Transparency) Act 2006, which I sponsored last year. Now that a first-class report has been presented to Parliament—the first of its kind arising from that Act—I am sure that, when we have a debate in the House, he will continue to pursue the subjects dear to his heart and to present his case in the well-informed and comprehensive way that he has done this morning.

I am pleased, too, that my right hon. Friend the Secretary of State is present. I am sure that he will confirm that the issue is very much at the heart not only of the Government's approach, but of their endorsement—also now included in the 2006 Act—of the millennium development goals. At least one of those goals—perhaps more—impacts on the issue of water and sanitation, and of course we all want that pursued. The intention in millennium development goal 7 is to halve the proportion of people without sustainable access to safe drinking water and basic sanitation by the target time of 2015. I know that the Government accept that objective; indeed, from everything that my right hon. Friend the Secretary of State has said, it is fair to say that he would feel that we can do even better than that. Nevertheless, there is a commitment to the millennium development goals.

The hon. Member for Stone acknowledged that, as reflected in DFID's recent White Paper, the UK is striving to ensure that our commitments on basic services and on doubling the water spend in Africa by 2007-08 are achieved, and that the spend is then doubled again, to £200 million by 2010-11. We all accept, however, that our current trends suggest that we will simply not meet the target in sub-Saharan Africa. That applies to other aspects of what we hope to do, but it does not mean for one second that we withdraw from what we want to achieve. Nigeria has the largest slum populations in Africa and less than half the rural population there has access to an improved water source. Together with UNICEF, DFID is helping 500,000 people get access to water in eight states and piloting innovative low-cost sanitation initiatives.

I was pleased that the hon. Gentleman mentioned the important debate that is to take place in the House this afternoon on Darfur. It is important that we acknowledge that DFID has provided £17 million specifically for the water sector, through its humanitarian assistance programme in Darfur and southern Sudan. However, the great frustration that we all share is that because of the conflict and the carnage there, even that funding will not be as effective as we would all wish it to be. Nevertheless, DFID should be congratulated on its contribution.

DFID has done well to encourage the international focus on the issue, particularly with its recent

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document, entitled "Why we need a global action plan on water and sanitation". I have no doubt that my right hon. Friend the Secretary of State will wish to develop the commitments in that document in his response. It highlighted the role to be played by Governments and civil society in the co-ordination and management of projects, as well as the need for better financing and capability building at local and regional levels. Again, our Government have a record of which I am proud. DFID recently launched a five-year, £3 million research programme on water supply and sanitation in three regions of Ethiopia, helping to show how better financing can strengthen human security and provide opportunities for growth, for the benefit of poor people in Ethiopia and the wider Nile region.

Of course, as the hon. Member for Stone said, not only Africa suffers from the problems that he identified. In Pakistan, half the girls who drop out of school do so because of a lack of access to latrines. That underlines the point that the problem of water and sanitation links in to the other problems that we want to deal with, such as health care, infant mortality, maternal mortality and education. I think that DFID would highlight the importance of its funded programme in the North-West Frontier province in Pakistan, which in 2006-07 provided clean drinking water for 170,000 people and proper sanitation for 225,000 people.

Recently, that excellent organisation Results UK, which is doing wonderful work in this field and particularly on tuberculosis, encouraged a number of us, including my hon. Friend the Member for Middlesbrough, South and East Cleveland (Dr. Kumar), to visit India. Although we were focusing on tuberculosis, it was obvious to us that the issue raised by the hon. Member for Stone—water and sanitation—was pivotal in trying to find a solution to that problem and to many others. The fact is that 1,000 people die of tuberculosis in India every day. Even if we improve water and sanitation as much as we want to, we will not solve the problem except through that. Nevertheless, that contribution is significant.

At any one time, half the people in the developing world suffer from one or more of the diseases associated with inadequate water supply provision. Half the world's hospital beds are occupied by people suffering from water-related diseases. That was unsurprising in India, because as we heard, just 15 per cent. of the rural population have access to a toilet. The UK Government promote water sustainability in West Bengal, Andhra Pradesh and Madhya Pradesh, and that is welcome. It was certainly welcome to the people to whom we spoke, as my hon. Friend the Member for Middlesbrough, South and East Cleveland will recall.

Given the impact that climate change is likely to have on low-lying areas of the sub-continent, it is important that we have a strategy to deal with such matters. I am glad to join the hon. Member for Stone, if I may, in paying tribute to Tearfund, to Laura Webster and to WaterAid. In India, we heard of WaterAid's contribution. It has both rural and urban projects across India and helps to promote sanitation by targeting some of the country's most vulnerable communities. We heard a lot about its good work in Bangalore, and it is making an important contribution to achieving the millennium development goals in those areas.

I believe that the issues raised in this important debate go beyond even Governments, and so I want to end with a reference to development education. The vast majority of the British people are supportive of what the hon. Member for Stone has said and of the things that we want to do to provide clean water and proper sanitation. For that reason, I was proud that one of the main secondary schools in my constituency, Rosehall high school, working with a nearby primary school, St. Mary's, has involved itself in a twinning link with a little village in Malawi. When I visited the school recently, we saw slides that showed places where water had not been provided and where people had to walk five miles to obtain it, and because of the help that the two schools have been able to give through fundraising and keeping in touch with that village, water is now provided in those areas. I am proud of the schools for that.

The challenge to us all goes further than that. Development education means that we want more schools, individuals, churches and voluntary organisations to take the view that together we can indeed give this matter a push. It is vital, for all the reasons that have been given, that we achieve the millennium development goals and more. I congratulate the hon. Member for Stone on the focus that he has encouraged us to deliver on those matters in this important debate.

10.5 am

John Robertson (Glasgow, North-West) (Lab): I join my right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) in congratulating the hon. Member for Stone (Mr. Cash) on securing the debate.

The hon. Member for Stone and I have had a number of discussions about water over the past few months, and when he was putting together his early-day motion, I was glad to have the honour of being one of the signatories. It is a great credit to the House that more than 200 of our Members have signed it; I only wish that 646 had. We are working on that, and I am sure that the hon. Gentleman will put his usual effort into it, as he does with most subjects. It was a pleasure not to hear the word "Europe" in his speech today, but it is early days and there is still time left. I was interested in the story about his great-great-grandfather, who drank only water and sadly died. It gives people like me, who drink alcohol, some hope that we may continue for a bit longer yet. But enough of the frivolities, as they say.

As chairman of the all-party group on Nigeria, I want to mention a couple of examples, because I believe that every Member of this House should try to go to such countries and see what it is like for people who have less than nothing. Perhaps when they came back, we would not have the problem of having only 200 signatures on an early-day motion. We would have those 646 signatures if the Members could see what some of us have seen.

I have two stories to relate from my last visit to Nigeria, which took place only last November. The

first concerns an area just outside Kano, called Wudil. It is a semi-rural region, with a population of some 200,000 people. The project is probably one of those DFID projects mentioned by my right hon. Friend the Member for Coatbridge, Chryston and Bellshill. It is an example of good housekeeping and of how the work should be done.

DFID stepped in to help that community and worked alongside partners from other countries—from Canada in particular—to ensure that the water pumps and water station were up and running and that the water was delivered to the local villages. That has increased the amount of water delivered from 500,000 litres a day to 10 million litres a day. That is 20 times what the people there received before, and it was better than anything else I had seen in Nigeria in my visits over the previous few years. To get 20 times as much water—we will even reach the stage where some in the villages receive water straight into their houses—is fantastic compared with what we have seen in the shanty towns, with their sheet metal and dirty water running in the street being siphoned off, and where young children walk two miles to fetch water, and carry their buckets, containers, pots and pans all the way back to the house to provide dirty water to cook and clean with. That is not what we want to see, and DFID should be congratulated on the work that it has done in that case.

Let us compare that community with another, Iddo Sarki, which is just outside Abuja. It has six standpipes, of which two work. The two that work have been installed for a number of years, and were put in properly. The piping was dug deep into the ground and there was not a problem. There was an improvement project, but by the time that it had been passed down from central Government to the state government, and then via local government to the local water installers—with everybody taking their skim off the top—the further piping was left lying on top of the ground. It was the type of very thin plastic piping that we would use for gutters. Needless to say, given the heat and the number of people in the village, some of whom stood on the piping, it cracked. The result was that there was no water pressure and no water. Four brand new standpipes were waiting to deliver water, but did so for what I believe was a total of only 120 minutes.

That is not good enough. Somewhere along the line, money had been given by a Government—I never did work out which one, although I do not think it was the British Government. However, by the time that that money had come down through the various channels, with various people skimming amounts off the top and the contracting company using the cheapest possible materials, it was clear that the installation would never last. As a result, a village of more than 5,000 people had only two standpipes for everybody in the village.

That is an example from just outside the Nigerian nation's capital, which is a brand new city that is lovely to visit. It has a wonderful sports stadium and complex, yet only five miles down the road there is a problem of the type that I have described. I hope that it will have been rectified by the time that I return to Nigeria at the end of the year. I have written to new President about it, as I did to the old one; I have been in touch with various members of the Nigerian Government, and I have spoken to the high commissioner here. If the problem is not rectified, we will have to ask ourselves how we should spend our money in such countries and how we can ensure that work such as that in Kano is repeated elsewhere.

Mr. Cash: The hon. Gentleman may recall that I produced the International Development (Anti-corruption Audit) Bill. I also exchanged a few words with the right hon. Member for Coatbridge, Chryston and Bellshill when his Bill was going through, and likewise with the Secretary of State. The governance issue is a central one; corruption of the kind that the hon. Gentleman has described causes death, because it prevents sanitation and water from getting to where they are needed.

John Robertson: The hon. Gentleman makes an excellent point. Corruption is undoubtedly one of the major problems that Africa and other parts of the world must overcome, and achieving that is a matter of good governance. In this country, we might argue and complain that the Government are not doing this or that the Opposition are not doing that, but we are held accountable to the people whom we represent. In countries of the type we are discussing, nobody is held accountable. They do not have taxes as such, and the result is that elected representatives are not accountable to anyone. That is one of the problems in the world: that elected representatives are not accountable to the people whom they supposedly represent.

The visit to the village just outside Abuja took place in the run-up to the Nigerian elections that were held a month or so ago, and there were posters all over the place. I asked the village elder who the local councillor was—I knew what the answer was because there was a poster right beside him—and he replied that it was the man in the poster. I asked when he had last seen the man, and he said, "Oh no, we have never seen him." On asking what he meant, I was told that the councillor sends money and food every so often when there is an election on, so that people can have a party and so that everyone will vote for him. The elder seemed to think that I was the councillor's election agent, because he added, "By the way, we will be voting for him." I said, "Do not vote for that man. He has done nothing for you. Look at the state of your village and of your pipes. You have no decent water. Why are you voting for him? He is supposed to deliver for you."

The people who have to receive these facilities should realise that they have a say. That is what I told the village elder: "Keep electing somebody different until you get somebody who does something for you. Do not vote for this man." Nevertheless, I know that the village will have voted for the same councillor, that he will have been elected and that he still will not have been to the village, which is all very sad. We have a job of education to do, and I hope that some of that education will filter down to people as a result of good governance.

There is not only bad news from Nigeria. The country has realised that elections are important. They may be corrupt and not the same as in this country, but the system is a lot better than a dictatorship and the system 10 years ago. Things are moving, albeit slowly, and as I pointed out to people there, democracy in this

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country started many centuries ago and some people still do not believe that we have got it right. We are still working at it too.

Governance is very important. That is why I believe, after two or three years when I believed something completely different, that when we invest in projects such as those on water, we should oversee them from start to finish. We cannot look at every water project for years to come, but when we walk away, we should know that we have provided the best quality materials, that the best effort has been made and that people have been shown how to maintain what has been done. That is the other problem: we do not show people how to maintain the equipment that we give them. We put in expensive pumps and we do not train people in how to use them.

The good news in Wudil was that that was not the case. We are training people to look after things for themselves, so that they will be able to maintain what has been achieved. I expect that when I return at the end of the year, the system will be fully up and running, and that one of the local engineers will be in charge of running it. If that is not the case, the same thing will happen as has happened in the past; the installation will rust, break and fall into disrepair and we shall be back to standpipes in the street. I hope that that does not happen.

I have waffled on a bit, Mr. Amess, but this is an important subject, and it is important that we draw on what we have seen in order to explain what actually happens and to tell people the realities of life—or in many cases death. I have not even mentioned the hospitals that we visited. Nobody in this country would go near them, but thousands of people sit outside them, waiting for ante-natal clinics that they never had in the past and that are the result of international investment. Those investments must be overseen too.

Water and food are life's necessities. Along with education, they are the resources that we should be giving to countries such as Nigeria, together with the rest of Africa and other third-world countries. My right hon. Friend the Member for Coatbridge, Chryston and Bellshill is renowned for the work that he has done in such countries, and he knows—from personal experience and better than anyone present—how much needs to be done. I have been an MP for only six and a half years, but if I can learn about such matters in that short time, so can everyone else. One day we will have an EDM that bears every single MP's name, and we will have a debate in the main Chamber. I hope that the Prime Minister will implore the G8 to put in more money. A target of 0.7 per cent. of GDP is a start, but that is all. It is a target that we need to reach, and afterwards we need to go further.

We must learn the lessons of 7/7. If we deny people access to life and the same rights as others, they will take matters into their own hands. Europe would not be able to cope with that kind of problem if it emerged in Africa, so it is important not just for Africans but for the rest of the world that we invest in poorer countries and raise their living standards to a reasonable level at which they can look after themselves and progress.

I again congratulate the hon. Member for Stone on securing this debate. I also congratulate my right hon. Friend the Secretary of State on the work that he has done. He has done a great job, and I am sure that he will continue to do great work in this field, no matter what position he has come 27 June. I hope that it is a senior position and that he can take forward the work that he has done in the past. He will certainly have the support of the House in doing so.

10.20 am

Lynne Featherstone (Hornsey and Wood Green) (LD): I congratulate the hon. Member for Stone (Mr. Cash) on securing this vital debate.

I pass on the apologies of my right hon. Friend the Member for Gordon (Malcolm Bruce), who is chairing the International Development Committee and so could not be here today. He asked me to make two comments in connection with the Select Committee's recent report. First, he wants to emphasise that sanitation should be a priority, as it has a huge effect on development. That is set out in the report and has been raised in this debate. Secondly, he wanted me to mention his belief that the core problem is partly the fact that DFID has a staff shortage and that expertise in the field may be diminishing. It is vital that expertise is kept, in some form, preferably by funding expertise and people on the ground in the places where the problems actually exist.

I shall not discuss the Select Committee's report now but wait until a debate is arranged specifically to discuss it. Instead, I will focus on the United Nations convention on the law of the non-navigational uses of international watercourses and on British funding of the public-private infrastructure advisory facility, which I shall refer to as PPIAF, as the name is such a mouthful.

We have heard that water is life. In Britain, thankfully, we do not have to think of it like that. We moan if there is a hosepipe ban, but elsewhere in the world water shortages literally mean life or death. Water is a fundamental human need, and access to it is a basic human right.

It is a sad reality that political tension and conflict over water often go hand in hand. Therefore, it is vital to address water supply issues not only to help people in the developing world avoid health problems, as we have heard this morning, but to avoid wars. The Government must take a lead on the issue.

The more that I learn about water, the more I think that we are, on the whole, a little weak in the area—the Secretary of State will forgive me for saying that. The main issue is not sanitation but water, which has particular relevance to developing countries. There are already examples of political tension over water that crosses boundaries. There is conflict over water access and an increasing threat of mass migration away from areas of water stress. There will be migration and influxes of people. It is essential to secure access to water and, in particular, to secure the integrity and sustainable management of rivers.

The UN convention covers non-navigational uses of watercourses shared by two or more countries. It is vital in reducing conflict over water, but I understand that the UK has not yet ratified it. WWF drew my attention to that, and to the fact that, worldwide, there are 263 rivers that cross international boundaries.

It is also my understanding that the UK sponsored the convention at the UN General Assembly in 1997. There is an urgent need for the UK to take an international lead on such matters, and I would be grateful if the Secretary of State would review ratification. Time is passing: the convention was first put into the arena 10 years ago.

The second matter that I want to discuss is the importance of getting aid in connection with water right. The Secretary of State will know that I have already been banging on about that to some extent. For those of us who have been present during past debates and oral questions on water, it will not come as a surprise that I return to the topic of PPIAFs.

Realistically, constructive partnerships between communities, non-governmental organisations, Governments and the private sector are the only way for developing nations to get sustainable water supplies. The private sector often brings vital investment and expertise, but there is a problem around the PPIAFs. For the elucidation of Members, on 28 March, I asked the Secretary of State the following question:

"Is the Secretary of State aware that Norway has withdrawn its funding for the public-private infrastructure advisory facility, because its projects involving water have so often failed and been so widely criticised? How does the Secretary of State scrutinise the use of UK taxpayers' money? If we are unable to do so effectively, is he likely to withdraw British funding from the PPIAF?"

In response, he stated:

"The PPIAF is having a real impact, not just in relation to water but in other areas. The one example that I can think of is that it has helped to improve the availability of mobile phones in Afghanistan, which is good for helping the economy there to grow and develop. As I said a moment ago, in the end I am interested in investing money in what works. There are examples of private sector water provision that work and there are spectacular failures. There are examples of public provision that work and there are those that have been spectacular failures. The conclusion that I draw from that is that it does not matter so much whether it is one or the other, we should be putting cash, effort and time into what really makes a difference. I will assess our contribution to the PPIAF on that basis."—[*Official Report*, 28 March 2007; Vol. 458, c. 1481.]

I was discomfited to have a question on water answered with an example about telecoms. That demonstrates where the problem lies. I do not believe that the Government know much about the workings of the PPIAF or its effectiveness. At present, there is little or no scrutiny of it, and that is why it is allowed to continue working in the way that it does without much questioning. That is why it is allowed to continue to fail.

I am not saying that every project will be a success, but I urge the Government to assess the contribution of the PPIAF to ensure that the money that we are spending on aid and on such structures is delivering on the ground. The Secretary of State slightly evaded my question about the PPIAF.

I am sure that the Government are aware of a report called "Down the Drain", that assessed PPIAF's work on water since it was created in 1999. The report gives examples of failing projects and criticises the PPIAF for a lack of transparency in its activities. If the facility is to continue, we ought to be fighting for it to be more transparent, so that we can understand what our money is achieving.

As I said, the Government of Norway announced that they will no longer support the PPIAF. I urge our Government to question our support of the PPIAF's work on water. On 23 and 24 May, the PPIAF had its programme council meeting in The Hague, and each donor had to review its funding of the facility. I would be grateful if the Secretary of State could report on the view that our Government took and what conclusions were reached following the meeting.

It is questionable whether donor funding of the PPIAF's water projects could be considered effective or appropriate expenditure. I believe that the current programme is failing. I would like the UK to review whether our aid money for water—and, for that matter, for sanitation—is being spent effectively through the PPIAF, and to cease the funding if the evidence is that that is not the case. Otherwise, we are just throwing money away.

To add grist to the mill, I was recently informed by the World Development Movement that Italy has formally withdrawn from the controversial PPIAF funding, as well as Norway. As two countries have now judged the PPIAF inadequate, it is over to the Secretary of State to consider whether he too will make that judgment. He must review the work and ensure that our money is being spent effectively.

10.29 am

Mark Simmonds (Boston and Skegness) (Con): I join other hon. Members in congratulating my hon. Friend the Member for Stone (Mr. Cash) on securing this important debate. I put it on the record that he has a passionate and keen interest in the developing world, particularly Africa. He is extremely knowledgeable and he articulated that knowledge in an informed way, as he described the serious water and sanitation problems in Africa and elsewhere in the developing world.

My hon. Friend rightly put the issue in the context of our own history in the United Kingdom and the significant efforts that were made in the 19th century to improve some of the appalling conditions that existed, particularly in our cities. The significant difference between the conditions that existed then in the UK and those that now exist in the developing world is the presence of powerful metropolitan boroughs and the infrastructure necessary to implement many of the recommendations that have been highlighted in the reports mentioned. That infrastructure does not exist in significant parts of the developing world.

My hon. Friend was also right to detail the significant impact of the millennium development goals on improving the lives of people in relation to health, education and other areas. I will return to that later, if I have time. He was also correct to say that the Conservative party is seriously considering in detail how to improve the delivery of water and sanitation, how the issue interacts with climate change and aid effectiveness monitoring and how we can achieve a faster more effective delivery of water and sanitation to help those who really need it.

The right hon. Member for Coatbridge, Chryston and Bellshill (Mr. Clarke) is a renowned expert on this matter and adeptly piloted his private Member's Bill through Parliament. Hon. Members from all parties made a small a contribution to the passage of his Bill

[Mark Simmonds]

and, like the right hon. Gentleman, I hope that the issues raised by the Bill will be debated on the Floor of the House as soon as possible, because it has made a significant improvement to the DFID annual report, in which it has rightly been subsumed.

The right hon. Gentleman was correct not to focus only on Africa, but to highlight water and sanitation issues in other parts of the world. DFID also needs to focus its attention in that respect. However, he was also right to recognise DFID's contribution to the issue, although all hon. Members agree that more needs to be done. My hon. Friend the Member for Stone and the right hon. Gentleman were both correct to highlight the significant impact that organisations such as Tearfund, WaterAid and some of the other excellent non-governmental organisations have had on this issue.

I had the privilege of travelling with the hon. Member for Glasgow, North-West (John Robertson) to Nigeria, where we looked at many of the issues that he mentioned. He is an expert on Nigeria with a high reputation and a high regard for those in Nigeria because of his expertise. When we were there, we both met the formidable DFID team who were doing an excellent job, sometimes in difficult circumstances. However, he would be the first to acknowledge the significant problem of how Nigeria can provide the necessary resources for water and sanitation if it does not have an accurate view of its own population. He was also right to highlight the financial impropriety in some parts of Nigeria, because that makes it difficult to deliver the necessary improvements.

The hon. Member for Hornsey and Wood Green (Lynne Featherstone) was right to press the Secretary of State to ratify the UN convention and right to raise the significance of water management in the developing world. She may be aware that WWF is doing significant work on analysing those issues. I advise the Secretary of State and his officials to look at that report when it is available.

I will not repeat the statistics that have been mentioned, but make two or three points to re-emphasise the significance of the issue. There are 5,000 child deaths a day—I am not sure whether that equates to a child dying every 15 seconds, but it is a significant number—because of unclean water and poor sanitation. However, there has been some progress. Some 10 million people gained access to improved drinking water in sub-Saharan Africa annually between 1990 and 2004. The problem is that the population is growing far faster than improved services can be delivered. It is estimated that, during that same period, 60 million more people did not have access to water. On sanitation, it has been estimated that the numbers of people who have access to facilities has risen by 5 per cent. since 1990. However, that has been outstripped by population growth, so an additional 111 million people in sub-Saharan Africa do not have access to sanitation.

Water and sanitation is a key millennium development goal and, in some parts of the world, particularly in Asia, providing access to water is on track. Sadly, as with much else in sub-Saharan Africa, progress towards the millennium development goal for water and sanitation—I think it is No. 7—is significantly off track. If we continue at the current rate, it will not be reached until 2076.

I do not wish to paint a completely bleak picture, because there has been progress. Mauritius and South Africa are close to universal access to water. In Uganda, there has been a significant increase in the number of people with access to sanitation and water, with the figure tripling from 21 to 61 per cent. between 1990 and 2006. We acknowledge the perhaps belated progress that DFID has made on the issue by doubling the funding for water and sanitation to £95 million and doubling it again by 2011-12—whether that is enough is a debate for another day. We welcome the Government's acknowledgement in November 2006 that access to safe and affordable water is a right for all. However, the International Development Committee report that I, along with the hon. Member for Hornsey and Wood Green, hope will be debated in full on a separate occasion, was critical of DFID. It said that sanitation was neglected by DFID and in evidence to the Select Committee, the Secretary of State himself acknowledged that its eye had perhaps been taken off the ball regarding that.

The issue is a particularly complicated part of the international development sphere because there are numerous complex and interrelated challenges. I shall raise two or three key matters. Water and sanitation is a more challenging sector than health and education because there are often a number of Government departments, agencies and private contractors involved in the provision of the service. There is rarely one Department responsible and the issue is often the responsibility of local government, which in many developing nations does not have the absorptive capacity or infrastructure, and is regularly over-burdened, under-resourced and lacking the required expertise.

Mr. Cash: The hon. Member for Glasgow, North-West (John Robertson) made a point about corruption and governance and I backed him up on that. I take the point that my hon. Friend makes about local government, but the history of the issue and the context in which we are considering it shows that it was the reform movement and the local government changes that took place in the mid-19th century that provided the mechanism to enable delivery. Would my hon. Friend like to pursue that point?

Mark Simmonds: I am grateful for my hon. Friend's intervention as he is absolutely right. I was going to say that DFID can play a significant role in strengthening local government accountability and structure, and civil society in local areas. That would enable better and more effective streamlining of delivery mechanisms and instruments. My hon. Friend makes an additional point, which picks up on the point made by the hon. Member for Glasgow, North-West, about central Government accountability. He was right to highlight the dislocation that exists in Nigeria and elsewhere in the developing world because the electorate can bring to bear no accountability upon the individual who has been elected. There is often no taxation structure or system and that situation needs to be improved. That issue relates to the building of pluralistic civil societies, which I know DFID is involved with in many developing nations. We must make a greater and more significant impact on reforming institutions, reducing corruption

and strengthening legal frameworks. Without central Government commitment and accountability in developing nations, it will be difficult to improve access to water and sanitation.

Another key point is that few water utilities are financially sustained with tariffs. It is rare to cover all operational and maintenance costs, not to mention the original funds for capital investment, so most utilities rely on subsidies, which presents significant challenges in weak and fragile states. I saw that for myself in Yemen, where Oxfam had put a water and sanitation system into a tremendously poor village just outside Aden. Not only was the system not sustainable because Oxfam would only be there for a certain number of years and the local government structures did not have the funds to improve it, but people in the village did not have the money to access the water supply and sanitation. That related to my hon. Friend's comment that often it is the poorest who are asked to pay more, which is completely unacceptable.

Better water and sanitation could make a significant contribution to achieving all the millennium development goals. It could reduce the number of people suffering food scarcity and living on less than a dollar a day—millennium development goal 1. It could boost school enrolment—millennium development goal 2. It could promote gender equality—millennium development goal 3. It could reduce child mortality—millennium development goal 4. It could improve maternal health—millennium development goal 5. It could protect people from HIV and other diseases—millennium development goal 6. In addition, however, there is a moral imperative to improve access to water and sanitation. It has been established that improvements are cost-beneficial—the potential economic gains significantly outweigh the costs.

As the Opposition spokesman, I have three particular suggestions on which I think that DFID needs to focus. The first is greater efforts to promote sanitation and waste water treatment. Often the problem is not lack of water, but poor management, pollution and wastage, and lack of facilities. That might change as climate change has an impact; there might be more significant water shortages as rainfall and river levels drop, exacerbating water scarcity and water stress, which will lead to conflict and significant migratory flows, particularly into urban areas. It is important that we provide water and sanitation facilities, which will enable and enhance economic growth, thereby enabling developing nations to stand on their own two feet.

My second suggestion is that it is important that DFID encourage more flexible local, small-scale providers to strengthen capacity. In northern Bangladesh, I saw for myself a project run by an NGO involving microfinance and microcredit, enabling small villages to produce sanitation equipment, which they then sold to surrounding villages, which not only helped sanitation and watercourse cleanliness, but generated income for themselves, so that they could provide for their families and buy into other products and services.

Although subsidies will remain necessary to provide sanitation in rural areas, output-based aid and performance-based subsidies to support and incentivise service delivery are important. Tying subsidies to performance output to improve service quality and lower costs, thereby allowing increased coverage, could be a significant way forward. Indeed, recently, in Mozambique, 36,300 new connections have been made—a 22 per cent. increase in Maputo alone—via output-based aid.

My third suggestion is for subsidies for initial connection costs to increase access more rapidly, given that tariffs rarely cover operating and maintenance costs. That means ensuring sustainable long-term funding from donors and the internal national domestic budget allocations, which will enable utilities to extend their services and target areas to where the majority of poor people live.

I have two or three quick questions for the Secretary of State. The EU initiative on water and sanitation has not been a great success, even though it has improved. We are into the 10th round of the EU development fund, the replenishment of which will be finalised this year. Is DFID pressing for a reform of the EU water facility and, if so, what progress has been made? Will the Secretary of State say what progress is being made to harmonise the work of the 23 UN agencies currently involved in water and sanitation? It might be preferable to have one country plan, co-ordinating body and monitoring and evaluation strategy in each country working with the respective Governments to deliver the improvements in water and sanitation that we all want.

There was criticism in the Select Committee report about the lack of technical expertise in DFID. I hope that the Secretary of State will say today that that is being addressed, or has been already. The 2007 annual report states, in the context of the action plan that the right hon. Member for Coatbridge, Chryston and Bellshill mentioned earlier, that DFID is updating its policy work on water and sanitation. When will that work be publicly available, so that the House can consume and discuss it? We welcome the increased resources that DFID has pledged for water and sanitation and the fact that it has recognised concerns that there might not be significant absorptive capacity on the ground. Will he say what steps DFID is taking to strengthen the absorptive capacity of local government and providers to ensure that that funding has the maximum impact in the shortest possible time?

Effective investment in water and sanitation facilities is essential if we are to see improvements in living conditions, economic performance and the quality of life in the developing world. I plead with the Secretary of State to ensure that every penny of additional funding is delivered effectively for the benefit of those in the greatest need. He will find that the Opposition are supportive of the British agenda for water and sanitation.

10.46 am

The Secretary of State for International Development (Hilary Benn): I congratulate the hon. Member for Stone (Mr. Cash) on securing the debate on his early-day motion and on the passion and eloquence with which he spoke this morning on a subject close to the hearts of all right hon. and hon. Members present. I welcome the contributions of my right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr. Clarke), my hon. Friend the Member for Glasgow, North-West (John Robertson) and the hon. Members for Hornsey and Wood Green (Lynne Featherstone) and for Boston and Skegness (Mark Simmonds). I congratulate also the End Water Poverty campaign,

[Hilary Benn]

initiated by WaterAid, on encouraging all of us to do more. I welcome the International Development Committee report; the fact that it chose to carry out this inquiry and focus on this very important issue has been of great assistance.

The hon. Member for Stone summed it up when he talked about water being the stuff of life, but we have a world water crisis. The statistics are stark: 1.1 billion people lack clean water, 2.6 billion have no access to sanitation and 5,000 children die every day—he said that one dies every 15 seconds—because they have no water. In developing countries, the task of fetching and carrying water falls mainly to girls and women. On a recent visit to Malawi, I walked with some women and I ended that afternoon with an even greater appreciation of the sheer physical labour involved in that task. Those women walked six times that day the 15 minutes to the water points to collect the water, put incredibly heavy buckets on their heads and walked back. When girls are doing that, they cannot go to school. As he rightly said, the knock-on effects on their lives are enormous. They are less likely to have healthy children and be protected from HIV, and it is very clear that girls who have gone to school have greater knowledge and capacity to influence what happens to their lives and bodies than girls who have not. In Africa, an estimated 5 per cent. of gross domestic product is lost to illnesses and deaths caused by dirty water and the absence of sanitation.

Everyone recognises that that must change. That is why we have the millennium development goal for water and sanitation, which is to reduce by half the proportion of people without access to safe water supplies and basic sanitation by 2015. As we have heard, some countries are on target to meet that goal, but sub-Saharan Africa is really lagging behind on water and most of the developing world will miss out on sanitation. As the debate today has shown, the real challenge is to get governance right—to get the right institutions and systems. That challenge will become much greater owing to rapid population growth and rising urbanisation. As the hon. Member for Stone reminded us, we went through exactly the same process in this country in the 19th century. It is now being replicated in the developing world, first in Asia and then in Africa. In the next 50 years, the majority of people will live in towns and cities, but where is the clean water supply and sanitation going to come from? How did it change here? Contributions from social reformers, such as Chadwick and John Snow, drew attention to it. They insisted that the hand be taken off the pump in Broad street, which proved finally that cholera is caused by contaminated water. Remember the Great Stink in the 19th century when this Parliament finally got the message when it had to stop sitting because of the stink in the River Thames.

Several hon. Members, including my hon. Friend the Member for Glasgow, North-West, made the point that the real lesson is about political will. The question is why it took our nation so long to get the message that lack of clean water and sanitation had a terrible impact on people's lives. The question is exactly the same in the developing world. In the end, the national Governments in those countries have to get the message. With the best will in the world, we cannot do it for people. Those Governments have to hear the message direct from their own electorate.

Let me explain one of the challenges. The hon. Member for Boston and Skegness was right forcefully to make the point he did about the problem of diffuse responsibility. In almost every country, there is a national education Ministry and a national health Ministry, but no national Ministry with responsibility for water and sanitation. The issue is dealt with regionally and by local authorities—it is dealt with at a very local level. The part that we play is that of helping those who do have the responsibility to get the message and to get on with the practical work of providing the water and sanitation required. That is why in every country there needs to be one national water and sanitation plan and one national group that co-ordinates action, bringing together Government, civil society, local authorities and donors to see what progress has been made and what the obstacles are and to agree on who will do what.

What contribution can the United Kingdom make to all that? We have done a fair bit already, but we need to do a lot more. The hon. Member for Stone kindly referred to the commitment to double and then double again our investment in water and sanitation in Africa by 2011. Included in that are plans to support a £100 million water and sanitation programme in Ethiopia and an £82 million joint health, hygiene, water and sanitation programme in Sierra Leone, because all those things are connected. My hon. Friend the Member for Glasgow, North-West referred to work in Nigeria.

I have to tell the hon. Member for Stone that global aid for water and sanitation is increasing again, having declined because the world took its eye off the ball, just as—we have to tell the truth—the Governments of some developing countries took their eye off the ball and did not give the issue the priority that it deserved. With the global call for action that I published last November anticipating the call that the hon. Gentleman made for the issue to be discussed by the G8, we are already on the case. The world needs to get its act together in ensuring that the contribution that we make as donors is more effective in helping change to happen on the ground.

That is why we want two things internationally. One is an annual report to monitor progress towards the MDG water and sanitation targets. I pay tribute to my right hon. Friend the Member for Coatbridge, Chryston and Bellshill, the architect of the Bill that resulted in the very thick but, I have to say, very good DFID annual report. He and others have championed the argument that shining a better light of transparency on the work that all of us are doing helps to move the politics on, because when people can see what is or is not happening, they can say, when things are not working, "Oi, what are you going to do about that?"

Mr. Cash: On the "Oi" point, I ask the Secretary of State to raise this matter specifically and personally with the Prime Minister and urge him to raise the matter as a proper priority in the discussions in the G8.

Hilary Benn: I can tell the hon. Gentleman that we, along with the French, have, through the G8 sherpa process, raised this issue.

Mr. Cash: I asked about the Prime Minister.

Hilary Benn: Well, whether or not all the other member states want to make the issue a priority for this G8 meeting, I have hopes that next year, under the Japanese presidency of the G8, we will see further progress. I am trying to report to the hon. Gentleman on the progress that we have already made in raising the issue at the highest level.

We want an annual report and an annual global meeting. With the World Bank and the UN Development Programme, I organised a side meeting at this year's World Bank spring meetings. We secured agreement on the creation of an annual global monitoring report, which will be put together by UN Water. It is likely to focus on sanitation next year, because next year is the global year of sanitation. We secured agreement that there should be an annual meeting, not an additional meeting in the calendar, because we have enough meetings. We need fewer meetings and more action. However, we can piggyback an annual discussion on how we are doing on to one of the many meetings that already take place. The hon. Member for Boston and Skegness mentioned the UN. I was pleased that, at that meeting, Kemal Dervis said that, within each country, the UN would identify one of its organisations that would take lead responsibility for co-ordinating its efforts on water and sanitation. That is a big step forward.

On the EU water initiative, the truth is that the situation has been pretty mixed. We support it because we want it to work better. In some countries it has had an impact; in others it has not. I am particularly keen on the EU water facility, because there is a great thirst—pardon the pun, Mr. Ames—out there for funding for investment in water and sanitation, and that facility has been oversubscribed several times over. I would like the EU to put more funding into the facility in the long term, particularly if it will provide support to those who have the direct responsibility for providing clean water and putting in the pipes and sewerage systems that will be needed in the growing towns and cities of the developing world.

We need to do other things, such as help to build capacity at local level. We need to promote south-south lesson learning to help water suppliers to find out what works. I agree with the hon. Member for Boston and Skegness that output-based aid has a contribution to make. He is right, as are other hon. Members, to draw attention to the problem of cost recovery and maintenance. People have to be able to build a system, but they also have to be able to maintain it. Part of the problem in the developing world is that systems were put in but were not maintained and they have fallen apart. That is one reason why some standpipes do not work any more.

People have to think through how they will make the system work. That is why water operator partnerships, proposed by the UN Secretary-General's advisory board, are a good idea. We have funded workshops to promote that concept. We are helping utility managers to get together and share their experiences of what works. We will also fund lesson learning about reform of public provision, so that that experience can be shared. I pay tribute to the World Development Movement for having made a push on that front. I listened, as I said I would, and the activity that I have described should help utilities and partnerships to replicate successes elsewhere. That is how we will bring more clean water to people and undercut the private water sellers, who, as the hon. Member for Stone rightly said, charge five to ten times as much for the water that they provide in buckets and plastic bags.

The hon. Member for Hornsey and Wood Green talked about the PPIAF. That facility responds to requests from developing countries for assistance, which is a pretty good place to start. Let me give her one example of how it has worked successfully in the water sector. It has supported the Ghana community water and sanitation agency with regulatory and legal reform—because this is about getting the structures right—to help the people there to improve small-town water services. That has allowed local water operators to provide clean water to communities for the first time. The communities themselves were involved in selecting the providers. The scheme has been successfully implemented in three towns, and Ghana wants to extend it to 300 small towns across the country. I will happily write to the hon. Lady with more information. The PPIAF makes a contribution, but it is not the only thing that we are doing. We should try all approaches to see whether they work.

On the broader question of public versus private, we have largely moved beyond that pretty sterile debate. As the report of the Select Committee on International Development says,

"Simplistic public versus private debates miss the point."

The question to ask is: what will work successfully?

On sanitation, I thought that the Committee was a little unfair. After all, which country did most to get the sanitation target agreed at the 2002 world summit? The answer is the United Kingdom. Also, as hon. Members will be aware, we are funding in India a very big programme with UNICEF, implementing state programmes on sanitation that aim to reach 215 million people. We have school sanitation programmes in Malawi, Nigeria, Kenya, Pakistan and Bangladesh, including some small projects. We are supporting the community-led total sanitation programme in Bangladesh and helping it to spread throughout Asia. That is a cracking programme, because there is no embarrassment there. The people involved use very direct methods, walking round villages with whistles, shouting at people and saying, "We're not going to have open defecation in our village," which in the end is how people begin to change attitudes. Then cheap pit latrines are provided. Communities taking responsibility will make a big difference.

On water resource management, the hon. Member for Hornsey and Wood Green raised a very important question: what will the world do when people start fighting not about national identity and political ideology, but over water? Working to support countries to manage their water resources, as we are doing with the Nile basin initiative is therefore very important, not least because of the competing demands for water, especially from agriculture, which accounts for 80 per cent. of the world's water consumption.

This has been an excellent debate. I am very grateful to the hon. Member for Stone for giving us the chance to discuss this issue this morning. Our history teaches us that what is important is political will. It is political will that will change the situation, and that is just as true in the developing world.

Balanced and Sustainable Communities

11 am

Dr. Roberta Blackman-Woods (City of Durham) (Lab): It gives me great pleasure to introduce this debate today. It will not only draw attention to the important issue of maintaining balanced communities in our university cities, but it will recognise the fact that we now have a new all-party group that lobbies for small but important changes in legislation on housing and neighbourhood management to bring balanced communities into being. The debate will include consideration of what has come to be termed "studentification" and issues arising from a high concentration of students living in a particular area.

I wish to stress at the outset that the debate goes wider than that to encompass private renting more generally and the need to have balanced communities where there are households of different types. The desirability of that is reflected in the Government's revised planning policy statement 3, which states that one of

"the specific outcomes that the planning system should deliver"

is:

"A mix of housing, both market and affordable, particularly in terms of tenure and price, to support a wide variety of households in all areas, both urban and rural."

That sets a framework that we wish to see applied locally.

I hope that my hon. Friends and other members of the all-party group will agree that we do not wish to demonstrate or to whip up anti-student sentiment. Our aim is quite the reverse. We value the life, vitality and talent that students and universities bring to our areas. Indeed, it is because we want a strong town-gown relationship to flourish that we think that the Government need to look again at the housing and planning legislative framework on the matter.

To that end, I am pleased to welcome a recent report from the National Union of Students, which is titled "Students in the Community Working Together to Achieve Harmony". The report is helpful in a number of ways. It highlights the positive impacts that students can have in their communities through participation in community activities and voluntary action, although it recognises that a small minority of students cause problems, particularly those of noise nuisance, disrespect for local residents and, on the odd occasion, antisocial behaviour. The overall flavour of the report rightly emphasises the positive contribution that students can make in an area, and it is right to assert that many of the issues thrown up by studentification emerge because of the poor behaviour of landlords, poor communication and poor management, rather than because of student behaviour per se.

I might like to have a debate with the NUS on limiting the number of houses in multiple occupation in a particular area, which it argues is not a way forward. It argues that we should concentrate on accreditation to regulate landlords and make use of existing legislation on HMO licensing, the housing health and safety rating system, environmental protection, pub licensing and so on. I agree with that and I have some sympathy with the view that applying limits on HMOs in a defined area might be difficult. Indeed, it might not tackle the problems at all because many student houses are private rented dwellings and, for licensing purposes, fall outside the definition of an HMO both in planning law and in the Housing Act 2004. If we are to support more harmonious and balanced communities, we will need to change the legislation. It might be that only a small change is needed, but it is important to do so to address some of the issues that we face.

At present, the planning law definition of an HMO requires a change of use class when a property houses more than six people not in a single household. That is not the same definition as that used in the 2004 Act, under which HMOs are subject to mandatory licensing. An HMO that is subject to mandatory licensing is defined by the Act as a house of which any part comprises three storeys or more and is occupied by five persons or more forming two or more households. Mandatory licensing means that a house would have to meet minimum standards on the number of bathrooms, provision of cookery and laundry facilities, and so on. Crucially, the local authority would need to be satisfied that the dwelling is managed by a person who is fit and competent to do so. Indeed, the local authority is required to give support to that end.

An already complicated situation is complicated further because local authorities have other types of licensing available. The Act allows additional licensing, so authorities can choose to introduce licensing of other types of HMOs that are not subject to mandatory licensing, but they must consult local landlords before so doing. They may also introduce another type, known as selective licensing, in areas where there is low demand or significant antisocial behaviour. In such areas, the houses do not have to be HMOs. Already, we have quite a confused situation.

I wrote to the Minister last May and asked whether the Department for Communities and Local Government had any plans to bring in a uniform definition in housing and planning law. My letter acknowledged that planning law only applied to HMOs in use classes, so it was disappointing to get a lengthy reply that pointed that out to me, but which did not actually deal with the issue that I raised, which was the need to align housing and planning law on such matters in order to simplify it. I am having another go and today I ask the Minister to look at the issue again.

I have received no sensible explanation as to why anyone planning to shift a house from the category of single-family dwelling to that of multi-household dwelling should have to get planning permission only if there are more than six people living in house and not as a single household. My hon. Friend the Member for Southampton, Test (Dr. Whitehead) outlined the matter in the excellent ten-minute Bill he introduced to the House on 22 May which, I hope, he will have the opportunity to talk about later. The Bill deals with the point that the current definition simply excludes most households in multiple occupation in our communities. He suggests that the threshold for change of use should be triggered by more than four people living in a house not as a single household, rather than the current six people. That would have the advantage of being roughly but not exactly the same as the

mandatory licensing category in housing law, and it would undoubtedly be a step in the right direction. Indeed, there might be an argument for lowering the threshold further by employing a definition for HMOs to be applied to houses of three or more people, but that is an matter for discussion.

A better or additional way forward might be for all private rented dwellings of more than one household to be subject to mandatory licensing, especially because it appears that non-mandatory schemes are not being used as extensively as they could be by local authorities. That way, a change in planning regulations covering use classes may be useful as a limiting mechanism and may deal with land use issues, rather than being a proxy tracking system for HMO concentration—it is often relied upon for that at present, especially as regarding larger households.

It is necessary to ensure that licensing and planning deal with the ramifications for a community of having too many HMOs in one area. In such areas, there are a lot of to-let boards at certain times. There might be poor physical upkeep of properties, or unsightly extensions. The point is that that can apply to small houses in multiple occupation as well as to larger houses. All need to be subject to regulation, but regulation and proper management of individual properties will not necessarily tackle urban blight, which leaves many streets abandoned for parts of the year. I should emphasise that that is not good for students, because there is additional crime risk in those areas, especially if students have left their belongings in a house over a vacation. Also, it is often very unpleasant for the few residents who are left living in such areas.

We come back to the question of limits. If use class regulations were changed, it might be possible to exercise greater control over numbers in a given area. However, cities such as Glasgow have experimented with placing limits on the number of HMOs in an area. At the very least, the Government should seek an evaluation of such schemes, including a full evaluation of how the general issue of limiting the concentration of private renting is dealt with in Northern Ireland.

I am requesting a step up in mandatory licensing, so that all local authorities and other agencies can track changes in neighbourhoods before the adverse effects of an over-concentration of HMOs manifest themselves in problems with parking, noise and so on. Tracking changes in private renting, particularly multiple households, could also flag up emerging issues, such as the need for more affordable housing where exiting stock goes over to non-family rented housing.

The fact that such things creep up on local authorities is obvious in my constituency. Ten years ago, for example, we had two estates—Gilesgate and Whinney Hill—in the city centre, which offered good-quality, family, social rented housing. They were bought by tenants and then sold to landlords, who rented them to students and others. We now have not only a shortage of affordable housing, but changing neighbourhoods that no one has planned for, where no proper management exists and where change was not obvious until problems emerged.

The university, local residents and the students union are working hard to establish positive relationships, and the university has, to its credit, appointed a community liaison officer. Had the area been subject to mandatory licensing, however, good management arrangements could have been implemented many years ago, and the council could have delivered earlier on its affordable housing policy. As things stand, it has not done so for a number of years.

The Government have a golden opportunity to address such issues now through the local development frameworks that all local authorities are putting together to cover their local plans. Those frameworks should be made to include provisions on the concentration of HMOs and private renting in particular areas. Planning legislation is also in the pipeline, which could definitely deal with the change in use class.

Let me turn next to a recent report on this topic by Universities UK, which does two things. First, the fact that such a report was produced at all last year confirms the importance of this issue to the university sector, particularly as the sector responds positively to the Government's widening participation agenda. Secondly, the report points to the need to support effective management and the integration of students into local communities. It outlines many examples of good practice, including the use of liaison officers, as I suggested, dedicated local authority support and sensible licensing. It also suggests encouraging students to participate in volunteering schemes and to attend residents meetings and encouraging universities to have an effective complaints system. Those are sensible measures, and the all-party group wants to share such good practice across all areas that have to deal with such problems. It is important to stress again that the focus should be on HMOs and private renting, not specifically on students. As we know, many students are not only hard-working, but good citizens and good neighbours.

Let me conclude by returning to the issue at the heart of this agenda: the need for balanced communities. That is what we are trying to achieve. Many city centres have lost too much family housing, and that has a negative impact on schools and shops, many of which are now under threat. That threat has arisen not only because of student housing, but because of the recent building of too many apartments, which are bought for investment and left empty or privately rented. Such properties are just as much of a problem as HMOs in terms of imbalance. I suspect that other areas also have a glut of them and I want the Government to give serious consideration to the incentives that can be put in place to encourage the market to return some of those houses and flats, which are currently let multiply, to single family accommodation.

Balanced communities help everyone, including students, particularly given that many stay on beyond their period of study and therefore form part of the community. All communities need good services, open green spaces, good public transport and good local amenities and facilities, and we need to be in a position to plan for such things, rather than simply responding when things go wrong.

11.15 am

Mr. John Randall (Uxbridge) (Con): I congratulate the hon. Member for City of Durham (Dr. Blackman-Woods) not only on obtaining the debate but on

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inaugurating the all-party group. For those of us with university campuses in our constituencies, the issue that she raises is a particular problem, and it has increased over the years.

The world-renowned Brunel university is situated in my constituency. Indeed, I remember the time before the university was there, because I live in the same street where I grew up, and I remember walking around the disused dahlia nursery. I have therefore seen the university grow up, and we have always been immensely proud of the fact that it is situated in Uxbridge. Personally, I think it is a shame that it was not called Uxbridge university, because we could not only have got Uxbridge on the map, but could have got money from American donors who did not get the vowels quite right and thought that they would be making a massive donation to Oxbridge. However, that is the commercial side of me coming up.

For many years, Brunel existed almost literally in my back garden, so I should declare an interest as a local resident, as well as the constituency Member of Parliament. For many years, it has also been regarded as an asset to the local area, although it has been somewhat isolated as a campus university. Its impact did not really filter through into the town of Uxbridge, and the students kept themselves to themselves.

Over the past few years, however, there has been a massive expansion, as the university has sold off some of its other campuses around London and moved on to the Uxbridge site. That is quite exiting, and there are some wonderful sports facilities there; indeed, there is an excellent sports hall, where I was declared the local Member of Parliament for the first time about 10 years ago, in 1997. Brunel is therefore also close to me politically.

However, the university has brought problems, as the hon. Lady said, and I am sure that other hon. Members will say the same. Those problems have come to a head lately and almost led to confrontation between residents and the university, which is of course regrettable, because confrontation is the last thing that we want.

The first and most obvious form of annoyance for many local residents is parking, although the Minister will be delighted to hear that that is well outside the Government's remit. Uxbridge had pretty good public transport links, but changes have happened for a variety of reasons, and students will not necessarily live on campus, but in private rented accommodation or at home. When I was a student in London, there was no need for a car—I did not want one and I doubt whether any of my fellow students had one—but things seem to have changed, and there is now a huge parking problem. Of course, residential areas in suburbia have parking problems anyway. One morning, after Brunel decided that it would not let students park in the university grounds any more, we found roads blocked. Buses could not get down them. At that time the university said that it was the local authority's problem, and the local authority said that Brunel was causing it, but it was the local residents and the poor old bus drivers who suffered. That did not do a great deal for good relations.

Over the years we have gone through periods in which the university has taken a more confrontational view of its relations with the local authority and residents. I am pleased to say that we are currently going through a good patch. That is indicated by the minutes of a meeting—I have the minutes, because I could not attend—held on 2 May. The pro-vice-chancellor of Brunel university, Professor Linda Thomas, is in charge of external relations, having taken over from Professor Steve Hodkinson, and a lot of effort is made to work with the local community and get everyone on side. The former vice-chancellor, Professor Steven Schwartz—who may be known to hon. Members, as I think he helped out the Government with some advice—was, I should say, an interesting character, who believed in getting things done in his own way. As we in this House are all consensual in our approach and never resort to anything but debate and good argument to get our ideas through, that came as a bit of a shock to those of us who were more used to a non-American or non-Australian—I do not know which Professor Schwartz claims to be—approach. He is a very interesting man with many good ideas, but I think that he saw people like the residents and me as standing in the way of progress. That era has gone, however, and I hope that we are now in a better period.

The parking problem is quite severe. As many hon. Members know, I was once described as a Dickensian mill owner, and at Christmas, I go to see retired members of staff, to give them Christmas cheer. I found one man, the widower of someone who used to work for us, who wanted to get his guttering fixed, but could not get anything done in his street because none of the local tradesmen could park there. Such problems happen regularly, if not daily, which causes great annoyance. Gradually some problems are being looked at. We now have a parking regime, which again causes a little annoyance, because there never used to be one, and we are all pretty dyed in the wool in Uxbridge—we do not like change. However, that has to be considered.

Another problem occurs when students park their cars all term. They do not make much use of them but park them so that they block streets. There has been some bad parking, too, so that people's drives are blocked, and so on. However, the university has been helpful, and if incidents are reported, it takes action. I think that the key to handling many of the problems is ensuring that there are good communications between the residents, the local authority and the university.

Houses in multiple occupation are another major problem, which the hon. Member for City of Durham mentioned and which I am sure will be mentioned again—I notice, in fact, that there is a half-hour Westminster Hall debate on it this afternoon. There are a variety of effects, such as the pushing up of prices in the private rented sector. We do not have enough private rented accommodation for those who need it, because there is not enough social housing around. That is obviously good for landlords, but it is not particularly helpful. Communities with a sense of having been established in a place for a long time see it as a problem when quite a large number of transient people move in, with, probably, a slightly different view of the hours of operation of their social lives. I was of course a model student—or I think that that is what I

was told. What worries me a great deal is that students are blamed for much more than they are really to blame for, because they are an easy target. There is antisocial behaviour, and students are often blamed for it, when, I am pretty certain, it is not students who are responsible. They may be sitting at home making a bit of noise, but they are certainly not out on the streets causing some of the problems that we have.

The things that I have described are causing people concern. Things have now got to the stage of confrontation. I said that the local authority had organised a positive meeting. Today I received an e-mail from the local residents group, complaining about the university. I shall not go through it, but it involves a planning issue that will have to be dealt with. Much of what the group says is true: the university destroyed an old hedge a couple of years ago, without planning permission, and built on the site. I remember that because I took the matter up and was escorted off the premises by security for daring to photograph what was happening. Also, promises that are made are not always kept. There is a feeling, which I want to make public, that such large institutions must do more than be seen to keep, like everyone else, to the letter of the law on these matters. They should go beyond it, and, to use the current buzz word, be beacons of good behaviour and practice.

Nevertheless, the university provides concerts and culture and all sorts of things for local residents, who do not know about much of what is available to them. I think that is a shame. I suggested a few years ago that a friends of Brunel group should be set up, so that residents could be kept in touch with what was happening on campus, and enjoy it more. The local papers could play more of a role, because little information about what is happening in the university appears in them. As I mentioned, a lot of sport is played at the university, and some of its teams do extremely well. A Brunel team was in the netball premiership, and became so popular that it had to move away and play elsewhere to accommodate more spectators. We should be proud of that. There is still a great desire among residents of Uxbridge and the surrounding area to be proud of Brunel.

I cannot come up with solutions. For once I really just wanted to get the matter off my chest. It is something that concerns many of my constituents—and me, too, on mornings when I am particularly grumpy.

11.28 am

Mr. John Denham (Southampton, Itchen) (Lab): I, too, congratulate my hon. Friend the Member for City of Durham (Dr. Blackman-Woods) on obtaining the debate, and on bringing together the all-party group on balanced and sustainable communities.

"I should declare an interest and a history at the outset. The history is that I was a student, and for several years I lived in rented houses."—[*Official Report*, 23 November 1992; Vol. 214, c. 714.]

Those were the words with which I opened an Adjournment debate on this topic in 1992, and I regret that we are still in the same situation, having failed to grasp, under two different Administrations, this very simple issue, and do something effective about it. Time has now moved on so much that I now have to add that my daughter is a student and will be living in a shared student house next year.

The problem on which I want to concentrate is straightforward and simple and does not involve any objection to students per se. It is the reality that, if there are areas in which the concentration of student housing is very great, there cannot be a balanced and sustainable community. If the great majority of the population changes from one year to the next, the number of settled, long-term residents is too few to sustain, try as people will, the community organisations and sense of neighbourhood—the social capital, as it is called in the academic jargon—that make our communities work. Now that the Department in which my hon. Friend the Minister works is called the Department for Communities and Local Government, it has the responsibility to grasp the nettle.

In my 1992 debate, I called for a change to the Town and Country Planning (Use Classes) Order 1987, which would have brought houses in multiple occupation into the planning regime. That route, and the route advocated by my hon. Friend the Member for Southampton, Test (Dr. Whitehead), remain the way forward. HMOs have to be brought within the planning regime.

There has been significant improvement in the responses of many authorities in the past 15 years. At a conference of university accommodation officers, 15 years ago, I was told that, if local people did not like having students in their area, they should move out. However, that has not been the attitude of either of the universities in Southampton in the past few years. Within their powers, they treat this issue responsibly, as do the student unions. Liaison between local residents and students and the local night-time economy have improved vastly in the main areas of Southampton that are inhabited by students, so there have been real improvements through people working well together.

Of course, it is the antisocial behaviour of only a minority of students that causes the most extreme problems, but the sheer numbers living in a single area make it impossible to have a strong and vibrant community there. None of the relevant agencies can deal with this matter unless there are planning powers to constrain the spread of HMOs and thus send signals to the housing market that will encourage families back into those areas, over time, to turn rented houses back into family homes.

This issue is not just about students. The great majority of the perhaps 750,000 new migrants from eastern Europe who have moved to this country in the past few years will not have been in a position to buy their own homes or to rent self-contained accommodation. Most of them have been accommodated in HMOs, most of which, I think, although I cannot prove it, have been newly converted from family homes in the buy-to-rent market. I do not make a case for the wider benefits, but also costs, of that migration; this issue is changing the nature of the communities in which people live, and it is a major planning issue.

My hon. Friend the Minister might find, in the notes that have helpfully been provided to him by his civil servants, this comment:

"But the essential point is that the Use Classes Order is concerned only with considerations material to planning. It is the

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nature of the use of the land which is relevant. Land use is not about social, ethical or moral issues: the age, occupation or social background of residents whether they be students or anyone else, are not material planning considerations."—[*Official Report*, 23 November 1992; Vol. 214, c. 719.]

I say, in friendship to the Minister, that if he has those words, they did not sound any better in the mouth of the hon. Member for Banbury (Tony Baldry), who was the Parliamentary Under-Secretary of State for the Environment in 1992, than they would today, although he would deliver them perfectly. It is nonsense to say that the change in character of a neighbourhood by a wholesale shift from family housing to shared rented housing, whether by students, migrant workers or whoever, is not a material planning consideration. If we are interested in communities, those are indeed material planning considerations.

My hon. Friend the Member for City of Durham mentioned the high proportion of flats and the redevelopment of family housing for flats as examples of the changes affecting this issue. Such changes are altering the nature of many urban areas in a way that leaves local people feeling that they do not have a stake or a say in what is going on. I ask the Minister to reflect on the fact that, although Southampton's population is estimated by the council to be 225,000—about 30,000 more than at the time of my last Adjournment debate on this issue—the city is closing two secondary schools because there are not enough pupils. That shows the scale of the changes in the fabric and nature of not only my city and the city of Durham, but the many other towns and cities in the country with significant new populations or expanding student populations. We have to get a grip on this issue.

In 1992, I aspired to a limit of 10 to 20 per cent. on family homes being converted to HMOs in particular areas. Now, there are several streets in my constituency on which one would be hard pressed to find 10 per cent., let alone 20 per cent., of family housing. All the rest has been lost, and the trend continues. The Government must accept that such a change in the character of a neighbourhood is a planning issue. They have to accept that local authorities must have legal powers to set limits, in their local development plans and policies, on the spread of HMOs in particular areas of towns and cities. That will allow, in the areas in which change has been over-concentrated, an inevitably slow and gradual movement of properties back into the family sector as houses come on to the market, so that we can achieve a wider spread.

Ministers in previous Conservative Administrations and, I am afraid, in my own Government, have repeatedly made two arguments, the first of which is that these issues are not proper planning issues. Without labouring the point, I hope that I have set out why they are planning issues: they affect the nature of our communities and where we live, and they affect the people whom we represent. If planning is not about issues that affect communities, where people live and the nature of the communities in which they live, then I do not know what it is for. These are planning issues, whatever some planning lawyers say.

The second argument that I have come up against is that, if local authorities had such powers, they would use them irresponsibly and say, "We don't want to accommodate these people, so we'll send them to the next borough." But the Minister knows that the overall planning system requires local authorities to come up with plans, whether they be to provide new or affordable housing, that meet certain national criteria as local criteria. If a local authority produced a plan that simply said, "We are not having them here," it would properly be struck down by an inspector at the local inquiry that always takes place. There is no substantive reason why such a change in planning law cannot be brought about.

I have no intention of being here in 25 years' time, even if the electorate were willing for that to happen, but I would hate to think that I might be here in 25 or 30 years' time talking about the issues affecting my grandchildren as students. This problem has been around for far too long, and it should have been addressed much earlier, when the difficulties were becoming evident. Already, it will be a long job to bring balance back to some communities, but we can do enough to ensure that communities remain balanced in the areas that are coming under pressure and restore the balance of others over time.

11.37 am

Stephen Williams (Bristol, West) (LD): I congratulate the hon. Member for City of Durham (Dr. Blackman-Woods) on securing the debate, and on her initiative in setting up the all-party balanced and sustainable communities group, with which many of my Liberal Democrat colleagues and I who represent university seats are pleased to help.

Like the right hon. Member for Southampton, Itchen (Mr. Denham), I have a long interest in this matter, not as a Member of Parliament, but as a local councillor. I was first elected in 1993 to the then Avon county council for Cabot ward. That is the ward for Bristol city centre, which includes the university of Bristol precinct and the residential areas of Kingsdown and Cotham, which have high concentrations of student housing. I have been grappling with the question of how a university and a residential community can coexist in harmony, as well as considering the other pressures created by such institutions around the city centre. I have been the MP for Bristol, West for the past two years, and my constituency probably includes one of the highest student populations in the country. There have been various estimates, but at least 15,000 students from the universities of Bristol and of the West of England live in my constituency.

I welcome the fact that the National Union of Students is now taking this issue seriously. The hon. Member for City of Durham mentioned last year's report on this issue by Universities UK. Last Friday, I went to speak to the university of Bristol council working group on town and gown issues with the author of the report, Dr. Darren Smith from the university of Brighton, to flesh out some of the issues that affect my constituents. I shall share with colleagues one anecdote that I gave at that meeting to illustrate a point.

I have recently joined one of the new social networking groups called Facebook. I know that various other hon. Members are also members—the hon. Member for City of Durham is nodding. I have a great deal of friends from the university of Bristol

Facebook group on it. Through that group, I got an invitation to a post-exam party, which I am sure was sent to many hundreds of students as well. It will take place in the High Kingsdown estate—I shall not say the exact address, just in case anybody might want to turn up—quite near where I live. It is scheduled to start at 7 pm and finish at 11 am the next day, or until the neighbours complain. Anybody can have a party—one does not have to be a student to do so—but that illustrates some of the effects on neighbours of a high concentration of students.

The nature of the High Kingsdown estate leads on to a wider point, however. When it was built in the 1970s, it won awards as model family housing. It featured three and four-bedroomed houses, each with a walled garden, pedestrian access and a garage on the edge of the estate. It was model planning, and one of the few architectural successes that we can name from the 1970s. When I was first elected as a councillor in 1993, the estate was almost entirely inhabited by families, who sent their children to the local school. The associated block of two and three-bedroomed flats, which was also part of the estate, was largely occupied by families as well. Some 14 years on, the situation is quite different: the block of flats more or less resembles a university hall of residence, and of the 101 houses, almost half are occupied as houses in multiple occupation. They are not all occupied by students; some of the occupants are young professional people living together.

There is clearly an effect on the wider community, and not only on the school. The hon. Member for Uxbridge (Mr. Randall) mentioned parking; the garages that were meant for family houses are now sometimes let out separately from the houses. Bristol perhaps has more affluent students than some other universities, and many of them bring their cars to the city. They do not park in the garages but in the neighbouring streets, which contributes to the congestion in the area. Those are just some of the problems that have manifested themselves as a result of the multiple occupancy of houses and flats that were meant for families.

I am pleased to support the comments of the hon. Member for City of Durham about multiple occupancy houses. I also agree with what the hon. Member for Southampton, Test (Dr. Whitehead) said during the debate on his ten-minute Bill the week before last. Like the hon. Member for City of Durham, I think that there is scope for lowering the six-person limit of HMOs, particularly in the case of flats. A two-bedroomed flat, which is quite obviously designed for a couple, perhaps with a child, might now be occupied by three or four people. The limit for flats—it could be related to the number of bedrooms—should be brought down.

We need to reform the planning use class C3, which covers all domestic properties, to allow for stratification within that class, so that we can distinguish between different types of housing. When I was a councillor, the biggest issue of social change that I had to cope with was the proliferation in the area of bars and nightclubs to serve the new, younger, transient population. At that time, planning use class A3 encompassed everything from a café to a nightclub, so once somebody had planning permission for a café, they could convert it over time to a pub that was entirely different from the kind of place for which they had received the original permission. Owing to a long campaign by residents in Bristol and other cities throughout the country, there is now a class A4, to separate cafés, restaurants and bars. That is an interesting precedent.

It would be better if the Government were to trust local authorities to stratify the use classes themselves. The right hon. Member for Southampton, Itchen said that central Government might not trust local government to do the right thing. We should devolve such issues to local authorities. Stratification might not be appropriate in many parts of the country, but it certainly would be in urban areas, and local government should have the power to stratify within the broad parameters of the use classes set by Parliament. Bristol city council, which was under Liberal Democrat leadership until a week ago, has set up a working group to consider town and gown issues and to appoint a dedicated officer. We have taken the initiative locally and have been working with the university on that front.

The hon. Member for City of Durham made the point, which we need to emphasise, that this is in no way an anti-student discussion. Like the right hon. Member for Southampton, Itchen, I am a Bristol university graduate, and I lived in a shared flat in my third year. My constituency is full of similar people who originally came to the university but decided to settle in their adopted city. They have made it their home, and made it the vibrant place that it is. It is hard to imagine Bristol without either of its universities. The students make an enormously positive contribution to city life, through their charitable work, for instance. Through student community action, thousands of hours of community work are done in the city, which is probably largely unnoticed by the permanent population.

I agree with the right hon. Member for Southampton, Itchen that we should not delay too much further: it is time for Parliament to change the law to give local councils and universities the powers that they need to work together in harmony.

11.47 am

Dr. Alan Whitehead (Southampton, Test) (Lab): I, too, congratulate my hon. Friend the Member for City of Durham (Dr. Blackman-Woods) on securing this Adjournment debate on this timely issue. As my right hon. Friend the Member for Southampton, Itchen (Mr. Denham) said, consideration of this matter is long overdue. As we are declaring such things this morning, I had better add that I was that student: I went to Southampton university and lived in a house of multiple occupation. Indeed, I visited my right hon. Friend the Member for Southampton, Itchen in his house of multiple occupation. I can confirm not only that he was a model student, like the hon. Member for Uxbridge (Mr. Randall), but that the HMO in which he lived was a model HMO.

As hon. Members have said this morning, the issue is not about driving students out of cities, closing down HMOs or trying to develop some version of happyville-on-sea as an alternative to the reality of life in cities and towns. It is about how the necessary

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housing types and arrangements can co-exist and contribute positively, rather than negatively as is often the case at present, to the working of cities and towns. HMOs are a necessary part of the landscape not only for students, but for young single people and people in transient occupations.

The irony is that we have an enormous amount of planning guidance about how towns and cities should arrange their domestic and commercial properties and links, and a number of desiderata about how that should be done when various things in those towns and cities are built, but after they have been built, the guidance effectively stops in terms of the traction of those towns and cities to do anything about maintaining balanced and sustainable ways of deploying land use and housing. As hon. Members have mentioned, that is because planning law in no way recognises different uses within the general class of a domestic dwelling. The plain fact is that over time the different uses make an enormous difference to how cities and towns work. I heartily endorse the plea that has been entered this morning. It is important for the future of balanced and sustainable communities that that reality is recognised in the planning system.

My right hon. Friend the Member for Southampton, Itchen mentioned a paragraph in a document that he had received in 1992. I cannot offer paragraphs from quite such a long time ago, but I wonder whether the Minister has the following paragraph in his folder. It comes from a letter that was sent by the then Minister for Housing and Planning, my right hon. Friend the Member for Streatham (Keith Hill), to my hon. Friend the Member for Nottingham, South (Alan Simpson). It stated:

"Buildings which form houses in multiple occupation...will generally remain outside the scope of the order. Therefore, as a general rule, planning permission will usually be needed before a dwelling house can undergo a change of use to an HMO, otherwise this would be a breach of planning control...The essential element in determining whether a particular premises is an HMO is whether or not there is a single household occupying it. However, where there are seven or more occupants living together in a single household, but not living as a family, this could also be classified as an HMO."

The curious truth about that statement is that it sets out how things are as far as planning is concerned, but it is diametrically opposed to what happens on the ground. As the test in planning law relates to whether a single household lives in an HMO—indeed, courts have made decisions on that matter—where a house is purchased, without any change having taken place, and it is then inhabited by up to seven people, the local authority cannot go anywhere near that house in terms of any sort of regulation. There are some exceptions to that, and I shall come to them in a moment.

Local authorities cannot go anywhere near such houses in planning terms, so the idea that a local authority can, as the letter suggests,

"determine whether a change of use has occurred on a fact and degree basis"

is incongruent to the reality of how local authorities are able to work. That is because the definition of an HMO in planning terms, such as it is, is a property that is converted into a number of separate flatlets, whereas the vast majority of HMOs fall under the single household definition. Most HMOs simply escape any planning regulation. The desiderata in the planning guidance are simply useless as far as those changes of use are concerned.

The Housing Act 2004 changed the definition of a household as far as the licensing of HMOs was concerned. The definition included people who are living under one roof but are not related to each other. A series of well drafted and well worked out definitions were placed into that housing legislation, which now enables local authorities to undertake a registration and licensing scheme for houses that are already in such a position. The scheme can include those people who are living in an unconverted house apparently, according to planning law, as one household.

What is interesting is that even the 2005 letter that I mentioned accepts that, if numbers go above a certain level, that would be a material factor as far as a change of use is concerned. Again, as hon. Members have mentioned, that is a long way from the reality of the effect that HMOs have on any district or area. Saying that situations where seven or more people are involved should come to the notice of the planning authority, whereas those involving fewer than seven people should not, means that 10 per cent. or less of HMOs are subject to the planning regime.

What is important is that planning law recognises that as a principle. In respect of my recent ten-minute Bill, I have suggested that if the argument is sound for seven people, it ought to be sound for numbers below that in situations where a demonstrable change of planning use has occurred. It may not be arguable in planning law that every single change of use makes a difference, but it is probably clear to all right hon. and hon. Members present that when a small number of people move into an HMO, which could happen for all the reasons that have been outlined, there is a considerable difference in how that HMO affects other houses in the street, the neighbourhood and the community generally.

That is particularly the case where there is an accumulation of HMOs. I have recently mentioned that, in one Southampton street, 49 out of 56 family houses are now HMOs. That accumulation clearly makes a great difference in planning terms, even if the number of individuals in each of those houses is fewer than seven. A distinction can clearly be made, without even changing the nature of the use class orders, simply by reducing the number of people who are defined as making a change in land use terms as far as an HMO is concerned.

It would be ideal to change the housing use class orders. That has been done in Northern Ireland, although it was done on the basis of previous legislation that defined an HMO. It might be difficult to introduce such an approach into legislation in England and Wales, in which case perhaps the far simpler route of introducing a reduction in respect of numbers and a definition of a family—an accurate definition is contained in the 2004 Act—into how an existing use class order works would be an appropriate way forward.

We must recognise one way or another—either by changing the use class order or by redefining it so that it bites as far as planning is concerned—that there are different kinds of domestic dwellings and that who

occupies them is a matter not of indifference for the planning system but of important concern for it. It is important to make changes that recognise that and give local authorities the ability to appraise those changes of use when they come up. The system that we have put in place of registering and licensing HMOs is potentially important, but in a sense, it is systematically registering stables after the horses have bolted. It is important for the quality of the stables and for the horses—a bad metaphor that I should not go any further with.

Nevertheless, the system does not gain any traction on the process by which those houses have become HMOs in the first place. The numbers that the housing legislation sets out are five and three storeys. In Committee, assurances were given that those numbers of storeys would be reviewed on the basis of the way in which the licensing worked. Obviously, the legislation is in its early stages, but I hope that it will be kept under review. My hon. Friend the Member for City of Durham said that a more comprehensive licensing system that did not put a distinction on storeys, whereby local authorities would not have to apply to the Secretary of State for permission to make a more general licensing system over and above the statutory system, might be an appropriate development in parallel with the legislation.

The important point is to try to ensure that those two areas of legislation are compatible, so that local authorities can regulate the way in which the environment develops and the changes are made. I hope that the changes will be considered. They are long overdue, and they could be considered on the basis of an hour's discussion in a room on an upstairs corridor in the House. Neither primary nor extensive legislation would be required. Relatively few words on a piece of paper, regulating the way in which HMOs might work differently over a period, would have an enormous effect on the way in which our communities might develop on a balanced, sustainable and harmonious basis.

12.1 pm

Mr. Dan Rogerson (North Cornwall) (LD): I congratulate the hon. Member for City of Durham (Dr. Blackman-Woods) on securing the debate. The issue affects many areas throughout the country, and I am sure that many Members who have not been able to join us today could provide their own stories and evidence about the way in which it affects them.

The hon. Lady opened the debate by talking about studentification. We must acknowledge that, in society, there is a process of studentification, because all the time the number of students is increasing, which we all welcome and support. She made it clear that the issue is about not just HMOs and students, but HMOs and other users, and we must establish the fact that on this issue, we are not uniting against students, because as other Members have said, we welcome the skills that they bring to communities and the investment that universities bring.

In my constituency in Cornwall, we have fought for a long time to get a university, and universities from elsewhere now co-operate to provide higher education in Cornwall, which we welcome. Many areas want to encourage students to stay on once they have finished their studies, and we heard how Members did so themselves. If we want universities to come to our area, we must address the issues; we cannot stand against them.

We heard the hon. Lady discuss the tools that are available. When we write to Ministers and their colleagues, we are all familiar with the reply that the tools already exist, that local authorities should consider their powers and use them more effectively and that there are better ways of dealing with the problems.

We must focus on use classes, which are at the heart of the debate and the restoration of local people's confidence in the planning system's ability to plan for a sustainable and balanced community. We heard about the different definitions in planning law and housing law, and my party welcomes the tightening of HMO regulation on the housing side to ensure both that we provide decent accommodation for people and that unscrupulous landlords cannot get away with providing inadequate accommodation.

Drawing the two areas together would help to simplify the process. During the introduction of greater HMO regulation, we heard complaints from landlords organisations, and a unification of planning and housing guidelines would help to simplify the situation. It would send out a clear message about the way in which we as a society would like to deal with the issues.

We also heard a good point about tracking changes and looking at where they occur, so that we can anticipate them instead of locking the stable door after the horse has bolted. I shall not go too far into the metaphor that the hon. Member for Southampton, Test (Dr. Whitehead) created.

The hon. Member for City of Durham was also keen to stress the positive role that the National Union of Students can play in acknowledging and dealing with the issues. It is in the interests of its members—the students—that the services they need are in the community. The services cannot exist if the area's population falls dramatically during recess. We cannot develop any infrastructure there.

The hon. Member for Uxbridge (Mr. Randall) moved bravely into the area of parking, and we could have had a lengthy debate about the issue, but I am glad that consideration is being given to it in Uxbridge. The hon. Gentleman and other Members, including the hon. Member for City of Durham, stressed the need for strong relations and open communication between the local community and the representative bodies—local government, residents organisations and so on—and the academic institutions.

The right hon. Member for Southampton, Itchen (Mr. Denham) discussed the importance of balance in sustaining the social infrastructure, and he is absolutely right. Later, I shall turn to an example of the way in which things can move out of kilter in society—albeit in a rural rather than urban context, but there are parallels. The right hon. Gentleman raised the issue of migrant workers, whom we increasingly see. I am undertaking a fellowship with the Industry and Parliament Trust, and spending a great deal of time with Waste Recycling Group, one of the larger waste companies in the country. I saw its recycling facility in

[Mr. Dan Rogerson]

Luton and worked for only about 10 minutes—fortunately, from my point of view—on the conveyor belt separating the materials that come through the facility. It was wonderful to see the contribution that its workers make to the community in Luton, and to hear from the company what model employees they are. I could not help but wonder about their housing issues, but I did not have time to explore them. I am sure that I would have heard some positive stories, and some negative stories.

The right hon. Gentleman also referred to school closures. We should consider health facilities, shops and community facilities, too. In any area where the balance is tilted in favour of one group in the population, all such facilities are going to be under threat.

My hon. Friend the Member for Bristol, West (Stephen Williams) outlined his work over several years as a councillor and as a Member of Parliament. He has been assiduous in that work, and I pay tribute to him. He discussed the suitability of housing, and the model estate of High Kingsdown, where family housing has been designed. Owing to studentification, the most appropriate housing for families had been taken away from that sector of the community. Equally, however, the issue is about whether such housing is appropriate for the needs of students. Do students get the best deal on housing? If we do not want them all crammed into HMOs in particular areas, we must look at what we offer them as an alternative. It is another key question, to which I am sure the Minister will want to return when we consider planning.

My hon. Friend also raised the pertinent example of the way in which a change in use class orders has led to progress on a particular issue: the difference with licensed premises. It is a good example for the Government to pick up on. The hon. Member for Southampton, Test again highlighted the gap between HMO planning theory and community reality, and there was consensus in the Chamber about the need to consider the way in which use class orders can be changed.

As a constituency Member, I am affected by the second homes issue, and I am delighted that the hon. Member for City of Durham and her colleagues have set up a group to consider balanced and sustainable communities, because there is a chance for those of us who have been working on the second homes issue to contribute to the debate. My hon. Friends and I have been arguing for many years that a change in use class orders would allow second homes to be classified differently, and we could consider the issue of ghost towns in our coastal communities, too.

I should also like to pay tribute to my hon. Friend the Member for Bath (Mr. Foster), who is a member of the all-party group, too. He has drawn to my attention the fact that there have been good student relationships in Bath and that, just as in Bristol, the local authority has established a body to deal with that. However, my hon. Friend has been saddened by the fact that the minority Conservative administration has decided to end that and to stop the progress being made, which is obviously a retrograde step.

To sum up, one final point to mention is the progress made on the Sustainable Communities Bill, which is dear to the Minister's heart. He and I have both served on the Committee on that Bill. One issue that he raised in replying to a point that I had made about second homes is that there is real scope for looking at what tools local authorities and local communities need to meet local problems. I hope that, through the progress of the Bill, we will start to get some of those tools and to empower local authorities and local communities to take decisions—in this case on planning orders, in others on spending commitments—to address the specific problems that they face in their local areas.

12.11 am

Greg Clark (Tunbridge Wells) (Con): I congratulate the hon. Member for City of Durham (Dr. Blackman-Woods) on securing this excellent debate and on speaking forensically and with real authority about an issue that affects not only her constituency but, as has been made clear in the debate, constituencies up and down the country.

Since the right hon. Member for Southampton, Itchen (Mr. Denham) and the hon. Member for Southampton, Test (Dr. Whitehead) instituted the practice of declaring interests in the debate, I should declare that I was a resident in an HMO when I was a student at the London School of Economics. I have been part of the phenomenon, although I hope that I did not cause too many problems for the neighbours.

My hon. Friend the Member for Uxbridge (Mr. Randall) recalled how it might have been useful for people to mistake the name of his constituency. He called to my mind the time I was at sixth-form college, when I went to see the teacher responsible for university admissions and said, "I've been reading a lot about this university of Oxbridge and thought it might be a good place to apply to," so I recognise what he said.

The hon. Member for City of Durham was one of the signatories to my early-day motion on changing to a different planning definition to help to preserve family homes with back gardens, and I could not help noticing during the debate that there are some parallels between the issues. At their heart, they come down to the same problem. People love their neighbourhoods; they have a great deal of affection towards them and they feel disempowered, frustrated and thwarted when their neighbourhoods change before their eyes through events over which they have no control. Some of the details are quite striking. We see residential neighbourhoods changing beyond all recognition in a short space of time—in the case of this debate, HMOs replacing ordinary houses; in the case of gardens, blocks of flats replacing ordinary houses.

In both cases, we see family homes being squeezed out of what were often family neighbourhoods. HMOs rarely cater for families—indeed, they are totally unsuitable for that purpose. As several hon. Members have made clear, there is a domino effect. Once a house is converted into an HMO, neighbours sell up—sometimes reasonably, although sometimes they panic and take flight. Roads change in character in a short space of time. We see that with gardens and we see it with

HMOs. That puts pressure on affordable housing, because many of the replacements for family homes do not provide affordable housing, whether they are HMOs or other developments.

We also see the impact on social capital. Sustainable communities are so important—the hon. Lady is to be congratulated on using the term in calling this debate—and require that we build on and cherish the social capital that exists and the links between neighbours and fellow residents. We have a planning system that is often precise about quantities but remarkably vague about the quality of the planning decisions taken. The hon. Lady has done the House a service in bringing the qualitative aspect to bear in this debate.

The term "studentification" has been used—it is probably one of the ugliest terms in the English language and it is unfortunate that we have to use it, but it captures a phenomenon that we recognise. The problems are fivefold. First, where a family home is occupied by five, six or more people, the high density of residents brings about pressure on local services such as rubbish collection, policing and parking, as well as noise problems. Secondly, the phenomenon can give rise to quite a narrow community consisting of young adults of a similar age. Dispersed, they might not cause too much of a problem, but the intensity of such people can lead to problems of noise, traffic and waste, which can be difficult for local residents to deal with.

Thirdly, such homes often lack what is termed internal management by the excellent Universities UK report, to which the hon. Member for Bristol, West (Stephen Williams) referred. When a group of students shares a house, often there is not one person in charge to put the rubbish out on the right day or to call time on a late-night party. That can result in problems. Fourthly, the transience of the population in HMOs can cause what has been described a groundhog day effect. Students are there for a year, beginning in September or October, and might make the effort to get to know their neighbours, who might also make the effort to get to know them. However, by the time the following September arrives, it is groundhog day again and a whole new set of people move in, making it difficult to build those ties and that social capital.

Finally, the seasonal nature of studentification is a problem. The fact that such areas are crowded during term time but can be deserted out of term time causes problems for local residents. They might find that their area has become attractive to burglars, who know that properties are left empty during that time, as several hon. Members have said. That can have the effect of increasing insurance premiums, which have to be paid by people who can perhaps ill afford the cost. Also, retailers struggle to run sustainable businesses throughout the year when the peaks and troughs during term and out of term can be so volatile. The problem is real and has been made evident today.

The parties involved—universities, tenants, landlords, local authorities and the Government—all have a role to play in resolving the problem. I was struck by the remarks that my hon. Friend made about the need for universities to exercise some responsibility and to see themselves as beacons of excellence. I was interested to hear that Brunel university has been going through a positive phase in that respect, on which it is to be congratulated. Loughborough university, which has had problems in the past, has appointed an excellent community liaison officer. Alison Barlow is a point of contact for residents and helps to organise security patrols, which benefit both long-term residents and student residents. Students have a responsibility, too, and I am delighted that the National Union of Students is moving positively to recognise that student leaders can play a role in setting high standards. Local authorities have an important enforcement duty. It is important that they recognise that, if the character of an area changes, their response to enforcement in that area must change accordingly.

However, the framework is set by national Government. The hon. Members for City of Durham and for Southampton, Test, and the right hon. Member for Southampton, Itchen raised the question whether we need a change in the planning arrangements. I should be interested to hear from the Minister what evaluation he has made of the pros and cons of doing so. We have quite rightly expanded the population of students, but we should recognise that they need somewhere to live. There would be no greater disaster than for us to over-regulate the housing market, for the supply of residential accommodation to dry up and for students to be admitted to universities, but with nowhere to live. We must certainly avoid that, so I should be interested to hear what advice the Minister has received on the likely effects of accepting some of the proposals that his right hon. and hon. Friends have made.

Finally, the Sustainable Communities Bill has been mentioned. "Sustainable communities" is part of the title of the debate, and the Minister has been involved in debates on the Bill. What reassurances can he give us that the Government, and he in particular, will support the Bill on Report on 15 June? In particular, can he reassure us that it will not be watered down in any respect? The idea of passing power down to local communities, particularly through the grassroots ability in the Bill for local councils and community groups to influence a national action plan, could be a vehicle to exert some pressure and shape national policies. Can the Minister tell us whether any Government amendments are likely to be proposed to the Bill and, if so, can he reassure us that they will be tabled well in advance of 15 June?

The debate has been excellent. I congratulate all right hon. and hon. Members who have spoken and I will be grateful to hear the Minister's response to my questions.

12.20 pm

The Minister for Local Government (Mr. Phil Woolas): It is traditional to congratulate the Member who has secured the debate, but in this case those congratulations are especially deserved because there is clearly a problem. Speeches have been made by Members from across the House and the country, and there is some degree of agreement about the problem and the solution. In a sense, I am grateful that I have only nine minutes to respond, because it means that I will not get to page 13 of my speech, which would have me repeating the words of the hon. Member for Banbury (Tony Baldry). I recognise that the hon. Members who have taken part in the debate represent six different universities and represent different political parties.

So, what are we going to do? My colleagues and I have an open mind on the issue. At the invitation of

[Mr. Phil Woolas]

my hon. Friend the Member for Loughborough (Mr. Reed), I visited the Storer and Ashby residents' group before Christmas and met a delegation from it, and from the district council and the university. Indeed, Alison Barlow, the Loughborough university officer, was there on that occasion. We met to consider the problems raised by the issue. My right hon. Friend the Member for Southampton, Itchen (Mr. Denham) said that it presents a challenge to my Department as the Department for Communities and Local Government, and he is right. It is not a matter of planning and housing law, but a matter of community policy.

I shall set out my general approach and then try to offer a way forward. Like other hon. Members, I declare an interest. I am a former president of the NUS, and student housing has been close to my heart for many decades. The situation has, of course, changed since my day. The number of students is huge compared with what it was. The problems in Durham and, to some extent, in Southampton that have been described are familiar, although in those days we did not hear about such problems at Brunel, because the numbers were not that great. The town and gown interface has been debated in this country for hundreds of years, but we now face the issue on a different scale because of the number of students. I note that both Opposition parties welcomed the increase in student numbers. Of course, this is nothing to do with student bashing, which can be a serious problem in some towns and cities.

The characterisation of the idea of a student is no longer possible. Two-fifths of UK higher education students study part-time and are already likely to be part of an established community. According to the Higher Education Statistics Agency figures for 2003-04, 59 per cent. of students are mature students. One also has to bear in mind—although this point has not been raised—that student households are exempt from council tax. It is testament to residents' groups and Members of Parliament that that point has not been raised, because it could lead to divisions and problems in communities if that were to be an issue. A student household is exempt from council tax and therefore from the council tax base of a local authority, so in effect others pay for that difference.

We have a number of frameworks that we can use. The first is the code for sustainable homes, which came into effect in April. Any new home can be rated against the code. The second is the proposals in the now-published planning White Paper, which sets out some reforms. The third and most important, which relates to the issue of devolution raised by the hon. Member for North Cornwall (Mr. Rogerson), is partnership and local area agreements. In all the cases that have been raised, including that of Loughborough, the university is a member of the local area agreement. The possibilities for proactive planning of student accommodation, including directly provided accommodation and private sector flats, as well as the impact on local communities, are now subject to debates, agreements and policies within the local area agreements.

I will not repeat the definition of the problem with HMOs and the use classes order, as that has been well documented. We are debating that issue, and I shall explain where we are going in a minute. My difficulty is about whether that is the route to a solution. We have the proposals from Northern Ireland and are considering researching the policy there. Incidentally, the policy in Northern Ireland was instituted against the independent recommendations and we need to see whether it will achieve the goals that it sets out.

We need to examine the issue and we will do so. Local authorities that recently held a conference on the matter have important points to make as to why they believe that the existing law is not sufficient. It is worth noting that most of the consultation with stakeholders has involved residents. There is clearly a difference of opinion between Government policy and practitioners in local authorities on what the problem is with the legislation. That is another matter that we will consider.

The question is whether amending the use classes order would necessary solve the social and environmental problems that have been attributed to high concentrations of HMOs. The guide that has been referred to noted that in Brighton, Manchester and Salford, those problems do not exist. I would not say that they do not exist at all, but they do not exist as they do in Uxbridge, Bristol, Durham, Southampton and so on. We need to examine why that is so.

Right hon. and hon. Members will agree that the law of unintended consequences is an important consideration. If we were to change the policy, which would not require primary legislation, as has been said, there could be a danger of creating further unintended consequences. That is because the problem is different in different areas. Some significant communities have families made up of two adults and four teenagers—or more—and we need to consider whether there would be unintended consequences in such areas.

In short, more research is required. That is not a holding line. The issue has been raised by Members from across the House, and it is important that we consider it and respond to it. I have some serious concerns about whether the proposals would provide the solution that we are looking for, but it is important that we consider them.

Mr. Denham: Can my hon. Friend give us some comfort by saying when he expects to receive the results of the research?

Mr. Woolas: I can tell my right hon. Friend that I met the delegation from Loughborough on 8 May, and the issue relates to housing and planning policies. My hon. Friend the Minister for Housing and Planning and I, along with the Secretary of State, have to ensure co-ordination of policy based on local area agreements. I can assure my right hon. Friend the Member for Southampton, Itchen that we are considering the matter urgently. Indeed, by pure coincidence, a meeting is taking place this afternoon that is one of a series to consider the issue.

I hope that, in the short time that I have had to reply to the debate, I have put across the point that we believe that we understand the problem—I believe that I do—and that there are options before us. We are concerned that the options that have been proposed by the campaign might not be the correct ones, but we will give the issue full consideration and report back shortly.

Dorset Library Service

12.30 pm

Annette Brooke (Mid-Dorset and North Poole) (LD): I wrote to the Minister on 6 June and 12 June 2006 about Dorset county council's proposal to close 13 of its public libraries. He said that he was disturbed by the potential scale of the closures, that he would be checking the situation with the county council, that he would continue to monitor the situation and that he would in particular assess how the views and wishes of local people were being considered. I thank him for the responses that he gave at that early stage.

Following an enormous outcry from local people, the libraries were given a reprieve for a two-year, rather than a six-week, consultation period. One year on, and following yesterday's meeting of the council's community overview committee, there might be some light at the end of the tunnel. However, any recommendations of that meeting still need acceptance by the council's cabinet and by the full council, and much detail remains to be clarified. The devil may yet lie in that detail, and today's debate is therefore of great relevance to the future of the Dorset library service.

I declare a minor interest in the future of the service, in that I regularly hold surgeries in libraries in my constituency, two of which are among the 13 candidates for closure. I praise the staff of the libraries for the services that they provide, which I witness on a regular basis. The whole service has received high ratings. For example, it received the top rating for excellence from the Department for Culture, Media and Sport in the Department's last formal measurement of performance against the public library service standard. Dorset county council is ranked as excellent in the Audit Commission's comprehensive performance assessment, and library scores played their full part in that. Furthermore, the service has high and increasing satisfaction ratings from users. A 2006 MORI survey found that 77 per cent. of respondents were satisfied with the libraries, compared with 73 per cent. in 2003. Clearly, therefore, there is much to celebrate, and praise should be given to all the library staff. There are also many exciting initiatives, for example in work with children and young people to help them to enjoy and achieve.

What, therefore, is the problem? Dorset currently has 34 libraries and 4 mobile libraries that cover what is essentially a rural county. There have been contentions to the effect that it has a relatively large number of libraries per head of population, but I feel that it is important to appreciate the local context, including the nature of the rural area and the very poor public transport and road network. Bournemouth and Poole are now separate unitary authorities, and as far as I know they have not been proposing library closures. Indeed, our local library where I live in North Poole has recently had its hours extended.

The uncertainty for the Dorset library service stems from an efficiency review. The county council is the lowest funded of all England's county councils, with £80 of formula grant per head, compared with what I am told is an average of £160 per head. It was forecasting a gap between spending and income of £20 million by 2009-10, which prompted a review of all services, to consider efficiency savings. Savings were found, and the projected funding gap has been reduced by half, but there appear to be fears that the gap could widen again depending on the outcome of this year's comprehensive spending review and on possible requirements for further efficiencies in the future. Clearly, the outcome of the comprehensive spending review is therefore of critical importance to Dorset county council, and I must emphasise to the Minister that Dorset residents feel badly let down by settlements that are so much lower than those for other county councils.

The library service was for its part asked to find efficiency savings of £850,000. Some savings have been identified, but at the end of the day the recommendation from the review was to close 13 predominantly rural community libraries. The efficiency review identified the need to modernise the library network and the need for investment to achieve a high-quality network, which in turn was to be supported by closing those libraries that were assessed as not viable on measures of performance, cost-effectiveness and size, or that were clustered in such a way that arguably there was over-provision.

A number of issues have emerged during the consultation period. One of my constituents has undertaken a statistical analysis to show that some of the larger libraries are in fact less cost-effective in terms of cost per book-issue than many of the smaller ones. At the very least, that indicates that all libraries should be included in the detailed review and consultation. A year ago, councillors from opposition parties were asking why all libraries were not being put under the same spotlight as the 13. It seems that yesterday's decision at the county council has at long last taken on board the need to evaluate all the libraries in terms of efficiency and community involvement.

I believe that the original library proximity criteria used for assessing closure were seriously flawed. At the same time that the proposed closure of Corfe Mullen library was announced, bus services to Wimborne, whose library it was suggested my constituents could use instead, were slashed. They have been further cut back this year, to such an extent that it cannot be said that the alternative library is accessible to those without their own transport. Corfe Mullen has a population of about 10,000, the latest figures published by the county rank it 15th in total book issues, and in addition the county council is supporting an extra 700 local homes in the regional spatial strategy—although that proposal is not one that I supported.

I feel that there is a distinct lack of joined-up thinking by the county council. Potential growth and accessibility ought surely to be considered, and I see no evidence of the county council having a greater commitment to improve the bus services in that part of my constituency.

Similarly, the other library proposed for closure in my constituency, Lytchett Matravers, should also be assessed in terms of accessibility to an alternative library, because public transport to the suggested alternatives is dire. Potential growth should be considered too, because usage at that library has steadily been increasing over the last few years. It is relevant that representations from that part of my constituency were made to the public examination stage of the regional spatial strategy that proposed the high growth in housing.

The last year has seen extensive consultation with each of the 13 libraries and with their communities. Each community has been asked to come up with its

[Annette Brooke]

own plan for the future of its library, with a push towards a community-led model. One positive outcome that has emerged has been the general willingness for some degree of community involvement and volunteering. That needs to be applied to all 34 libraries, however. Clearly, different arrangements will need to be worked out for each of the different communities, and I have heard from discussions with my local communities that they do not believe a community-led model to be sustainable. The input of a professional librarian is seen to be essential, because not all communities will be able to identify sufficient volunteers to run a service, and even those that might have that expertise available at the moment might not be able to sustain it over time. An insistence on a community-led model may deprive disadvantaged areas of a library service, which surely goes against any principle of equity.

There are issues about training volunteers, the use of the information technology system, the maintenance of book stocks, and responsibility for and the cost of the property. If property is passed to community groups, will it be offered at a peppercorn rent? We do not really have answers to any of those questions yet. In principle, many of the issues were mentioned in yesterday's council recommendation, but what exactly will they mean in practice?

Along the line, suggestions were made that parish councils, for example, could set a precept to raise money for the running of libraries. That would be totally unacceptable to my constituents. Why should they pay twice to borrow books, in comparison with library users in other Dorset communities whose libraries are not under threat of closure?

The Public Libraries and Museums Act 1964 states that it shall be a duty of every library authority to

"provide a comprehensive and efficient library service for all persons desiring to make use thereof".

Recent guidance on the Department's website said that the closure of one or even a small number of library branches does not necessarily signify a breach of the Act. A library may be closed to ensure better overall provision. However, I am talking about a proposal to close 13 libraries that stems almost wholly from financial considerations. I would be grateful if the Minister would clarify exactly how the guidance would apply in such circumstances.

Finance is a key driving force for Dorset county council because of the continuous financial pressures to balance the books. It has been said to me, "Keep your library, but we will make more cuts in social services." I understand that there are pressures, but we must think about the overall quality of life.

Charging for the loan of books was raised with me when I attended a council meeting recently. The cabinet member responsible for libraries challenged me to introduce a private Member's Bill—I wish it were so easy—to amend the 1964 Act. I shall not be taking up the suggestion. Nevertheless, on behalf of that cabinet member, I would like to ask the Minister for his views on charging for the loan of books.

Concerned residents have wondered whether the whole book stock could be put in a trust, and whether there could then be charging for books to make it possible to maintain the book stock. I would find charging unacceptable, but some communities are very concerned about the potential loss of their libraries. Of course, there is the worry that the book fund will be cut and cut again. It has been cut to fund the retention of libraries during the consultation period. Obviously, it is vital that there are funds to maintain the stock of books, including those for children and the visually impaired. There must be a core stock of books available for all libraries.

Next year is the national year of reading, as I keep reminding Dorset county council. I have pointed out that it is not a terribly good idea to close 13 libraries during the national year of reading. Seriously, we are at a crossroads, in this country are we not? We want to improve children's and young people's literacy standards. We know that we have to engage boys, in particular, in more reading. This cannot be the time to be cutting back. It must be a time of finding innovative ways to engage children and young people with library services. There are excellent schemes—Bookstart and the summer reading challenge, for example—but there must be many more things that we could do.

Dorset library service has considered moving some libraries into schools, which may be a solution for some communities. It would not work for my two libraries, but I can see that it could be a solution. For my communities, I am interested in using the extended school money for extended school provision in the library. That would work so well in the two villages. Young people from all sorts of backgrounds could have sessions in the library as part of the programme. Joined-up thinking is needed to bring things together.

The library service cannot be static. Changes must be made, and innovative activities must take place in the buildings. It is important that this country retains its proud tradition of a free public library service, as it meets so many people's needs. I reflect on my own time as a young person. Using the library every night was an important part of my eventually becoming the first person in my family to go to university. I am passionate about the need for access to books, and indeed the internet, in the library, for young people from all backgrounds. It is not always possible for them to find at home the peace and quiet that they need for studying, and obviously not all families have resources in the home.

We talk a great deal about lifelong learning. Surely libraries have a crucial role to play in it. Not so long ago, people were predicting that cinemas would be a thing of the past, but that has not happened. Some people might feel that libraries are a thing of the past in a digital age, but I do not think that that is the case. I think that they are really important.

I am pleased that the Sustainable Communities Bill is making progress. I would like to emphasise the contribution of a library to village life. Part of a sustainable community is having resources that are easily accessible to all people, and the many activities that can be carried out in a library add to the life of a village.

I support the case for community involvement—for example, communities can best decide the hours, so that there is a balance—but I do not think that community-led libraries are the solution for all communities. I hope that the Minister will continuously monitor the situation, and I ask him to give his view of

the library service for the country, and how Dorset county fits in with it. Most of all, I hope that Dorset county council will firm up a satisfactory office for all the libraries in Dorset.

12.47 pm

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Mr. David Lammy): I thank the hon. Member for Mid-Dorset and North Poole (Annette Brooke) for this debate and for the manner in which she made her remarks. She has for some considerable time been a keen advocate of services to young people in particular. As she said, she raised the issue of proposed closures in Dorset with me some time ago, and I am grateful that she put on the record my intervention at that stage.

Like the hon. Lady, I was the first person in my family to go to university, and that was largely due to using the local library service. I entirely understand why she has taken up the issue as she has, and why she continues to be a strong advocate for her constituents.

As the hon. Lady said, the Department for Culture, Media and Sport leads on public library policy for the Government. Through the Department and delivery bodies such as the Museums, Libraries and Archives Council, the Government have encouraged significant national improvement in our libraries, including the extension of opening hours across the country—the hon. Lady will recall that that was a significant problem just some five or six years ago—an 8 per cent. increase in book acquisitions and visits rising to more than 290 million a year. Libraries are hugely popular with the general public.

We published a framework for the future—the first national strategy for public libraries—and we continue to deliver a range of capacity-building programmes under that banner, particularly for librarians in our libraries. As this debate is taking place, right across the country there are young people in our libraries, Sure Start schemes in our libraries and librarians serving pensioners. Our libraries are providing the outstandin resource that the hon. Lady described.

It is right to say that public libraries are, fundamentally, a local service. The White Paper, "Strong and Prosperous Communities", has set out the Government's vision for future relationships between central and local government. There will be increased autonomy for local authorities, which will give them the maximum freedom to use their resources to respond to the needs of their local communities and to involve those communities in the design and running of services. A new outcome-based performance framework will be in place from next year that will cover all local authority activities.

Local authorities have a statutory duty in relation to libraries, and my Department has a duty to oversee that, to benchmark performance, to share best practice across the country and to describe a national minimum standard. Dorset has proposed significant changes to its services, and it is legitimate for interest to be taken at a national level in those changes. However, it would not be right for the Government to be prescriptive about any proposed changes. The hon. Lady will understand that library services can differ hugely in different parts of the country. In my constituency, libraries provide services to a hugely ethnically diverse community in an urban context, which provides challenges that are very different from those faced in her constituency. It is right that local authorities take a view and are able to adjust services to meet their particular needs.

As the hon. Lady has said, Dorset library service is highly rated, scoring level 4 in the comprehensive performance assessment and meeting seven out of the 10 library standards. It is in the top quartile of library services in England, with user satisfaction of 86 per cent. for adults and 92 per cent. for children, and it is in the top six English counties for libraries per capita. That is a high-performing local authority, and for all the reasons that she mentioned, Dorset will want to ensure that that continues.

Dorset library service is innovative and has pioneered the simple use of e-mails and text messages to communicate with users. It is working to re-engage young people through out-of-hours sessions, and projects with young travellers in three communities. Later this year, it will introduce a youth cafe as part of the Reading Agency's "Book Save" programme. It also provides a free reading group service for 210 groups around the county.

Nevertheless, significant changes have clearly been proposed, and I recognise the public concern about some of those changes in Dorset. I wrote to the chief executive of Dorset to express my concern and views about the valuable contribution that libraries make to their communities. I asked my officials to remain in close contact with Dorset, and they have been in regular contact over the past year about the nature and detail of the review.

The Government have given local authorities the funding to deliver tangible improvements to their services, with a real-terms increase of 39 per cent. since 1997. The authorities have delivered on that, but there are always competing pressures for funding. I have provided a small list of what is happening in the Dorset library service, but more is always possible, and Gordon has encouraged authorities to focus on the detail of their expenditure.

I am pleased that Dorset has not taken the easy way out chosen by some authorities and simply cut the book fund. It has taken stock of the whole library service, reviewed its costs and benefits and sought to evolve the service. The focus is on creating a sustainable and balanced base budget for the service in the medium to long term, and on providing a service that is appropriate to the needs of the county's demographically diverse communities, which are rural, suburban, and in particular elderly as against young.

The Dorset review identified ways to have procurement and stock management processes, to refine staffing structures and maximise the use of skills, to rationalise opening hours, making them clearer to understand and extending them in some areas, and to improve the library buildings. All of that is good and sound business management, although much of it lies behind the scenes.

The review also sought to provide a different means of service provision for 10 communities that are currently served by small libraries that experience low levels of use and have cost-effectiveness issues. As the hon. Lady has said, the process is not complete and

[Mr. David Lammy]

that consultation and discussion continues. I know that she has played an active role in making her views known, but there is still a risk that some of the libraries may be closed.

There is no doubt that library closures can engender great passion in any community. That strength of feeling is valuable, and should be harnessed to help deliver a collective approach to the future of a service, but controversy does not negate justified change, and it may well be that it is right for some of Dorset's libraries to close, so that others may flourish. That is for the council and its communities to decide and to determine over the coming period. They have a difficult decision to make. It is true that more than 80 per cent. of library traffic in Dorset occurs in just 15 of the 34 libraries. However, libraries provide important services to rural and urban communities alike, and those needs cannot be abandoned. In advance of the council's decision, the most important factor is that the aim of the review is to improve the overall quality of the library service.

Libraries do sometimes need to close or be replaced, because of a number of common-sense factors, including demographic change. I have said before that any library closure is, of course, regrettable for that particular community, but I am pleased that discussions are taking place with communities in Dorset about other means of delivering the services. Cambridgeshire has 10 fantastically successful community-run libraries that are delivering good and appropriate services to their locality. Taking that leap of faith has enabled Cambridgeshire to keep those 10 sets of doors open and to harness the enthusiasm of their communities, while also freeing up resources to invest in the whole network of libraries in Cambridgeshire.

The cabinet of Dorset county council will make the high-level decisions about the future of the 13 libraries this summer, and I am sure that the hon. Lady will join me in watching for news with interest. If community ownership is agreed as a viable option, some local areas are ready to take on that challenge, while others need further assistance to establish whether it will suit them. If there are absolute closures, I am keen to hear Dorset's explanations of how, through different means, it will meet the needs of those communities that will no longer have access to that library service.

The process will run until March 2009, and of course I encourage the hon. Lady and her constituents to play an active role in it. I expect that she will do so. I also encourage Dorset to continue to be involved, to consult its communities, and not to take decisions in a complacent manner. I appreciate that it is a difficult decision, but the Government have been clear about the standards that are expected and about the investment that is needed. The hon. Lady was right to emphasise programmes such as Bookstart and the summer reading challenge, which we have supported and invested in. I hope that Dorset will continue to have a comprehensive and efficient library service in the months ahead, although I recognise that some change may be necessary.

Local Government (Cumbria)

1.00 pm

Mr. Eric Martlew (Carlisle) (Lab): This is an unusual debate to the extent that, if they can catch your eye, Sir John, four of the Cumbrian Members of Parliament will speak in the debate. Two Cumbrian MPs will not be speaking, not because they do not wish to, but because they are Ministers and so are unable to do so today. My right hon. Friend the Member for Barrow and Furness (Mr. Hutton) has sent his apologies and my hon. Friend the Member for Workington (Tony Cunningham), who is a Government Whip, is present, but unable to speak. That is a great pity, because he was, of course, the last directly elected Member of the European Parliament for Cumbria and his expertise would have been very helpful.

I hope that my hon. Friend the Member for Copeland (Mr. Reed) will be able to speak. He has not been in the House for very long, but has made a fine reputation for himself. He is a fine defender of his constituents and, as he was born and brought up in Copeland, knows the area very well. I am pleased to see that the hon. Member for Westmorland and Lonsdale (Tim Farron) has agreed to speak, although judging by his press release, I would have thought that this is his debate, and not mine. However, I am very grateful to him for coming today. Furthermore, this is probably the first time in 20 years that my neighbour the right hon. Member for Penrith and The Border (David Maclean, and I have agreed publicly about anything, although I must say that we work together behind the scenes on behalf of our constituents fairly frequently.

What is the reason for this debate? I am frightened that the Government will make a mistake that will have an adverse impact for decades to come on the communities that make up Cumbria. That mistake would be to create a Cumbrian unitary authority. I shall provide a brief history of Cumbria—it is brief because the county was created only in 1974 by a Tory Government. There was no logic behind its creation; it is an amalgamation of the counties of Cumberland and Westmorland, the county borough of Carlisle, the Furness part of Lancashire, the country borough of Barrow and a bit of north Yorkshire, which was thrown in for good measure. It was realised at the time that Cumbria was a very large and diverse county, and six district councils were created to acknowledge that. I do not want this Labour Government to compound the mistakes made in 1974. Cumbria has never worked well, and I should know. I was a councillor on the shadow authority in 1973 until I resigned in 1988 and had the privilege of being the chair of Cumbria county council for two years. I do not blame the individuals involved in the county—I blame its size.

The Cumbrian bid document is called "One council, One vision, One voice"—Cumbria has always been a bit short on vision. In the document, the county council states rightly that the unitary authority would not constitute a takeover by the county of the district councils, but would be a brand new authority that would take its own decisions. The document goes on to state that the new unitary council would cap council tax rises at less than 4 per cent. for the first three years. Will the Minister tell us whether those who produced the document have the power to do that?

The documents goes on about the "one voice", but the diverse communities of west Cumbria, Eden Valley, Carlisle, South Lakeland and Barrow cannot speak with one voice. For a start, we have different accents and traditions, our industries are different and we vote differently politically. I am not being parochial; all I am saying is that the county is too big. Cumbria constitutes 48 per cent. of the land mass of the north-west region. It should be classed as a sub-region. Its largest centres of population are Carlisle and Barrow, which are 90 miles apart. The Minister has a fine reputation as the Member for Basildon—I am sure that she is a good constituency MP—but I wonder what she would say if we proposed to put Basildon in with Brighton, Sir John, or if we put Bournemouth in with Reading. They are 90 miles apart, but we would probably agree that it would not be a good idea.

The Minister has just finished doing an excellent job as a Minister in Northern Ireland, where local government is about to be reorganised. Northern Ireland is twice the size of Cumbria and has three times the population, and yet seven unitary authorities have been proposed there, each with 60 members, plus, of course, a 108-Member Northern Ireland Assembly. Let us compare that with Cumbria, for which an 84-member council is being discussed. Does that imply—I am sure that she will disagree with this—that Northern Ireland is over-represented? No, it implies that Cumbria would be under-represented.

Let me deal with the 84 county councillors. If we are going to combine the responsibilities of the district and county councils, bearing in mind that councillors can spend up to three hours either going to or coming from a meeting, we will end up with full-time councillors—and poorly-paid full-time councillors, because they do not get paid a great deal. In reality, that will mean that we will end up with retired councillors who will not be representative of the population or plugged into their local communities.

On stakeholder support, let us look at the county council's submission in the document, which contains 12 balloons from a variety of quangos and companies working extensively for the county council. They are supportive of the proposal, although not overwhelmingly so. The results of a MORI poll published today in Cumbria show that 72 per cent. of the population of the county think that a single council would be too remote. People are sometimes sceptical of polls. I asked for a referendum to take place in the spring, on the same day as the local county elections—3 May—but the deputy leader of the county council replied:

"We could not get the paperwork together by that time. There would be a cost. It's like throwing a red herring at moving goalposts"—

her words, not mine. She went on to say:

"It would not be a yes or no answer - and the People would not understand".

Actually, I think that she was too frightened of their decision.

The county council is such a large organisation that the leader of the county could walk the highways without being recognised. I am not being derogatory about the leader; it is such a vast county that a directly elected mayor for Cumbria would not be possible. We have no Cumbria-based media. The south of the county gets its BBC regional news from Manchester and its ITV from Granada, and the north of the county gets its BBC from Newcastle and its ITV from Border Television, which is in my constituency. There are no Cumbria-wide newspapers. There is nothing to bind the county together.

I agree that there should be changes to make local government more effective and efficient. Personally, I would support two unitary authorities based on the boundary committee's 2004 proposals, which would split the north and the south. However, that is not to be—it may be for another day, but it will not happen now. However, the Government should insist on the district councils and the county council working closer together. They should say to the councils, "We expect you to work together and we will require efficiency savings from you to ensure that you work together."

The Government have often been accused of not listening. The choice in Cumbria is to listen to the quangos and, some of us suspect, the civil servants, or to listen to the Members of Parliament, who know their area and the communities and, unlike the councillors on both sides, do not really have an axe to grind. We will say what we believe is right for the area, and we are the experts on Cumbria. I hope that in July, when the Government take their decision, they will turn down the recommendation for a unitary Cumbria but insist on better co-operation between the districts and the county.

Sir John Butterfill (in the Chair): Order. The hon. Gentleman has requested that other hon. Members be called to speak, but there is very little time if we are to hear the Minister reply. I am sure that all hon. Members want to hear her reply, so will those also contributing be extremely brief?

1.11 pm

David Maclean (Penrith and The Border) (Con): I am grateful for the opportunity to contribute briefly to the debate and I congratulate the hon. Member for Carlisle (Mr. Martlew) on initiating it. This is a unique occasion. I have never known four Cumbrian Members of Parliament from three different parties to be in complete agreement, and I suspect that if the relevant Ministers were allowed to speak on the issue, they too would be sympathetic to the points being made.

To pick up on the point on which the hon. Member for Carlisle concluded, the views of the Cumbrian MPs are more representative of the feelings of the people of Cumbria than the county council's views. The county council is charging down this route at breakneck speed without any proper consultation of the people of Cumbria. Thank goodness some of the district councils are commissioning MORI polls, so that we can get some idea of public opinion. I also agree with the hon. Gentleman that the stakeholders who have backed the county are in the pay of the county or work with it. They are part of the quangos; they are part of the same bureaucracy. The people of Cumbria have not been consulted. I believe that the people of Cumbria oppose this proposal.

I agree with the hon. Gentleman that the Government should make the county council and the district councils work together. Go for enhanced two-tier working. Give them a good shot if they are not

[David Maclean]

working together. The county should be dealing with some of the big strategic issues of inward investment, but are we seriously suggesting that a unitary Cumbria will deal with planning issues in Barrow, Carlisle, Alston and Workington? There will be no savings, because to deal with those matters, it will open sub-offices. Yes, we will lose our district councils, but the buildings will still be there. There will not be a chief executive, but you can bet your bottom dollar there will be deputy chief executives scattered all over Cumbria, as there are at present.

In my experience as a Minister, I have never known any cost savings from local government reorganisation. The Minister should ask her colleagues in the Home Office—the Department responsible for the police. When Cumbria and Lancashire police forces wanted to amalgamate, the savings were initially to be £18 million. Then the figure went down to £10 million. Then the move was cost neutral. Then the cost went up to £5 million, then £15 million and then £22 million extra. The savings that the county projects in Cumbria are bogus; they will not materialise. We will have less efficiency.

Community boards will be created, but what is a community board? There may be 70 or 80 community boards scattered across Cumbria, talking about things, but they will have no money, no votes, no say and no decision. All that will rest with 84 councillors, who will be pushed to the limit to perform their job.

I support the hon. Member for Carlisle on this very important issue. The proposal will take democracy away from the people of Cumbria. Communities will not find themselves as well represented as they are at present, so I say to the Minister: listen carefully to what colleagues are saying.

As a Conservative, I believe that there is only one thing in favour of the proposal in Cumbria, and I deplore it in some ways. I believe that what is proposed would wipe out Labour's power base on the west coast and in Barrow, but that is not a reason to do it. I have been a Member of Parliament for Cumbria for 24 years. I would like Cumbria to be Conservative controlled, but not under a dictatorship, which this proposal would impose. The proposal is bad for Cumbria, even though my party might end up with political control.

1.14 pm

Mr. Jamie Reed (Copeland) (Lab): This complex issue does not deserve to be subject to indecent haste, but no one—least of all those of us in this Chamber and our constituents who use the councils that we are talking about and the services that they provide—wants the process to drag on indefinitely.

Cumbria is an extremely diverse county, a fact that has traditionally posed a series of difficulties—whether through geography, politics or the nuclear industry—for the machinery of Whitehall but, frankly, that is Whitehall's problem, not Cumbria's. However, the sign of a mature, effective, functioning region or sub-region must be that problems are identified and efforts are made to resolve them for the mutual benefit of all concerned. A former leader of the county council, the late Bill Minto OBE, understood all that when he began the process of council structure modernisation in 1997. In my view, he was the greatest leader the county council has had, and we should seek to apply the wisdom and integrity that he would have brought to the debate to solving the problems before us today.

Essentially, councils exist to serve the public, and it is the interests of the public, not the interests of the councils, that must drive change. Let me get to the heart of the matter. Whether they live in Copeland or Carlisle, ordinary people, public service users, businesses and others want better local government. They want local government to be more effective, accountable and flexible. They want local government to facilitate progress, not obstruct it. They despair of the bunker mentality that local authorities often display, passing problems from one department to another, seeking to shift blame and escape accountability. People want their local councils to be problem solvers, not problem avoiders. They probably also want fewer councillors, while at the same time wanting democratic representation to be as local as possible, but that tension must be acknowledged and addressed.

People want their councils to work in partnership with the local NHS to improve health services and health outcomes. They want their councils to work in partnership with business to grow the local economy and to protect and create jobs. They want their local council to be unrelenting in pursuing excellence in schools, in social services and in protecting and serving the elderly. They want their council to provide clean streets, safe roads and value for money through the lowest possible council taxes.

People are right to want all that, and I believe that every hon. Member in this Chamber wants it, too. They do not want locally funded organisations using money that should be spent on local front-line services to fight one another over models of governance or representation. The public will not forgive that; it is not why they pay council tax.

Copeland borough council is a good and improving council, with an excellent council leader, Elaine Woodburn, and chief executive, Liam Murphy. As the MP for Copeland and a former Copeland councillor, I will not countenance moves that lead to the loss of jobs in my constituency or the diminution of services currently provided. Nor will I contemplate any model that facilitates an anti-nuclear agenda or reduces the unquestionable primacy and moral legitimacy of Copeland borough council and the people of Copeland in matters relating to the nuclear industry.

In truth, both of the models proposed by the county council and the borough councils have some real merit. A solution that will satisfy all parties is waiting to be found, and it is incumbent on the county council and the borough councils to work together, in their mutual interest and, more importantly, in the interest of the council tax payer, to find and implement that solution. The present arrangement is not a good one; it does not serve the public as well as it should. I congratulate the Government on instigating the process of change. I believe that all parties agree that change must occur—the status quo is not an option. That is the basis on which to move forward. I trust that the Government will make it clear to all the councils involved that they must work together without delay.

1.18 pm

Tim Farron (Westmorland and Lonsdale) (LD): I congratulate the hon. Member for Carlisle (Mr. Martlew) on securing the debate and on being so generous with his time. I will attempt to use it efficiently to give the Minister ample time to reply.

I declare an interest as a member of South Lakeland district council, although I believe that MPs and members of councils, whether county or district, ought to think first of the people who put them where they are, rather than the synthetic bodies to which they happen to be elected. It is remarkable that in this Chamber there are four MPs from different parties all singing from the same hymn sheet. Looking at the issue objectively, I add my voice to the calls opposing the Cumbria unitary bid. I shall concentrate on three reasons and much of what I say will overlap with what we have already heard, so I will be quick.

First, a unitary Cumbria would separate local people from their council. The centralisation of power in Carlisle—no offence intended to the hon. Gentleman who represents that great city—would increase people's resentment towards their local government and their sense of remoteness from it. Not only would the council be remote from its citizens, but councillors would be further removed from the people they represent. Three quarters of the county council wards in my constituency are significantly larger than the average parliamentary constituency. The county council is sensitive towards that line of attack, so it is trying to address it, as the right hon. Member for Penrith and The Border (David Maclean) pointed out, via local boards, but essentially we are talking about mini-quangos that will duplicate work currently done by parish councils but will not be elected and will have no mandate and, in the end, will be even less efficient.

The second reason for objecting to the unitary bid is that the increased sense of remoteness and distance from the electorate is a principal reason why public support, as we have heard, is pretty close to zero. The MORI poll that showed that 72 per cent. of people opposed the proposal understates the level of opposition to the Cumbria county bid. My postbag reflects unanimous opposition. I have not had a single letter or a comment at a surgery that is in favour of the unitary bid—a huge majority of people are opposed to it. The *Westmorland Gazette* conducted a poll recently and found that readers overwhelmingly oppose the bid.

Thirdly, any attempt to reorganise local government, particularly in Cumbria, must take account of traditional identities and the likelihood of a new system winning the support of local people. With the best will in the world, as we have heard, Cumbria is an amalgamation of the counties of Cumberland, Westmorland, Lancashire over the sands and, in my patch, the West Riding of Yorkshire. Imposing upon the people of Cumbria a local government structure that flies in the face of their sense of identity, centralises power and removes accountability is a recipe for failure.

I would support the campaign for enhanced two-tier working, because it could lead to more efficiencies than the county is able to claim for its own proposals. I shall finish by saying that a unitary Cumbria would be a contrived entity. It would be doomed to be the first up for the chop the next time that local government is reorganised. On behalf of the residents of my constituency in Westmorland and Lonsdale, I call on the Minister to save time and to put the bid out of its misery now.

1.21 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Angela E. Smith): I thank all hon. Gentlemen for their comments, but particularly my hon. Friend the Member for Carlisle (Mr. Martlew) for securing today's debate. He has achieved something that does not happen terribly often in the House in that he has secured support from all quarters and from colleagues from all parties.

I do not have time to go through some of the detail, but I should like to comment on some of the things that have been mentioned. My hon. Friends the Members for Carlisle and for Copeland (Mr. Reed), the right hon. Member for Penrith and The Border (David Maclean) and the hon. Member for Westmorland and Lonsdale (Tim Farron) have all spoken and put a powerful case for their views on the issue. It is clear that there is a strength of feeling among MPs. I can say that my hon. Friend the Member for Workington (Tony Cunningham)—the silent one who has sat beside me today—has also made his views known to me and to the Minister for Local Government. The Secretary of State for Work and Pensions, my right hon. Friend the Member for Barrow and Furness (Mr. Hutton), who cannot be with us today, has brought a delegation from his local council, Barrow-in-Furness borough council, to see me. Indeed, I shall also have meetings with representatives of one of the other districts and representatives of Cumbria county council.

A great deal of debate and consideration is taking place on this issue. My hon. Friend the Member for Carlisle said that he hopes that the Government do not make a mistake. So do I—but I can assure him that whatever the decision, it will be taken after a careful consideration of all the factors, including those that have been raised today.

To give the background, right hon. and hon. Members will be aware that in response to the invitation that the Government issued to local authorities, we received a total of 26 proposals from local authorities for the creation of unitary authorities. One of the bids was from Cumbria county council. I hope that right hon. and hon. Members will understand that I am somewhat constrained in what I can say today. We are in a legal process and matters of propriety must be taken into account, so I cannot get into the merits of specific proposals. I think that that is understood.

The reasons why the Government judged that 16 proposals could go forward to stakeholder consultation were set out in letters that were sent to councils on 27 March. The invitation for bids for unitary status was a response to the long-standing debate and consultation on the future of local government. My hon. Friend highlighted that in some cases, the existing two-tier arrangements are not as efficient and effective as we might wish. There are risks involved in a two-tier structure. There can be confusion, duplication and inefficiency between the tiers. There is a view that in some areas the appropriate

[Angela E. Smith]

way forward is to move to a unitary structure. We are looking to create more focused and better outcomes for local residents. Allowing councils that wish to take that route to come forward to make a bid is the Government's response to such views, and 16 were shortlisted for further stakeholder consultation.

The 26 proposals that we initially received were whittled down to 16, and we are using a set of criteria to consider them that it might be helpful to explain. A change to unitary structure must be affordable and represent value for money, and costs must be met from a council's existing resources. Proposals have to be supported by a broad cross-section of stakeholders in and partners of the local authority. In addition to the affordability and support criteria, the councils have to provide strong, effective and accountable strategic leadership; give genuine opportunities for neighbourhood flexibility and empowerment; and deliver value for money and equity on public services. The 16 shortlisted proposals were examined and taken forward.

We are now in the process of a public consultation, which lasts for 12 weeks up to 22 June. I welcome today's debate as a contribution towards that consultation. I hope that right hon. and hon. Members will also make their views known during the more formal process. The Government have said that we would welcome responses to the consultation from key partners and stakeholders in the areas that would be affected by the proposals. That means that we welcome views from local authorities, the wider public sector and the business, voluntary and community sectors, but it is open to anybody who has a comment to make to respond to the consultation. I assure all hon. right and hon. Members that we will carefully consider all the views that are put to us before a decision is taken.

I also take on board the comment that whatever happens with unitary structures, if anything, there have to be better ways for two-tier local authority areas to work. My hon. Friend the Member for Carlisle and the right hon. Member for Penrith and The Border said that. In some areas, authorities have offered to be pathfinders. We must recognise that, although a unitary structure would be the most appropriate structure in some areas, it is not the case in every area. We need to see more effective working arrangements that overcome the risks of confusion, duplication and inefficiency. Those risks must be dealt with.

The process is based on a devolutionary principle. The bids come not from above from the Government, but bottom up from local authorities. That is why we issued an invitation to local authorities to come forward with their views on whether they thought that the process was appropriate for them. Those of us who are committed to the public sector and public service want to ensure that we get the best possible outcomes for local residents, whatever the structures and whatever the outcome of the process. That is why we are asking all local authorities, whether or not they have a unitary structure, to have better working relationships across local government.

My hon. Friend the Member for Carlisle asked a specific question about expenditure and read an extract from the brochure from Cumbria county council's bid for unitary status, in which it stated that it would ensure that the rate increase was capped at 4 per cent. for the first three years, I believe. It is for county councils to set their own expenditure plans, but a new authority would have the ultimate say on the expenditure plans because it would be a new authority. The implications of that are being worked through and a working group has been established to look at those specific issues. Key stakeholders such as the Local Government Association and the unions are involved. The Local Government and Public Involvement in Health Bill will enable flexible arrangements, subject to its passage through Parliament. At the end of the day, although plans are set by county and district councils, any new authority would have the authority to make its own expenditure plans and to decide on the appropriate rates.

Although I have not had long to speak, I have rattled through. This debate might get the world speed-speaking award. I thank all Members for their comments. I assure them that all the comments made today will be taken into account.

Houses in Multiple Occupancy

1.29 pm

Mr. Mark Lancaster (North-East Milton Keynes) (Con): It is a pleasure to have the opportunity to raise what is a serious problem in Milton Keynes and other constituencies across the country. Indeed, having listened to the earlier debate here in Westminster Hall about sustainable communities, I know that there are real concerns on both sides of the House. I therefore welcome the Minister, who I am sure will demonstrate her reputation for fair-mindedness to us all this afternoon.

Let me make it clear at the start that I accept that houses in multiple occupancy are here to stay, but I do not accept the haphazard manner in which they are dealt with under existing legislation. In the short time available, I want to do two things. First, I want to highlight the considerable impact that HMOs have on social cohesion and infrastructure in Milton Keynes. Secondly, I want to outline some of the fundamental gaps in the legislation, which are causing considerable uncertainty for landlords and local authorities across the country that are desperately trying to do the right thing.

Before I do that, however, let me spend just a few moments outlining some of the specific challenges facing Milton Keynes as one of the new towns that the Government have designated for growth. When I was first elected as the Member of Parliament for North-East Milton Keynes two years ago, I sat down with local authority representatives and asked what they felt the principal challenges facing the city were likely to be, and the one recurring theme was the strain that the forced expansion of Milton Keynes placed on infrastructure in the city and its satellite towns and villages.

As a direct result of those concerns, I started my "I before E", or infrastructure before expansion, campaign, which was designed not to stop the expansion of Milton Keynes—after all, our young people need affordable housing to live in—but simply as a call for future expansion to be carried out at a sustainable rate. The key to such an approach is to provide associated infrastructure, such as schools, health care and transport, alongside, or preferably before, growth. Perhaps most importantly, there must be a recognition of the fact that growth must have the support of local people if communities are to be truly sustainable. That means returning decisions about whether, how, when and where the city should expand to local people, via the democratically elected local authority, and taking them away from unelected, unaccountable quangos.

The Government have told Milton Keynes to provide the seemingly arbitrary figure of 70,000 extra houses by 2031—far more than is required for organic growth. Unfortunately, although the Government are content to force their will on Milton Keynes residents via unelected, unaccountable quangos such as Milton Keynes Partnerships, they seem reluctant to commit to matching funding to build and improve city infrastructure. Although some funding has been allocated, the funding streams are, crucially, all short term and do not match the much longer time frames to which the Government seem prepared to commit for housing.

As a result, it is difficult for the local authority to plan effectively, and the net result is enormous pressure on the city's infrastructure. Milton Keynes general hospital, for example, was originally designed for a city population of less than half what it is today. Similarly, nearly 70,000 people in Milton Keynes are still unable to register with an NHS dentist. With existing infrastructure already creaking, the large recent increase in HMOs in the city has pushed some services almost to breaking point.

Milton Keynes needs more affordable housing—all political parties in the city agree on that—but that housing must be delivered in a sustainable, planned way. As I hope to explain, the retrospective, unpredictable manner in which dwellings are being converted into HMOs is not the answer. Perhaps one indicator of the nature of the problem is the fact that Milton Keynes has seen the amount of private sector rented housing double in the past seven years, increasing from 6 to 12 per cent. of the housing market. With a rapidly expanding city, the need for cheap, affordable housing close to the economic centre of Milton Keynes is vital. HMOs, many of which are unlicensed and unknown to the authorities, fulfil the needs of transient economic workers.

I will deal with the legislation in a moment. Unfortunately, however, many HMOs in Milton Keynes are not covered by recent legislation because they are two-level, four-bedroomed flats with a garage that has been converted into a fifth bedroom. As such, they are not required to be licensed. The problems with such properties are fourfold.

First, the five bedrooms that are rented out tend to be occupied by five young adults, who might well only recently have started work, who might be immigrant workers and who might have recently graduated from university with a sizeable debt. Whoever they are, however, the one thing that they all have in common is that they are invariably financially unstable and lack security. In non-licensed HMOs, the chances of falling prey to the tiny minority of unscrupulous landlords is greater, either because of inadequate protection by contract or the potential for sudden rises in rent.

Secondly, HMOs bring with them a major increase in the risk of fire, particularly where five individuals all cook separately and overload electric sockets in a house that was originally designed for a single family. Milton Keynes council has confirmed that a large proportion of the recent increase in the number of fires in Milton Keynes has been in HMOs. Of course, the threat is not confined to Milton Keynes, and a recent article in *Inside Housing* magazine states:

> "Fire brigade chiefs are warning councils that Eastern European migrants are living in potential death traps because increasing numbers are being crammed into houses in multiple occupation."

Thirdly, residents living in areas of Milton Keynes where HMOs are on the rise complain that the quality of life in their neighbourhoods is deteriorating rapidly and that they feel powerless to do anything about that. Typical of the issues that long-standing residents complain about is the increase in litter and noise pollution. One resident recently complained to me that

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the character of the street, where they lived had changed dramatically and that they no longer felt that it was a safe environment for their 10-year-old daughter to play in. They identified the source of the problem as three former family homes that had recently been converted into HMOs. Some of the properties were former four-bedroomed houses, but they had as many as eight residents, and all of the properties had transient tenants. Those tenants tended to be young—normally in their mid-20s—and to stay on average between four and 16 weeks. In the main, they failed to make any effort to integrate with the local community. Car parking had also become a nightmare, with up to 14 vehicles trying to occupy just six parking spaces. Litter had increased dramatically, as had noise from late-night parties. All those problems had dramatically changed the nature of what was once a quiet urban street.

Finally, probably the greatest impact that HMOs have had has been on local infrastructure. Current infrastructure planning is done on the basis of recommendations regarding planning applications for ground space. For example, schools are built in response to a set of family dwellings, each with a clearly defined number of bedrooms, built in a certain location. It used to be relatively straightforward to estimate how many residents, both adults and children, there would be and even the likely number of car parking spaces that would be required. Unfortunately, the advent of HMOs has changed all that.

HMOs that sometimes have many more than five or six residents throw previously reliable planning assumptions to the wind. Like many other parts of the UK in recent years, Milton Keynes has seen a rise in its immigrant population, whose members have struggled to get on the council waiting list. Understandably, HMOs have been a logical step for many immigrant families, but I have heard reports of up to four families living in a house that was originally designed for a single family of three of four.

The rise of HMOs is not just a Milton Keynes phenomenon, and they are prevalent in most towns and cities, particularly where there is a university. Milton Keynes is fortunate to have the world-renowned Open university, and although we do not yet have a dedicated undergraduate university, we may well have one soon if local business gets its way. Although I am supportive of the idea of the city having a dedicated undergraduate university, I am concerned that its arrival will only add to the pressure for HMOs.

I have highlighted the problems that a rise in the number of HMOs brings for the accurate planning of infrastructure and I now want to discuss the problems with the legislation. As I understand it, there are two principal issues. The first is determining what is and what is not an HMO; the second is the lack of joined-up thinking between the licensing and the planning legislation.

The definition of an HMO is contained in sections 254 to 259 of the Housing Act 2004, but to be frank, it is less than clear to me as a layman or, indeed, to a potential landlord. As I understand it, however, a building or part of a building is an HMO if it satisfies any, all or some of the following tests: the standard test, the self-contained flat test or the converted building test. It is also an HMO if an HMO declaration is enforced under section 255 of the Act or if it is a converted block of flats to which section 257 of the Act applies. Of course, that was probably crystal clear to you, Sir John, and to the Minister, but unfortunately I and many landlords struggle to understand it.

It can be quite difficult for a landlord to find out whether they are required to obtain a licence or whether they are exempt from current licensing legislation. I stress that the vast majority of landlords want to play by the rules and do the right thing, but as in any industry, a minority does not, and the legislation provides sufficient uncertainty to allow unscrupulous landlords to abuse it.

Let us take, for example, the problems that are caused by the disparities between the planning and licensing of HMOs. Currently, the planning legislation that is used to turn family dwellings into an HMO and the HMO licensing legislation that was brought in last year fail to work effectively together. Under the Government's housing planning policy guidance note 3, of 2000, a landlord has the ability to purchase a house and make renovations to turn it into an HMO. As long as the renovations do not turn the dwelling into a house with more than five occupants with no family bonds and the building has fewer than three floors, the HMO is likely to slip into the gap between planning legislation and HMO licensing legislation.

There is a gap, which current HMO licensing legislation fails to fill. The current legislation suggests that only those HMOs with five or more tenants, with no binding household links, spread over three or more floors in a single dwelling, need to be licensed. That provision is clearly designed to protect Georgian and Victorian terraced houses, and while it is of course important that the quality of life is maintained in leafy Islington streets, it is also vital to recognise that in new towns such as Milton Keynes, where traditional Georgian or Victorian housing over three or more floors tends to be the exception rather than the rule, the current legislation is inadequate.

The licensing provisions under the Housing Act 2004 in essence penalise honest landlords who are willing to sign up to pay registration fees and incur the cost of bringing their property up to the standard expected of a licensed HMO, while those who might be less inclined to follow the rules all the time get away without incurring those costs. I understand the benefits of the licensing scheme, but I am concerned that the legislation is too complicated and leaves many grey areas where less law-abiding landlords can hide from their local authorities. When licensing registration fees can cost anything from £100 per property in Wigan to £1,500 in Dartford, I am not surprised that some rogue landlords will avoid those costs if they feel that they can get away with it. Evidence suggests that, so far, they can. I have also had letters suggesting that some landlords—and I am talking about a minority—have been passing the licence fee directly on to tenants with little or no warning. As I have already explained, many of the tenants in Milton Keynes have little financial security, and have no other local place to move to should they refuse to pay the sudden increase in rent.

There are, of course, also ways of legally avoiding the legislation. Landlords who own a three-storey property that contains five or more rentable rooms can simply choose not to rent one of the bedrooms, so that they fall outside the mandatory licensing arrangements. That enables them to step outside the cost that they would incur if they stayed within the rules and regulations set up in the 2004 and 2006 housing legislation, although in practice there is little difference in a property's potential risk to a community, or impact on it, after the removal of a single bedroom. If the Minister needs proof of such active avoidance of licensing, she need look no further than Milton Keynes, where only about 20 such licences have been issued since October 2006, although conservative predictions place the number of HMOs across the city at between 5,000 and 6,000.

What should be done? Is it not logical that a landlord should need planning permission to alter a house to turn it into an HMO dwelling, before being given a licence to provide an HMO? Currently that is not the case. The irony is that, even if a licence is granted, planning permission still might be refused by the local authority, and vice versa. What is more, although new legislative guidelines suggest that the licensing and planning offices of a local authority should work closely together, and pass information about HMOs to each other, that is not mandatory. More alarming is the fact that if an unlicensed HMO remains in place undetected for some years, it can automatically be granted planning permission. When that happens, the landlord might face a minor fine, but that is not much of a disincentive, especially when planning permission is granted automatically. Surely if we are to find a solution to the problem of providing good quality HMOs, we need to give local authorities the powers that they need to ensure that landlords are licensed.

I do not pretend to have all the answers to this problem, but I know that much more work needs to be done to straighten out some of the legislation. To give the Minister credit, the current planning and licensing legislation on HMOs is an admirable attempt to provide safe and high quality living accommodation for a key segment of the population. However, it remains incomplete, and at the very least it needs to be recognised that not all buildings suitable for use as HMOs have more than three floors. It appears that HMOs are here to stay, but by their very nature they are having a major impact on the quality of life and social cohesion in towns and cities such as Milton Keynes. The time has come to deal with the issue before it gets even further out of hand.

1.46 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Meg Munn): I congratulate the hon. Member for North-East Milton Keynes (Mr. Lancaster) on securing this debate on such an important topic. The Government also value the contribution of the private rented sector to meeting housing need. Houses in multiple occupation provide affordable housing for a wide sector of the community. As the hon. Gentleman has said, the Housing Act 2004 introduced a system for the mandatory licensing of houses in multiple occupation of three or more storeys, occupied by five or more persons not all of the same family. Authorities can introduce discretionary licensing schemes to cover smaller problematic houses in multiple occupation, subject to local consultation and approval by the Secretary of State. That allows them to tackle management and amenity problems in such properties that do not fall within the mandatory scheme. Consideration may need to be given to going down that route in Milton Keynes, given the problems that the hon. Gentleman outlined.

The licensing requirements run parallel to any planning permission that might be required. A local authority must apply the definition of multiple occupation contained in part 7 of the Act when considering its own licensing functions in part 2. It cannot simply refuse to consider whether to grant a licence, on the basis that planning permission for development has been refused, provided that the property remains a house in multiple occupation for the purposes of the Housing Act 2004 and is subject to mandatory licensing or a discretionary scheme. If the authority is unable to grant a licence for any reason, it must make an interim management order under part 4 of the Act. An authority should not confuse its planning functions with its housing duties. Furthermore, if there has been unauthorised development, the local authority should take enforcement action to remedy the breaches.

To grant a licence, the local authority must be satisfied that the proposed licence holder is a fit and proper person, that adequate management arrangements are in place and that the property is reasonably suitable for the number of occupants permitted. The authority may impose conditions in the licence, relating to the use and management of the property, including the management of occupiers' or visitors' behaviour. A landlord or manager who operates a house in multiple occupation without a licence is committing a criminal offence and can be fined, on conviction, up to £20,000. Licence holders who permit a licensed property to be occupied by more persons than are permitted also risk a fine of £20,000, and a fine of £5,000 if they breach any of the conditions of the licence.

Mr. Lancaster: In her opening remarks, the Minister is demonstrating how incredibly complicated and confusing the various provisions are. I feel strongly that the Government need to look at the matter again and tie it together. She was not here for the earlier debate, but the problem affects not only Milton Keynes but authorities throughout the country, which are struggling to implement the complicated legislation.

Meg Munn: I beg to differ from the hon. Gentleman. I do not think that it is that complicated. In outlining the legislation, I am showing that it sets standards and establishes mechanisms to ensure that they are complied with, including fines for non-compliance. Whenever any legislation is put into force, it is surely right that appropriate compliance and enforcement mechanisms should be set up.

If an authority is unable to grant a licence or has revoked one for breach of conditions, it must make a management order. That enables it or its partner to take control of the property and step into the landlord's shoes until a licence can be granted. There is

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no question of a local authority closing down an HMO because the landlord has not obeyed the rules. That would unfairly punish the property's occupiers for the failings of their landlord. It would also lead to homelessness and place a burden on the local authority to provide housing assistance to occupiers who are dispossessed of their homes. An authority may take necessary enforcement action against unauthorised development, which may lead to the property ceasing to be a licensable HMO, but while it remains licensable because it falls within the definition in the Housing Act, the authority must make an interim management order.

The Act imposes a duty on landlords and managers to apply for licences, and imposes a duty on authorities to promote the scheme. Local authorities should not sit back and wait for applications to come in, but should actively pursue them. Clearly, the hon. Gentleman is aware of the whereabouts of such properties in Milton Keynes, and these issues are being brought to his attention. As those issues are known about, action should be taken on them. Given that it is a year since legislation was introduced, enforcement action can and should be taken against persons who refuse to apply it.

The Act provides a range of other means by which to address problematic HMOs, including the housing, health and safety rating system by which local authorities can assess risks from hazards in the house to the health and safety of occupiers, and require landlords to take appropriate action to eliminate them. In addition, management regulations apply to all HMOs and enable local authorities to ensure that properties are being properly managed and maintained. Failure to comply is a criminal offence that carries fines of up to £5,000.

In the worst cases, management orders allow local authorities to take over the management of HMOs that are not required to be licensed if their poor management, which includes failing to tackle antisocial behaviour, poses a risk to the health, safety and welfare of the occupants or of persons residing in the neighbourhood. Local authority housing and planning departments should, as the hon. Gentleman has recognised, take a co-ordinated approach when properties require planning permission and are subject to licensing. However, we must recognise that those systems meet different purposes and have different objectives.

More widely, the hon. Gentleman raised issues of sustainability and cohesion related to the development of HMOs that are meeting a demand within their area. The Government are aware that residents and authorities in several local authority areas are concerned about the proliferation of HMOs in certain areas and about the adverse impact that such development can have on the character of those areas and on local amenities. Ministers are happy to listen to representations on this issue and to understand in more detail the issues that affect particular areas, but I do not accept the hon. Gentleman's premise that the legislation on HMOs does not provide a range of mechanisms by which to deal with the specific problems that he has outlined.

Licensing and other provisions in the Housing Act can be used to regulate the management of such accommodation, and planning can, in some circumstances, control the development of HMOs. The key to successful management of the private rented stock is for local authorities to adopt clear strategies that recognise the need for co-operation between all concerned, including local authorities and universities, if student accommodation is an issue, as well as the local community, private landlords and, of course, residents.

Question put and agreed to.

Adjourned accordingly at seven minutes to Two o'clock.

Westminster Hall

Wednesday 6 June 2007

[JOHN BERCOW *in the Chair*]

National Carers Strategy

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Roy.]*

9.30 am

Barbara Keeley (Worsley) (Lab): I am pleased to have secured this debate in the run-up to carers week, which as I am sure everybody knows takes place this year from 11 to 17 June. I am this year's carers week parliamentary champion. Carers week plays a vital part in raising awareness of the key role of carers in our society and helps to highlight the challenges that they face. I am sure that we shall explore many of those challenges this morning.

Every debate on carers notes that there are about 6 million carers in the UK, which means that every constituency contains thousands of people who are caring for a friend or relative who is sick or disabled. In my Worsley constituency, there are 10,000 unpaid carers, including 2,300 who care for more than 50 hours a week. My constituency contains wards that have much higher than average levels of cancer, stroke and coronary heart disease. In such wards, the heavier level of caring commitment means that one in three carers cares for more than 50 hours a week compared with the national average of one in five.

Research has shown that carers who care at the heavier end of caring commitment suffer impacts to their health as a result. I understand that that is particularly the case for those who care for people with stroke disease or Alzheimer's. We must require general practitioners and their primary care teams to identify all those carers whose caring commitment puts their own health at risk.

Dr. Ian Gibson (Norwich, North) (Lab): I am extremely interested to hear this discussion about carers' health. Has a systematic study been done in this country, supported by, for example, the Economic and Social Research Council, on the types of illnesses and problems that carers have? My experience is that depression is a major factor. Does my hon. Friend agree that, given that the Mental Health Bill is just around the corner—we hope—we will seriously have to address that feature politically and give resources to it?

Barbara Keeley: I certainly do agree. As I understand it—the Minister may be able to help us with this later—not much systematic study has been done on the health impacts of caring. I know of just one such study, which I believe was done in the United States. It showed the impacts of caring in respect of stroke disease and Alzheimer's.

I was just making the point that, in any case, it is necessary for GPs to identify people with heavy caring commitments. That step is basic common sense, because the unpaid care provided by those carers is a vital cornerstone of our health and social care system. I should remind the Minister that I recently reintroduced a ten-minute Bill that would require health bodies to identify carers and then refer them to sources of help and support. Following on from the suggestion of my hon. Friend the Member for Norwich, North (Dr. Gibson), it would also enable those practitioners to keep an eye on the health of the most committed carers.

I hope that the provisions outlined in my Bill can be considered as part of the review. In 1999, this Government launched the first national carers strategy. We all now acknowledge that that was an important step forward for carers and their organisations. At that time, the Government gave GPs a five-point checklist for use with carers, which included the fact that GPs should identify patients who are carers or who have a carer. Eight years on, the slightly disturbing thing is that research shows the inconsistent and patchy nature of the work being done by GPs to identify carers within their practice population. If we accept that we know about only a small proportion of the total number of carers, we will see that this is an important issue. It is important because we, as Members of Parliament, know that if carers are not identified, they will struggle to get the support that they need and should receive.

This example of identifying carers, and the involvement of GPs in that, goes to the heart of a key issue that should be addressed in the review. In 1999, the Government strategy outlined a variety of good practice that was considered essential to deliver much-needed support to carers. Most of us know from our own contact with carers and carers' groups that if, in reality, local authorities or primary care trusts fail to deliver that support, carers just have to manage, and it is their health and quality of life that then suffers.

David Lepper (Brighton, Pavilion) (Lab/Co-op): I congratulate my hon. Friend on securing the debate. Does she agree that schools and education authorities also have a role to play, particularly in relation to young carers and their needs? I am pleased that my constituency has a young carers support group, but I am aware that many parts of the country do not have such things. Will she include the need to identify and provide support to young carers among the measures that she would like the Government to consider?

Barbara Keeley: Very much so. As is often the case in these debates, I shall come in a moment to the point that has been raised.

Much has been achieved for carers in the past 10 years: legislation has been introduced in private Members' Bills recognising carers' rights; more than £1 billion has been invested in short breaks; and there has been a greater awareness of the contribution that carers make to society.

David Taylor (North-West Leicestershire) (Lab/Co-op): My hon. Friend mentioned the role of private Members' legislation. The Carers (Equal Opportunities) Act 2004—it is now an Act—which was introduced by my hon. Friend the Member for Aberavon (Dr. Francis), played a huge part in all this. Would it not send the right message to carers if mainstream Government legislation were introduced as part of the next Queen's Speech to tackle the carers strategy issues that are being raised by so many throughout the country?

Barbara Keeley: I agree with that. I was just going to say that the extra £340 million to help disabled children and their families that was announced on 24 May was a welcome development in the view of most Members of this House. As we shall probably hear this morning, many carers' groups are coming to their Members of Parliament with concerns about short-term funding and lottery funding. Such issues will not go away until much of the money is mainstream. The issues that carers have, and deal with, are continuous, so the funding cannot be short-term. That is a key issue.

We must accept that we are moving in the right direction and that legislation such as the Carers (Equal Opportunities) Act 2004 means that carers' wishes to work or study must be taken into account. Importantly, the right to request flexible working was enshrined in the Work and Families Act 2006. Those are important milestones. Most recently, the Pensions Bill contains the first real recognition that caring work is on a par with paid employment and should be recognised as such in terms of credits towards the state pension. Such steps are important.

Like many hon. Members present, I feel that there is still a long way to go before carers are fully supported and fully recognised. It is clear from survey after survey that carers can suffer ill health and financial strain through their caring. I have mentioned the impact that caring can have on the health of carers, although we do not know enough about that. We do know from surveys that carers are more likely to be in low-paid jobs or careers, or not in employment at all.

Carers UK recently found that 72 per cent. of carers are worse off financially as a result of caring and that the longer someone is a carer, the more likely they are to be on a low income. It is time for a review of the income that carers receive.

Dr. Gibson: What happened to the minimum wage in respect of carers?

Barbara Keeley: Again, the Minister may help us with that later. Many carers are now raising an issue with their MPs: what is the equation between their financial situation and the minimum wage? The issue is important.

David Taylor: Of course, the minimum wage issue is a real concern, as is the issue of the carer's allowance, which is less than £50 a week for a minimum of 35 hours' care at £1.40 an hour. There seems to be quite a void. However, one source of real angst among many elderly carers is the cessation of carer's allowance at the point of retirement for so many people. Is that not something that could be tackled, bearing in mind that the value to the economy of carers is approaching £60 billion a year? I should have thought that a sliver of that money would help redress the anomaly.

Barbara Keeley: Yes, indeed. We ought to consider carers' income as a whole: income that they can gain from work, benefits, tax credits and pensions. I am sure that that is a possible step for the review. The whole issue needs to be considered. We know that carers' numbers must continue to grow as the population ages, and that people with disabilities and serious illnesses are living longer and are more likely, because of our model of health and social care, to want to live at home.

Carers still feel that they face significant barriers in important areas. Interestingly, a recent Carers UK survey showed that carers' key priority is still the need to feel recognised and valued for their role by professionals and society generally. Importantly, one in five carers made it their top priority. Maintaining health and well-being is important to one in 10 carers, as is the availability of respite breaks. However, there is still a feeling about the need for recognition, and the income, benefits, tax credits and pension issue is part of the issue.

Recognition is important to carers whenever they access services and deal with professionals. There is a need to understand the role that they fulfil and to treat it with respect. The review seriously must consider the way in which we can change attitudes and develop understanding about carers, particularly among the professionals whom they have to deal with.

On Monday I met a group of carers from south Warwickshire who raised the issue that health and social care professionals do not always work with them to develop the best solution for the carer and cared-for person. One carer mentioned that the person whom she cared for would not use external respite care, but that the social worker would not help her to find alternative home-based respite care. The carer and I felt that she was not being treated as a partner in care as we would expect.

Hon. Members have already referred to the fact that of all the strategies for carers deserving attention in the review, appraising the reason why 175,000 children are young carers is one of the most compelling. For the Princess Royal Trust for Carers, what is needed most is to reduce the numbers of young carers. To do so, adult and children's services must work together to ensure that parents with a disability or illness receive the proper support that they need. Resources to provide such support are too scarce and services are not set up to work together.

I also talked this week to two young carers who told me about the impact that caring had had on their lives and education. Both young people had missed out at school and they had had little or no time for leisure. One of them told me that for six years, she had rarely left her home apart from to go to school or college.

My Bill would place duties on social services authorities to consider the support services that are needed to sustain the parenting role in families in which a parent has a disability or a serious illness. If the adult relies on the care of their child, that is the point to offer support services. Doing so would ensure that the health, education and well-being of the child or young person were not impaired by caring responsibilities at an inappropriately young age. The two young carers whom I met had definitely missed out on their education and leisure time, but importantly, they told me that other young carers at school were not receiving any support as they would not discuss their home situation with anybody. Young carers can feel, they told me, that they will be misunderstood by staff at school. They would definitely be bullied by other children because their home lives were different.

Mr. Stephen O'Brien (Eddisbury) (Con): The hon. Lady makes an excellent point. Is she also aware of the evidence that one reason why child carers do not mention that they are carers—part of the number of hidden carers—is the fear that families may get broken up, which would lead to something that they do not want?

Barbara Keeley: Yes, indeed. There is a panoply of reasons: being bullied and misunderstood, and, possibly, fear of the family being broken up.

My ten-minute Bill would require that schools and local authority children's services have policies in place to support young carers. It is a difficult and complex issue, but such measures are needed. The importance of the situation was underlined by the tragic suicide of Deanne Asmoah, who could no longer cope with the responsibility of caring for her terminally ill mother.

The carers strategy review must consider the way in which we can improve carers' health, well-being and life chances. The recent survey by Carers UK discovered that many carers find it difficult to pursue study, leisure activities or just a social life, and it is important that we meet those needs if carers are to feel supported and valued.

A key consideration is that carers groups are calling for new equalities legislation to cover them. Carers have gained their rights mainly through the legislation that three Labour Members have introduced in the past 10 years. Trevor Phillips is keen that the new Commission for Equality and Human Rights starts to study the issue of rights for carers, and that interest is welcome.

A cross-governmental approach is needed on carers issues, because the needs of carers do not fall neatly into one Department. Caring can affect a carer's health, financial situation, social life and education, and it is essential that the Government appoint a Minister to act as carers' champion throughout the Government, as the Welsh Assembly Government have already done.

Carers' organisations feel that the original national carers strategy of 1999 had too short an outlook—only three to four years. Immediate changes, medium-term commitments and long-term vision are needed, and the national carers strategy must be a strategy for the future, looking beyond the next 10 years. As the numbers of carers increase, we must have reliable and comprehensive policies in place to cope with it and to continue to support existing carers.

A key issue in the short term is to ensure that questions about caring are included in the 2011 census. The 2001 census provided crucial evidence about caring, which has been vital for decision makers and policy makers, but there is a risk that those questions will not be included in the next census, which would be a backward step.

I commend the work in my constituency's local authority area, Salford, to improve support and services for carers. In 1998, before the national strategy was introduced, Salford developed its own strategy, which was produced by carers for carers. The Salford Carers Forum oversees the strategy, which was updated in 2002.

Over the past nine years, my local area has developed a great deal of good practice, which is encouraging. There has been a Princess Royal Trust for Carers centre in Salford for eight years, and it employs 10 members of staff who provide support, advice and information. Encouragingly, there is also a young carers group, which many areas do not have.

Since 1999, we have had an "aspirational project" to give carers of people with autism and Asperger's in Salford a break, and the Manchester Jewish Federation carers advice service offers services to Salford carers. The Princess Royal Trust for Carers centre has a GP liaison service working with primary care services throughout Salford. The centre finds such work a struggle, because for an organisation of its size, it is difficult to map the whole NHS; however, it does its very best.

The excellent Salford Crossroads organisation last year provided more than 20,000 respite care hours to help more than 200 carers in Salford. All that work is greatly appreciated, and Salford Crossroads was recently awarded "excellent" status by the Commission for Social Care inspection. There are high standards of service in the voluntary sector.

The local authority is developing a carers strategy action plan. It has targets for the next three years, and it will be linked to the outcomes that the White Paper "Our Health, Our Care, Our Say" identified. I am pleased that carers in Salford are directly engaged in identifying priorities. Indeed, last month there was a workshop where carers could meet professionals to identify their needs.

In my local area, the experience of local carers helps to form the basis of our local action plan. That is not true of every part of the country. Local carers have already made some suggestions to improve, in small ways, the support that is available to them. They include developing small libraries at carers centres, services that loan wheelchairs, commodes and other equipment, and even a small gym and computers at local carers centres. I understand that my hon. Friend the Minister will consult carers at a meeting in Manchester on 29 June, and I hope that he picks up on the ideas that are coming forward and gathers many more from carers when he is there.

It is a measure of the challenges that we face locally that more than 22,000 people in Salford identified themselves as carers in the census, but that only a comparatively small number of carers are known to carers support groups. Although many other issues are important to carers, central to the national carers strategy review must be the provision of an effective framework both in GPs' surgeries to identify carers, and in schools to identify young carers. It would make carers aware of the support that local organisations work so hard to deliver. We have some excellent services and support there, but it needs to be backed by the aspects in the review on which I have touched. Key among those will be the review of carers' income and looking at the structure of the funding sources for the services on which they rely.

The strategy review is important to carers. To get it right, we need to put carers at the very heart of the consultation, and that is what is happening. I welcome the review and look forward to seeing how carers will help to shape it to meet their needs, now and in the future.

9.50 am

Annette Brooke (Mid-Dorset and North Poole) (LD): I congratulate the hon. Member for Worsley (Barbara Keeley) on securing this debate at just the right time, with next week being carers week. I am sure that most of us here will be participating locally in that event.

It is hard not to express the most enormous gratitude and respect for all carers. We must all ask ourselves: would we be able to do what they do? As has been said, the contribution that carers make in removing costs from the state is enormous. I was recently visited at my surgery by an east Dorset carers support group for carers of relatives with mental health conditions. The group came because it was troubled about its future funding and whether it would be able to continue. The group had been set up with a lottery grant, but that had ended and was not continued as had been expected. The group was fortunate to receive support to continue from all the local authorities, but its concern was for the future. Anything that the Minister can say about what will happen regarding the carers grant will therefore be helpful.

I shall focus my comments on young carers, which obviously, given my portfolio, is an issue in which I have a great interest. Probably the most moving part of the story is that invisible army of very young people—perhaps even of primary school age—caring for up to 50 hours a week. That is an enormous burden, but we do not really know the scale of the situation because young carers are reluctant to come forward and identify themselves. Research by Barnardo's has shown that a young carer will typically not receive any support for about four years after taking on a caring role. That shows that we must be more outward looking.

The first national carers strategy was an important step in acknowledging the existence of young carers and the impact of caring upon them. At events and debates in the House, we all acknowledge the problems that young carers face. The Government have put in place frameworks that, in principle, should provide support, and they are funding a number of initiatives directly, such as the Children's Society project to develop best practice for all sorts of professionals working with young carers. That is all excellent, but I fear that there is a degree of complacency if we say, "Well, we've got this framework". The recent teenage suicide to which the hon. Lady referred highlights that point. It shocked the nation, but it is not a great surprise, if one talks to young carers and understands the pressures on them. It was particularly interesting that the presiding coroner called for

"a proper inquiry into the issue"

of young people coping with such heavy responsibilities. That showed that, despite all the frameworks and all the documents, we need to ensure truly joined-up thinking and practice and consistency in what young carers are offered, which is clearly patchy across the country.

I concur with the hon. Lady that perhaps one of the most frequently raised problems is the difficulty of adult social services and children's services working together. We all applaud the emphasis on "Every Child Matters", but one downside has been the separation of those functions. An holistic approach to assessing the needs of the family is needed. There are examples where one service gets precious, saying, "No, the adult doesn't need this type of support at night—the needs aren't high enough," when for the child who is getting up during the night and having their life and schooling disrupted, the need is so much greater. That problem needs to be sorted out.

The children's commissioner has identified the need for the services to be joined up, commenting that there is a great danger of

"falling through the gap between adult and children's services."

In a 2005-06 report, the Commission for Social Care Inspection said:

"Given the separation of adults' and children's services, and our assessment that no more than 20 per cent. of councils are taking a wholly strategic approach to carers' services, it is hard to see how young carers' issues can be routinely addressed unless there are clear and robust interdepartmental policies and procedures... Care needs to be taken that addressing the needs of disabled parents and young carers does not fall between stools."

We must use the strategy review to make progress in that major area. Just think of the case that went to the heart of our country.

Funding and its continuation are also important. We recently held a big meeting in the House. Lots of young carers came and talked to us, and voted on what the most important issues for them were. The No. 1 issue was ensuring that their local support group survived. I remember one very articulate young lady saying, "The trouble is that my support worker isn't there at the end of the phone when I need her." That was not the support worker sloping off; it was that there were not enough hours available for all the support that was needed. We must ensure provision throughout the country for support groups, because it is definitely the No. 1 issue.

We also need to work on the training of professionals. We have made great progress in schools through guidance from the Department for Education and Skills, but there is still no duty to have a lead member of staff responsible for young carers in schools. Even if that is not made a duty, we must give much more guidance and encouragement to local authorities to ensure that it happens anyway. Having a young carers' champion in the local authority is also an excellent way forward. I also commend the proposal to give training to our health care and social care professionals, so that we can pull everything together and ensure that there is a complete package for young carers and that they do not fall through the net.

9.58 am

Dr. Hywel Francis (Aberavon) (Lab): It is a pleasure to contribute to this important Adjournment debate under your wise and, dare I say it, progressive chairmanship, Mr. Barrow. I congratulate my hon. Friend the Member for Worsley (Barbara Keeley) on securing the debate and on the tremendous work that she has done on behalf of carers both before entering the House and in the two years since. She is certainly a valued colleague on the all-party carers group.

I should explain at the outset my interest in the matter. I was a carer for 16 years and the promoter of the Carers (Equal Opportunities) Act 2004, as we have

heard. I am proud to be vice-president of Carers UK, and I also chair the all-party carers group. I share my hon. Friend's enthusiasm for the work of our Labour Government over the past 10 years under the leadership of my right hon. Friend the Prime Minister. His early enthusiasm for the cause of carers was greatly appreciated. It is should also be recorded and acknowledged that all the progress that we have made has received broad cross-party support. That is manifested in the strength of cross-party support in the all-party group.

We have already heard that much has been achieved, but much more is needed. The debate is opportune because not only is it the week before carers' week, but the review is being undertaken. The voice of carers is quite rightly being heard more loudly and is much better organised than 10 years ago. It is having an increasing impact on much of the legislation that affects carers' lives, whether it involves flexible working, education, the rights of young children, respite care or, most challenging of all, pensions. That is all as it should be.

David Taylor: My hon. Friend has a remarkable and admirable track record in this area. Does he agree that one of the major drivers of change that we are encountering is the demographics of the caring community? There are 6 million carers and they churn 2 million carers a year, but there is an underlying steady growth of 300 carers a day and 100,000 a year. Over the next 30 years, from 6 million, the number of carers will grow by 3 million to 9 million. That pressure of change is behind all that Carers UK and MPs such as he and my hon. Friend the Member for Worsley (Barbara Keeley) do.

Dr. Francis: I agree entirely, and I commend the work of Carers UK in identifying that important phenomenon, which is having an impact on all social policy legislation. My purpose today is to ask a simple question: how can the national carers strategy ensure take account of the impact, or lack of it, of our legislation?

Dr. Gibson: Before my hon. Friend starts to get into the details, I want to compliment him and our hon. Friend the Member for Worsley on their sterling work. I just had a thought: I have been involved in work on eating disorders, and when we changed the name of an organisation it suddenly became very dynamic and reached a new plateau of support. I often wonder about the words that are used. Perhaps the word "carer" is just a little too aggressive than it could be. We might need something much more positive to define the sterling work that people do in that field. "Carers" sounds like they are depending on someone, when it is the other way around. I do not know whether the organisations have thought of a new way to define it.

Dr. Francis: That would probably require a separate debate. I can imagine my hon. Friend wanting carers to be called "revolutionaries" or something so radical as that.

I was talking about the purpose of the debate and posing a simple question: how can the national carers strategy take account of the impact, or lack of it, of our legislation on the rights of carers and their quality of life? In the course of my constituency work, through working with carers' groups and as chair of the all-party group on carers, I am constantly being made aware of the rightly rising expectations of carers. I recently commissioned a piece of research by the Bevan Foundation, and the result, "Caring and Working: A Welsh Case Study", is a challenging report by Dr Victoria Winckler. I should declare an interest as an unpaid trustee of the foundation. I commend the report to the Minister not only because it is powerfully crafted in its recommendations, but because the voices of carers are to be heard loud and clear on every page. Although the report's recommendations have a Welsh focus, because caring is a devolved matter they are universally applicable. I want to draw the attention of hon. Members to three of those recommendations, as they could apply to the rest of the United Kingdom. The first is:

"As a first priority, carers need to be recognised in all areas of Welsh Assembly Government policy including economic and employment policy, as well as social care policy."

The second recommendation is:

"The final released carers' strategy needs to be much more visionary and robust. It should give much greater emphasis to employment for carers."

Finally, the report recommends:

"Better training should be available for social workers to undertake carers' assessments so that they do not introduce gender-based stereotypes and to help them to offer services to meet carers' needs."

I believe that the new national carers strategy should have an impact on all Departments. It is not a matter merely for the Department of Health. The Carers (Equal Opportunities) Act was about providing work opportunities, and the recommendations of the Bevan Foundation refer to that important aspect of that Act. The Act also paid attention to education and training opportunities. Recently, I have been impressed by the work of the National Extension college with carers, and I shall elaborate on that point in a moment.

Another aspect of my Act dealt with the right of carers to have access to leisure opportunities. My neighbouring authority, Bexley and carers of Swanley, in the true spirit of cross-party recognition of the work of other parties, I acknowledge that it is led by Liberal Democrats—has an innovative collaborative project that is funded by the Big Lottery Fund to encourage carers to engage in more physical activity. Called "Motion Nation", which means "Getting Out", the project involves more than 100 carers in a variety of outdoor activities and, crucially, provides respite care. Such initiatives need to be more universally available.

When the national carers strategy was launched in 1999, the landscape was very different. Carers had few rights and were expected to cope with little recognition or reward. One of the key changes in the past 10 years has been the acceptance, enshrined in Government-supported legislation in the form of the Carers (Equal Opportunities) Act, that carers have a right to a life beyond their caring responsibilities—what one carer in my constituency called the right to an ordinary life. That perhaps is a much better way to describe the challenge before us than to argue about equal rights. The evidence so far is that the Act has begun to bring about a culture change, albeit rather slowly.

[Dr. Francis]

particularly in the way in which carers are viewed by social services. It has also improved information to carers and a new raft of initiatives has been developed to give carers opportunities to learn, train and work. However, those initiatives are fragmented and, by definition, locally focused.

The developments that have arisen from the Act have been backed up strongly by the Government's legislation, particularly the Work and Families Act 2006, which gave carers the right to request flexible working from their employer. We have a long way to go to change workplace culture so that carers' responsibilities and needs are as well understood as those of parents. The Work and Families Act is a good place to start and I hope that employers will embrace the opportunities that it brings and adopt a constructive approach. I salute the work of the trade unions, particularly through the Warwick agreement, in bringing about the legislation, especially the Union of Shop, Distributive and Allied Workers, which has championed the cause of working carers.

I feel that those two pieces of legislation have been critical in raising awareness of carers' issues among crucial groups such as social services, employers and other service providers. Work done by the action for carers and employment project, led by Carers UK, has helped to embed the legislation, and it also provided much of the evidence on which the legislation was based. That evidence indicates that legislation does indeed change culture and practice. It has often been argued that good practice guidance is all that is necessary, but the experience of Carers UK is that legislation is needed to provide a strong framework for such guidance, because guidance on its own is a blunt tool.

Barbara Keeley: My hon. Friend is giving a thorough explanation of the employment issues and of the needs of carers in the context of employment. It is worth making the point that work needs to be done in organisations such as Jobcentre Plus in developing flexible employment. Does he agree with me that the need is not only for good practice, but that the Government must take a lead in working with employers to set up structures such as flexible jobs? We have discovered in recent months that that concept is difficult for jobcentres to get their heads around, and that designating a job as a flexible job is perhaps not something that has been done customarily, despite the fact that it would help carers.

Dr. Francis: I entirely agree with my hon. Friend. The Government needs to take a lead in legislating to bring about such changes.

We must ensure also that the vision enshrined in my Act is delivered on the ground. Carers UK has found that the most common reason that carers give for being unable to work is the level and complexity of care that they provide. If services are not in place to support them both in providing that care and in working or studying, real choice for carers will be an impossible dream.

It must be acknowledged that, over the past few years, the Government have made significant progress by putting more than £1 billion of money into respite care. However, we know that that does not stretch far enough; there is still a shortage of good quality respite services. I particularly welcome the Treasury and Department for Education and Skills report, "Aiming high for disabled children: better support for families", which was published last month. That begins to show a way forward, particularly for the most severely disabled children, and I pay tribute to the hon. Members who supported it.

Carers' organisations feel very strongly that the carers grant—an important stream of funding that provides carers with breaks—must remain a discrete grant rather than be rolled into the revenue support grant. Carers UK hears strong concerns from its wide membership that the funding for carers' breaks will be reduced if the grant loses its clear identity. That is a critical part of the discussion, as it will affect the delivery of break services in the future.

The fact that the responsibilities of one Department—the Department of Health—have an impact on the ability of other Departments, particularly the Department of Trade and Industry and the Department for Work and Pensions, to fulfil their own objectives reminds me that we must keep up the campaign for a carers' champion, and I am pleased that that cause has been mentioned several times already. Such a champion would be at the heart of Government and would ensure that all Departments recognise carers' needs.

The success of the similar campaign in Wales with which I was associated, and the appointment of the Deputy Health Minister in the previous Welsh Assembly Government—Assembly Member John Griffiths—as carers' champion were great steps forward. That has made a huge difference to the coherence of policy making in the area. Having someone whose responsibility it is to, as they say, "carer-proof" legislation would have prevented some of the contradictory pieces of legislation that we currently have. The Welsh Assembly Government is also updating its carers strategy.

I am particularly pleased that my Labour-led local authority, Neath Port Talbot county borough council, was among the first to appoint a carers' champion, before there was such a champion for the whole of Wales. Councillor Paul Thomas has done excellent work in that field for the past year or so. I should therefore like specifically to ask the Minister whether the UK review will link with the Welsh Assembly Government review to ensure that the strategies learn from one another and that they share good practice and good policy development policy across the country.

Mr. Stephen O'Brien: As a corollary to his reply to that question, the Minister might like to address cross-border issues. As a Member whose constituency has a Welsh border, I see notable differences between approaches to carers, depending on whether one lives on one side of the River Dee, in my constituency, or 200 ft across the river in Holt in Wales. It would be useful to highlight those differences as part of the process of moving forward.

Dr. Francis: Indeed. As Chairman of the Welsh Affairs Committee I am very conscious of cross-border issues.

There are differences not only between Wales and England but between county boroughs, and I agree that account should be taken of those matters in the two respective reviews, so as to minimise contradictions.

Looking to the future, I hope that we can build on the Acts that I have mentioned and consider ways of ending the remaining discrimination faced by carers. It is still legal to discriminate against someone who is a carer, whereas, as we know, it is illegal to do so on the basis of someone's race or disability. A crucial part of the review of the national carers strategy is to evaluate equality legislation and examine how carers can be brought into the existing framework. A human rights approach is very important. As we have already heard, when Trevor Phillips, the chairman of the new Commission for Equality and Human Rights, recently addressed the all-party carers group, he assured us that he would give proper priority to carers' rights from the earliest stages of his work.

There is a need also to renew the focus on carers' access to work, education and training opportunities, as the Bevan Foundation report recommends. It is predicted that 2 million extra workers will be needed in the next 20 years to keep the UK economy buoyant, and that there will not be enough young people to meet that demand. It is also predicted that 3 million more people will become carers during that time. It is therefore self-evident that we must address how carers can gain access to learning and work opportunities—for the sake of both equal opportunity rights and the economy.

Many carers want to return to work. Eighty-five per cent. of the carers taking distance-learning courses on the lottery-funded project run by the National Extension college are of working age—younger than 60—and the majority take courses because they are thinking ahead to a time when they can return to work after their caring responsibilities have ended. For some carers, particularly older ones, education also has social value that should not be underestimated. It gives relief from the isolation created by the caring role, allows for personal development and leisure activity, and for obvious reasons, reduces social exclusion.

Current barriers to education and training are the cost of courses, the lack of alternative care services during the time of study, the inflexibility of the courses on offer and a lack of understanding of carers' needs by colleges. A big issue is that a carer cannot study for more than 21 hours a week and receive carer's allowance. At a time when more and more courses can be delivered online, that seems ludicrous. The review of the national carers strategy should include a full review of how the benefits system works, because there are too many rules like that.

May I end on a personal note? My hon. Friend the Minister has been enthusiastic in his support of carers, and he gave me unofficial support in the preparation of the Carers (Equal Opportunities) Act 2004. I hope that he will be the newly appointed carers' champion and that he will drive forward the carers' cause across all Government Departments.

Several hon. Members *rose—*

John Bercow (in the Chair): Order. I would like to wish the hon. Member for Aberavon (Dr. Francis) a happy birthday. Before calling the next and last of the Back-Bench speakers, I would like to make it clear that I shall call the Front-Bench speakers no later than 10.30. I call Mr. David Lepper.

10.20 am

David Lepper (Brighton, Pavilion) (Lab/Co-op): I have already congratulated my hon. Friend the Member for Worsley (Barbara Keeley) on securing this debate. I add my congratulations to those that have already been expressed to my hon. Friend the Member for Aberavon (Dr. Francis) on his sterling work on the legislation that he has taken through Parliament, and on his work on behalf of the all-party group on carers.

I declare a personal interest, in that I am a trustee of a Brighton and Hove-based charity called ARDIS, which was set up some 12 years ago specifically to support people with dementia and their carers. It is the needs of those husbands, wives, fathers, sons, daughters and friends caring for those with Alzheimer's and other forms of dementia that I would like briefly to speak about in this debate.

The carers who care for people with dementia are often very elderly themselves and in need of support in their own right, let alone in their role as carers. I am thinking, for instance, of some research done in my constituency that revealed a carer aged over 100 caring for his slightly younger wife.

All too often, the support that is available across the country to elderly carers is patchy and piecemeal. In my area, as well as the charity of which I am a trustee, we have a carers' centre and an active branch of the Alzheimer's Society. I pay tribute to Neil McArthur, who, for 18 years, was the driving force behind that branch and its extensive work to support dementia sufferers and their carers. Sadly, he died suddenly some two weeks ago. I had the sad duty of attending his funeral yesterday. He inspired many of us locally to try to ensure that support is available for those often elderly people who care for relatives with dementia.

ARDIS can provide a dedicated support worker who is based in our carers' centre and gives advice and support to carers of people with Alzheimer's and other forms of dementia, but the support that the charity can give to that post is, unfortunately, time-limited. It is important that older carers should have confidence that, when ARDIS's financial support unfortunately must come to an end, the Government will have taken account of their particular needs.

As I have said, there are centres of excellence in different parts of the country. We have heard from hon. Members about what exists in their areas and I suspect that those of us who are here today are here partly because much good work is being done in the constituencies that we represent or the areas of which those constituencies are a part. Will the Minister ensure that the Government's review not only takes into account the needs of young carers, which I mentioned earlier and which others have mentioned, and the needs of those caring for people with dementia, but considers carefully the good practice in many parts of the country and ensures that that can continue with their support? There is no doubt that there has been a sea change since the Labour Government's introduction of the carers' strategy a few years ago, but it is important to ensure that the good practice that

[David Lepper]

already exists in local areas can continue, and that the best of that good practice is replicated across the country so that we can begin to move away from what I regret is still often piecemeal provision of support for people who perform the vital role of caring.

10.25 am

Sandra Gidley (Romsey) (LD): I congratulate the hon. Member for Worsley (Barbara Keeley) on securing this debate. It has been noticeable this morning that every hon. Member who has spoken has had a real and long-standing commitment to the issue, so perhaps this is not a time for political point-scoring, which would be inappropriate, given the commitment expressed today.

I very much welcome the carers review. I could make the point that it is slightly disappointing that most of the steps forward have been the result of private Member's legislation, but that would be a little churlish, as private Member's legislation does not get anywhere without Government support. We must acknowledge that, but I would like the Government to introduce mainstream legislation to tackle some of the problems and issues, and to bring a greater focus to the problem.

Support for carers is a developing problem. At present, there are approximately 6 million carers. It is estimated that, by 2037, the figure will probably increase to some 9 million. Although that seems a long time away, there will be large increases year on year.

The hon. Lady mentioned the income of carers, which is important. Carers do not take on a caring role for the money—money is not always at the forefront of their thinking when they do it. They take on the responsibility because they want to, because of affection and ties—there are many reasons—but it seems wrong that some people are so severely financially disadvantaged when they take on the caring role. A survey by Carers UK showed that 72 per cent. of carers are worse off than when they started caring, 54 per cent. give up work to fulfil the caring role, 33 per cent. are now in debt, and, more worryingly, nearly one third of carers are cutting back on basics such as food and heating simply to try to make ends meet. I sincerely hope that the review will recognise those problems and consider the available income streams.

Hon. Members have pointed out that the system is in a bit of a mess. People have difficulty finding their way around it even to claim benefits to which they are entitled. Some of the age-related anomalies in particular are considered unfair and galling by many carers who feel that they have contributed to society all their life but are not being given help when they most need it.

The support needed is not always financial. It is crucial to develop a respite strategy in the review of future provision. The £25 million announced by the Government for that purpose was welcome, but deals only with the tip of the iceberg. Many times when carers come to see me in my surgery, they raise the problem of respite care. They say, "I could cope, I am happy to cope, but from time to time I just want some time when I can be me." Whether the respite is a few regular hours a week or, if the caring responsibilities are weighty, a regular week every so often, they need to be able to recharge their batteries so that they can go back to their caring responsibilities refreshed.

In some parts of the country, there are schemes where respite care works quite well: a regular respite place is available in the same home, the carers get to know the staff in the home and it becomes a home from home. We should examine the economics of providing respite care because we would reap long-term benefits. If people continue as carers for longer, it will save us money in the long run.

Although it has received little political attention, research by the Equal Opportunities Commission carried out before the last election highlighted that, particularly for women, the problem of caring responsibilities was almost as important as child care responsibilities. I will be fair and acknowledge that the Government have done a lot for working women and have helped with child care responsibilities. However, in the age of the extended family, families do not all live in one area any more. The pattern is that they are dispersed, so caring responsibilities and the help available to carers is of increasing importance. Therefore, as we approach the next election, I think that the issue will have a higher profile.

My hon. Friend the Member for Mid-Dorset and North Poole (Annette Brooke) highlighted the problem of young carers and I know that she has a long-standing commitment to the issue. When one meets young carers, it is clear that they receive limited support. My hon. Friend mentioned the case of the teenage girl who said that her support worker was not there when she needed her to be. The simple truth is that young carers need someone to turn to because often schools do not understand the problem. I disagree with my hon. Friend slightly because she said that a lead member is needed in schools; I have concluded that that is not enough. Ticking the box and employing a lead teacher does not solve the basic problem that most teachers have no comprehension of the existence of young carers and the impact of caring on a young person's life. When talking to young carers about their problems, they often say things such as, "I am starting to bunk off school because when I have to care for mum, I can't do my homework properly and I may be late for school. I get in trouble when I go to school and my teacher doesn't seem to understand." There is a great need for an increased overall awareness and understanding of young carers and it is vital that their specific needs are taken into account during the review. I hope that the Minister will highlight how the voices of young carers will be included in the review, so that it is not simply well-meaning adults talking about what young carers want.

Another problem is the general level of engagement with services, which is partly caused by people's lack of awareness and partly by a wariness of the interface with social services. There is a Government will for greater assessment, but that clearly is not filtering through at local level. That is a problem because, although there may be strategies and frameworks in place, if there is no incentive for local authorities or local health authorities to implement them, they are frankly not worth the paper on which they are written.

Carer responsibilities have to become a must-do issue for councils and health professionals. We should perhaps consider introducing quality outcome framework points for GPs, so that they are more proactive in identifying carers. Carer responsibilities perhaps need to be a more important part of social service assessments, so that they fail or lose a star if they do not do consider it. We really need to take this issue seriously.

More should also be done to highlight what a carer is. Thousands of people become carers every year, but research shows that 65 per cent. of them do not recognise themselves as such in the first year of caring. More worryingly, 32 per cent. of people take five years to recognise that they are carers. That also means that a third of carers believe that they have missed out on benefits and pension entitlements and well over half that group think that they have missed out for three years. We are failing those people because, if someone is caring, they do not have time so get to grips with the benefits system.

Much greater awareness of the issue is needed and a higher proportion of carers need to receive assessments. To help with that, the Government need to deliver on their pledge to fund a national advice and information service to help carers. Where do carers go at the moment for help? I shall finish by praising some of the wonderful local carers' support groups. Individual groups have been mentioned, but local groups exist all around the country and provide considerable help and support for people who are caring for someone. The benefit of those groups must not be underestimated and when I recently visited one, I was recommended a book called "The Selfish Pigs Guide to Caring". I do not know whether hon. Members have read it, but it highlights brilliantly that carers are not Mother Teresa. The difficulty is that a carer will want to help their loved one, who may have been their partner for years, but they may feel resentful about doing so. It would be nice if people did not have to turn to such books and if help was more readily available. If we can work together to achieve that, we will have come a long way.

10.36 am

Mr. Stephen O'Brien (Eddisbury) (Con): I congratulate the hon. Member for Worsley (Barbara Keeley) on securing this important debate, which has provided a fitting preparation for all of us for carers week, which is next week. I shall be participating in many events both in my constituency and elsewhere in the country. Since becoming an MP, the hon. Lady has been a champion for carers and has brought insight to the issue from her previous work for the Princess Royal Trust for Carers. I pay tribute to the hon. Member for Aberavon (Dr. Francis) for his authoritative and moving speech and wish him many happy returns of the day.

I put on record my wholehearted support for the 6 million carers in this country; they do amazing work in often difficult circumstances. In that context, on a personal level, I am proud to be married to a hospice nurse and to be the son of a nurse who ran a small respite and end-of-life care home for a decade in the 1980s, when I witnessed admirable first-class care at first hand. Individual unpaid carers give care of no less quality and importance.

The national carers strategy was welcomed by all parties and was launched in 1999 with three main strands: information, support and care. Under information, the Government promised a new charter on what people could expect from long-term care services. That would involve setting new standards, improving the consistency of charging for services, good health information, an NHS Direct helpline for carer information and Government information on the internet. On support, the Government wanted carers to be involved in planning and providing services and for local caring organisations to be consulted. They also thought that comment cards, advice surgeries and carers weeks would all be good ways to involve carers. The national carers strategy said that there would be a carer's right to have their own health needs met, which was mentioned earlier, and new powers for local authorities to provide services to carers, as well as those being cared for. It also said that the first focus of the new powers should be on helping carers take a break and that there should be a new special grant to help them do so. On top of the £750 million for prevention and rehabilitation, £140 million would be provided over the next three years to help carers take a break and used in a targeted way. Financial support for working carers would be kept under review.

On 22 February this year, the Minister and the Chancellor announced a review of the national carers strategy, which fulfilled a promise made in the White Paper, "Our Health, Our Care, Our Say". Typically, no timetable has been announced and I hope that the Minister will rectify that omission this morning. Conservatives welcome the review— although we hope that it is not an attempt to kick the issue into the long grass. I do not believe that it is, but such views would be overcome by the Minister announcing a timetable today.

In the Conservative statement of aims and values, "Built to Last", my right hon. Friend the Leader of the Opposition outlined our party's commitment to carers' rights and restated our commitment to respite care for carers, and we welcome warmly the Government following our lead on that. In addition, our "Built to Last" document established that the

"test of a strong and just society is how it looks after the least advantaged – but this duty is not reserved for the state alone. It is a shared responsibility".

As part of that, our party is committed also to an increase in general well-being and sustainability to enable

"people to strike a better balance between work and life through flexible working"—

a point made powerfully earlier on by the hon. Member for Worsley—

"with government setting an example by making the British public sector a world leader in flexible working."

That was precisely the point on Jobcentre Plus raised in an intervention.

"Our Health, Our Care, Our Say" gave the following commitment:

"The updated strategy will reflect developments in carers' rights, direct payment regulations, carers' assessment and carers' grants. We will work with stakeholders to consult, develop and issue a revised cross government strategy that promotes the health and well-being of carers, including the particular needs of younger carers, and includes the use of universal services."

[Mr. Stephen O'Brien]

Any serious review of the national carers strategy must contain a qualitative assessment of the impact of the 1999 carers strategy, in addition to establishing ways to support carers. It must also make more concrete commitments than were present in the original carers strategy, with a timetable for delivery associated with each one. I urge the Minister to confirm what that review will contain and, in particular, how it will take forward support for carers and when it will be published.

The new deal for carers was outlined in the health White Paper, "Our Health, Our Care, Our Say". Tellingly, that document reports that the

"your health, your care, your say listening exercise revealed considerable public support for carers. Better support for carers came third in the 'people's options' at the national Citizens' Summit".

It is worth noting that the 2005 Labour manifesto made two references only to carers' issues, which were both, of course, extensions of other main policy areas—pensions, which was mentioned earlier, and the ongoing consultation on a putative right for carers to request flexible working arrangements from their employers.

The Conservative manifesto at the last election pledged to

"boost the vital role played by informal carers by expanding the provision of respite care so more carers can continue to support loved-ones at home and are able to remain in their own home".

The challenge is highlighted even more starkly by the lack of any effective commitment to respite care in the original national carers strategy, despite its importance being highlighted throughout the document.

The new deal for carers was announced at the same time as the review of the national strategy. Surprisingly, that is not, as its branding would suggest, a welfare-to-work scheme in the same format as the jobcentres' new deals—perhaps the Minister will explain that choice of phrase. Instead, it is a package of support for carers with three strands: first, £25 million to be spent on providing short-term home-based respite care for carers in crisis or emergency situations in every council; secondly, £3 million towards the establishment of a national helpline for carers; and thirdly, £5 million to support the development of an expert carers programme.

We welcome the Government's commitment to emergency respite care; we would, given that we proposed it. However, as important as that is, it should be in addition to planned respite care, which has suffered up and down the country—a fact to which, no doubt, hon. and right hon. Members can testify. The reason is a tightening of local authority budgets as an inevitable knock-on effect of NHS deficits. To put the £25 million into context, last week, the *Health Service Journal* reported that London councils alone are to meet Lord Hunt to discuss extra pressures on social care amounting to £22 million in 2007-08 owing to NHS cost-shunting. It has been reported also that £740 million of caring benefits go unclaimed per year—perhaps my most controversial point is that, as usual, the Chancellor gives with one hand, but takes away with the other.

The £3 million for the national helpline is, somewhat cryptically, "towards" rather than "for" the establishment of a national helpline. I fear that that raises the possibility of another delivery that does not quite materialise, although I hope that that will not be the case. That money finally fulfils the commitment of the national carers strategy to

"an NHS Direct helpline for carer information".

I hope that the Minister will take the opportunity to explain why it has taken eight years to set that commitment in motion, why he has moved away from NHS Direct as the delivery partner, and when it will be available for carers. I hope that the Minster will detail in his wind-up how, and when, this helpline will fulfil the commitments in the White Paper to provide carers with

"up-to-date information to assist them in their caring role",

as well as

"reliable, detailed information to help them make decisions about their personal support, opportunities for them and the needs of the person for whom they care",

and

"information in the widest sense – from legal entitlements, to contact numbers for 'help' groups and training, to advice on benefits."

As with the helpline, all that has been announced is funding towards the development of an expert carers programme, rather than a programme itself. As it is explicitly compared to the expert patients programme, what is the Minister's opinion on the recent critique of the expert patients programme that was in favour of the whole system informing self-management engagement approach—known as the WISE approach, which is much easier to say.

The final commitment made in the White Paper was to

"encourage councils and PCTs to nominate leads for carers' services".

The Government have not mentioned that since, and I hope that the Minister will tell us how he intends to move it forward. Speaking to carers, as I do very frequently, I know that one of the key issues that needs to be addressed is the disjunction between the health and social care sectors, which, sadly, the White Paper failed to address. NHS deficits and PCT reorganisations have conspired to exacerbate that situation. We hope that the Government will make proposals soon to address that gap.

One of the groups included in the review will be child carers. Good. The 2001 census identified an estimated 175,000 children and young people in the UK as child carers, although Barnardo's thinks that the number might be higher, hidden within a culture of secrecy stemming from fears, such as that of social services splitting up the family—a point that I raised in an intervention. Of that 175,000, 18,000 children, aged between five and 15, provided 20 hours of care or more a week—nearly three hours a day—and nearly 9,000 provided at least 50 hours, which amounts to more than seven hours a day.

I hope that, in addressing child carers, the Minister will look to the two key areas from which child carers feel excluded—health and education. Regarding the former, if the children are mature enough to care for a parent, the state should reflect that maturity. Many

child carers are not taken into the confidence of doctors dealing with the disabilities of their parents or other charges. I trust that the Minister will address that. Equally, there needs to be an understanding of the issue in schools; it seems very obvious that to have a member of staff in each school or college fully aware of the needs of child carers, and able to champion them, would be a good idea. Again, that has been suggested today. Of the two alternatives presented by the Liberal Democrats, I believe that we should pursue the champion idea.

I urge the review to deal with the outstanding educational issues.

I hope that the review will not make the mistake of riding roughshod over what child carers want. The temptation may be to impose statist solutions; instead, we should have a range of solutions that give both the child carer, and the person in their care, choice over the best package to fit their circumstances and their life.

I am aware of the time pressures in the debate and I want to hear what the Minister has to say. I hope that he will be prepared to consider the possibility of introducing an adjustment to the remit that Parliament gives the National Institute for Health and Clinical Excellence so that the carer's interests can also be taken into account in judging the cost-effectiveness and clinical effectiveness of drugs. That would help a lot with some of the issues that we have been facing on Alzheimer's drugs.

Conservatives recognise the enormous debt of gratitude that the country owes its carers and the responsibility of those in government towards them. With that in mind, we reconfirm our support for the review of the national carers strategy. I hope that it offers a critique of the delivery of the strategy alongside the challenges for the future. I call on the Government to take note of all that has been presented in the debate today and to provide answers to the questions raised.

10.48 am

The Parliamentary Under-Secretary of State for Health (Mr. Ivan Lewis): It is always a privilege to serve under your chairmanship, Mr. Bercow, which is progressive. I do not know whether that comment will do you any good with your colleagues, but I certainly agree with my hon. Friend the Member for Aberavon (Dr. Francis) in that regard.

I congratulate my hon. Friend the Member for Worsley (Barbara Keeley) on securing this very important and timely Adjournment debate, and I pay tribute to the work that she did in her professional life before entering this place. Since becoming a parliamentarian, she has continued to raise the profile and the status of carers, so that their needs are being considered on an ongoing basis by legislators in this place.

It is of course important that we begin by recognising and respecting the value of the contribution that carers make to our society. We also recognise the wide range of people who fulfil caring roles, whether they be the parent of a disabled child, the husband or wife of a partner—perhaps with Alzheimer's or dementia, as is increasingly the case—or the son or daughter of an ageing parent.

I pay tribute to the tremendous charities and voluntary organisations in this field. At national level, there are Carers UK, the Princess Royal Trust for Carers, Crossroads and Partners in Policymaking. Those organisations and many others do a tremendous job in ensuring that parliamentarians are kept up to date with the views and real-life experiences of carers. They provide a very strong voice.

The Government's record on carers is one that we can be proud of, but not complacent or smug about. The 1999 carers strategy has made a significant difference. Alongside that are the annual grants to every local authority, which mean that by next year we will have spent an additional £1 billion on carers. The emergency respite care fund that we have announced as part of the new deal for carers is in addition to the year-on-year money already going into the system to provide respite and other forms of support for carers.

Other measures include the Carers and Disabled Children Act 2000 and the Carers (Equal Opportunities) Act 2004, which my hon. Friend the Member for Aberavon—I wish him a happy birthday—was so instrumental in driving forward, based on his personal experiences of caring. It is always a great privilege to listen to his contributions to such debates. Of course, the future status and role of Ministers in the Government is a matter for the Prime Minister, whoever that might be over the next few weeks. I shall not get into a debate about who will do what jobs—that is a matter for other people—but the point about a champion across Government was well made.

Other measures include the right to request flexible working and enhanced pension credits. A couple of weeks ago, we saw the outcome of the Treasury and Department for Education and Skills review of the needs of disabled children and their families. A long overdue package of respite care was announced, which has been widely welcomed up and down the country as demonstrating the Government's commitment to addressing the needs of disabled children and their families.

Of course, we need to do a lot more, which is why my right hon. Friend the Chancellor of the Exchequer and I recently announced the new deal for carers, which will consist of a national carers helpline, an emergency respite care fund and an expert carers programme. Equally important is the development of a new national carers strategy, which will be cross-government and, significantly, informed by bottom-up consultation in every part of the country through hundreds of consultation events, at which we will listen to carers and hear from them about what they believe are the fundamental issues that need to be addressed as part of a national carers strategy. The review will be cross-government, but it will not simply involve groups of Ministers and civil servants sitting in rooms in Westminster and Whitehall, making decisions divorced from the real-life experiences and aspirations of carers.

My hon. Friend the Member for Worsley made a number of points, including on the impact on the health of carers of taking on caring responsibilities. I agree that there is a need for further work in that area. QOF—quality and outcomes framework—points are already awarded to GPs to some extent for their identification of carers, but I personally believe that we need to go much further as we negotiate contracts with

[Mr. Ivan Lewis]

GPs, because carers' main access, with a system of any kind, is often through their GP. That is often the most trusted relationship, so it is very important that GPs take greater responsibility in the future in terms of that gatekeeping role, but that must be in the context of contractual negotiations.

My hon. Friend was right to refer to the impact of caring on carers' income. Unquestionably, we need to consider holistically the ability to work, benefit entitlements, tax issues and the progress that has been made on credits in relation to the Pensions Bill. We need to consider the consequences for people's income of fulfilling caring responsibilities.

I agree with my hon. Friend about the relationship with professionals. It is very important that professionals regard carers as partners in the provision of care, but that frequently does not happen. There is a training issue, a cultural issue and, frankly, a management and leadership issue. My hon. Friend also referred to the census. We need to ensure that any decisions about the census are consistent with the commitments that we make as part of the carers strategy.

I can assure my hon. Friend the Member for Aberavon, who as I said has a tremendous track record in this field, that there will be synergy between the work going on in Wales and the review of the national carers strategy. Indeed, the Welsh Assembly will be represented on the oversight group. That synergy will be extremely important.

My hon. Friend made the point strongly, as he did in the legislation that he introduced, about employment, education and training, and leisure. That underpins the need for the cross-Government review to examine all matters of public policy that enable carers to have a life, and not only through the provision of support for their caring responsibilities. We also need to recognise that they are individuals who want to have a life outside those responsibilities. The question is how we can create a system that is far more focused and customised according to the needs of, and realities for, individual carers.

The hon. Member for Mid-Dorset and North Poole (Annette Brooke) and my hon. Friend the Member for Aberavon asked about the future of the carers grant. Comprehensive spending review negotiations are ongoing with the Treasury. It would be premature to make any commitment, but I believe that reflected as a consequence of this CSR will be the Government's continued commitment to funding that is distinct and specifically available to carers.

The hon. Member for Mid-Dorset and North Poole, like other hon. Members, rightly referred to the needs of young carers. We are only just beginning to face the realities of that issue in society. Young carers do a tremendous job, but we know that it has a massive impact on their education and on their relationships with peers, and indeed on every aspect of their life. It can be incredibly emotionally draining—a fact that some very sad cases have brought to light in recent times.

We must consider the responsibilities that we have across the system. I am thinking of education, health and youth provision and how we identify and appropriately support young carers. The hon. Member for Mid-Dorset and North Poole was right to talk about the need for much greater synergy between services specifically for children and families and services for adults. It is irrelevant to the young carer and the person whom they are caring for where the service fits; they want a joined-up service.

My hon. Friend the Member for Brighton, Pavilion (David Lepper) raised the extremely important issue of the demographic realities in society, to which my hon. Friend the Member for North-West Leicestershire (David Taylor) also referred. People are living longer and longer, but in doing so have more and more difficult and challenging conditions, such as dementia and Alzheimer's. In those circumstances, there is a growing challenge for society and carers. I suspect that we need specialist responses for people caring in those circumstances. We certainly need centres of excellence. There are a couple of those in my constituency: the Pinfold Lane day centre and Heathlands nursing home, where people with Alzheimer's and their carers get the service that they would expect.

The hon. Member for Romsey (Sandra Gidley) raised a number of important issues in what was, I grant, a very apolitical and appropriate contribution; most of these issues unite people in the country and on both sides of the House. She rightly talked about the centrality of listening to the voice of all carers, but particularly young carers, as we develop the new national strategy. We have to listen to the voice of carers on their daily realities, priorities and concerns.

The hon. Member for Eddisbury (Mr. O'Brien) asked a number of questions. On the time scale, we intend to publish the new national policy for carers in January 2008. We hope to have the telephone helpline and the expert carers programme up and running by the summer of 2008. We will make the funding specifically for emergency respite care available to local authorities in October 2007. The hon. Gentleman was right: of course, as part of developing a new strategy, we must consider the impact of the existing strategy and the new legislation that has been introduced over the past few years.

The needs of carers have never had a higher status than they have now. That is entirely right. For too long, carers' distinct needs were not recognised in health care, social care or, indeed, public policy generally. The distinct and specific needs of carers now have a much greater priority, but we must remember, as my hon. Friend the Member for Aberavon said, that these issues are about almost every element of public policy. Therefore at both national level and local level we need a genuinely joined-up approach. We need to recognise that the state has major responsibilities in this field, but equally we can achieve what we need to achieve only by working and engaging with the voluntary sector and community-based organisations and by listening to the voice of carers as we develop the response.

Museums

11 am

Mrs. Sharon Hodgson (Gateshead, East and Washington, West) (Lab): I am pleased to have secured the debate and to be able to speak about the Government's policy on museums. I am also pleased to serve under your enlightened chairmanship, Mr. Bercow.

The Government's policy on museums and their broader support for the cultural sector over the past 10 years have been a resounding success, particularly for the youngest in our society: more grants have been given, museums have modernised and attendance has accelerated. Our great national museums have reaped the rewards of the Government's brave decision to introduce free admission, which has seen literally millions more Britons experience the wealth of shared experience, knowledge and heritage that those museums possess.

I know from work in my constituency that our regional museums have also undergone a transformation thanks to the renaissance in the regions programme and funding from the Heritage Lottery Fund. Without the Government's financial support and cultural vision, such programmes would never have been put together. However, the real successes could never have been achieved without the tireless work and steadfast commitment of the Museums, Libraries and Archives Council.

It is testimony to the leaps and bounds that have been made over the past decade that there is almost universal agreement about the pivotal role played by culture throughout society. As the Prime Minister has stated, culture plays a creative, economic and even diplomatic role in making Britain what it is today. Indeed, he went on to say that a return to boom-and-bust funding of the cultural sector would risk turning back the clock on the tremendous achievements that have been made so far, and I could not agree more. It is vital that we do not sit back and watch the paint dry, and I hope that a deal can be secured after the next spending round to ensure that that does not happen.

As hon. Members are well aware, I am extremely proud to represent Gateshead and Washington and, in doing so, the wider north-east. It gives me particular pleasure to say that the north-east continues to provide a strong example of how increased museum funding can be best used to make a real difference in the community. Renaissance North East is part of the wider renaissance in the regions programme that is transforming our museums and which has proved to be one the most beneficial projects ever run by the Department for Culture, Media and Sport.

The statistics speak for themselves. Educational visits to north-east museums have almost doubled, increasing from 80,000 to 140,000 in just three years. Overall, visits are up by a fifth, and the number of children engaged by museums has risen by a phenomenal 6,500 per cent., with much of that increase made up of children from the poorest parts of our society. Polling data show that visitors to north-east museums are more satisfied with their experience than visitors anywhere else in the country. In addition, Tyne and Wear Museums has brought £70 million into the regional economy and created more than 5,000 new jobs as a result of the millions of new visitors to the region.

However, numbers alone cannot tell the story. Children are increasingly likely to return with their parents and, indeed, to return as parents, promoting a cultural cascade throughout the generations. History teachers have described Renaissance-funded museums as manna from heaven. The work of Renaissance North East and the Museums, Libraries and Archives Council has been crucial in using heritage to connect people to knowledge, information and inspiration. A renaissance could be defined as something with a clear beginning and an end, and I hope that we can discover a permanent revolutionary renaissance in all our regions by securing full funding for the future.

I was pleased to hear of a seminar that took place last week, which drew together specialists from across the cultural sector to look at the role that culture can play in fostering community cohesion and neighbourhood renewal. It is welcome that other Departments realise that there is a lot to learn from the various outreach activities for which museums can be responsible. I hope that the recognition of the role of culture in communities on the part of the Department for Communities and Local Government will lead to a recognition that culture can also play a role in promoting Government cohesion.

It is clear from talking to children in my constituency that they have found museum visits exciting, engaging and educational. It would therefore be good to see the Department for Education and Skills promoting closer links between the nation's schools and museums.

So far, I have talked about the successes of regional and national museums and I would strongly argue that we should encourage a greater spirit of co-operation between them. By encouraging the sharing and rotating of stock, we can ensure that some of our greatest treasures are not hoarded away in London, but available across the regions, where they can be enjoyed in context by people who would not otherwise have the chance to appreciate them. I was encouraged to receive news yesterday that the British Library has set up an independent expert panel to review the condition of the Lindisfarne gospels, which other Members and I have campaigned to have returned to the north-east on loan.

There can be no argument that the pedigree is there in the north-east. It was fantastic that Tyne and Wear Museums scooped the national museum and heritage award for excellence. That would not have been possible without the support of the Heritage Lottery Fund, and there are undoubtedly concerns about the impact of the Olympics on the funds that are available. I have been working hard to ensure that Gateshead international stadium in my constituency can secure a training camp, which would see some of the undeniable benefits of the Olympics delivered to the north-east. All the predictions are of a tight spending round, but I implore anyone with a role in the decision making to look at the relatively small cost of continuing to fund the renaissance programme and to weigh up what it means for millions of lives across the country. Our museums should not lose out to sports—this is not a zero-sum game.

[Mrs. Sharon Hodgson]

The majority of my speech has focused on the successes of the cultural sector under this Government. Before closing, however, I want to highlight one way in which we can do more to support our museums. Collections are the lifeblood of any museum, and we must do all we can to encourage people to contribute however they can. It is not the job of a Labour Government, or of any Government for that matter, to offer the richest in society tax breaks for no apparent reason. As things stand, tax relief is available to people who choose to donate pieces to museums as a part of their estate—but not while they are alive. In some cases, the social benefits of such donations outweigh the cost of granting tax relief to donors. If we want to encourage a society in which there is a social obligation on everyone to support each other in whatever way they can, we must ensure that philanthropy is encouraged—not at a cost to the public purse, but as a benefit to British people.

The facts show that the Government have done a good job in opening up the cultural sector, but the real heroes of this renaissance have been those who work day in, day out in museums and on other cultural projects. We owe them a commitment of continued support, which we can deliver by providing funding, working together across the Government and listening to curators, creators and innovators everywhere.

11.8 am

The Minister for Sport (Mr. Richard Caborn): I congratulate my hon. Friend the Member for Gateshead, East and Washington, West (Mrs. Hodgson) on securing the debate. I am extremely pleased to be here as a substitute for the Under-Secretary of State for Culture, Media and Sport, my hon. Friend the Member for Tottenham (Mr. Lammy), who usually deals with the arts. It is probably quite a shock to a lot of people to see what Richard Caborn, the Minister for Sport, is debating today, but I am pleased to be here, because much of what has been said this morning has a strong resonance with what we are doing in sport and with the whole renaissance agenda.

Regional museums are a vital part of the country's cultural make-up and play an important role in so many things that we value, as my hon. Friend the Member for Gateshead, East and Washington, West indicated. They also help people to learn, and my hon. Friend homed in on that. They build strong communities, improve people's health, contribute to the visitor economy and provide a focus for the regeneration of our towns and cities.

I pay tribute also to the role of the north-east—my hon. Friend's region—in developing the museum hub that includes the Beamish museum, the Bowes museum, Tyne and Wear museums and the museum of Hartlepool. I have three grandchildren, aged one, four and five. My wife and I took the four and five-year-olds to the Beamish museum earlier this year. It was a beautiful day and it was fantastic for both me and the youngsters to go into the old Co-op shop and look at the things in there. I must admit that when the youngster turned round and asked, "Do you remember them, Grandad?", I said, "Unfortunately I do," and he said, "That's how old you are."

The trip brought home to me how important such visitor centres and museums are. Sometimes we use the word museum in the wrong context. We are talking more about learning centres, which deal with knowledge and our history, and are a living and interactive experience for young people. Seeing the faces of my two grandchildren as we got on the tram to go round Beamish was a fantastic experience, which I know many other people have shared.

In my city of Sheffield, which I am proud to represent in Parliament, we have also been putting major investment into our museums. The Weston Park museum now takes visitors from the ice age all the way through history, and uses old Sheffield, through its various decades, to bring them up to modern times. It is amazing that on the first day of opening this year there were 5,000 visitors. In the first 15 days, 55,000 people went through the museum, and within three months the first year's visitor target had been reached. There has been a reaction of amazement in the region at the transformation of a museum that I remember visiting as a kid, when everything was behind glass panels and we looked at swords, steel and jewellery. It is not like that now. It is all interactive. Education centres for youngsters add a lot of value.

As my hon. Friend said, Tyne and Wear museums well deserved their recent success in the Museums and Heritage awards for excellence. I shall give a brief snapshot of the achievements of the north-east museums because, although my hon. Friend has already spoken about them, they are worth repeating. In 2005-06, 115,000 schoolchildren visited museums in the north-east regional hub—an increase of 41 per cent. since 2002-03. In 2005-06, 2.1 million visits were made to north-east hub museums. An additional £16.5 million has been directly invested in museums in the north-east between 2002 and 2008, thanks to the renaissance in the regions programme.

Central Government will have invested £150 million in the renaissance programme by 2008. That money is critical to the modernisation of museum collections, the broadening of access to new audiences and the provision of a comprehensive service to schools, which was central to my hon. Friend's remarks. Renaissance is vital and helps to tackle regeneration, deprivation, community cohesion and the creative economy. It also raises expectations and has changed the museum landscape. No one doubts the educational role of many of our museums. It encourages learning outside the classroom and encourages museums to be centres of excellence and knowledge.

Museums promote learning, most notably through support for the national curriculum. Schools across the country increasingly look to museums for help in enriching and supporting the national curriculum. Lifelong learning is also incredibly important. Early-years education, further and higher education and adult, family and lifelong learning have all been boosted by renaissance. Museums provide physical and intellectual access to collections, helping to illuminate history, the natural world, and the great artistic and scientific achievements of our great nation.

Museums can also reach across social and economic barriers and help to sustain and regenerate communities. Renaissance has helped to foster a culture of collaboration, including joint working with

local youth offending teams, mental health services and regeneration bodies. Once, no one would have envisaged museums playing a role in those areas of life. We have a fantastic diversity of museums, which are cultural institutions second to none. Several of our national museums are now recognised as world leaders in their field. Renaissance also benefits those outside the network of the hubs through financing the work of museum development officers and the creation of subject specialist networks that strengthen the capacity of the museums sector.

The Department for Culture, Media and Sport wants this country's heritage to be maintained and enhanced in the best way possible. I therefore fully subscribe to the belief that increased philanthropy can play an important part in helping our museums and galleries to refresh their collections—a point that my hon. Friend made very clearly. As you know, Mr. Bercow, tax policy is a matter for the Treasury, but we continue to work together to examine ways in which to support philanthropy in the arts. There are already a number of successful tax concessions such as acceptance in lieu, conditional exemption and the douceur on private treaty sales. There is also a variety of tax concessions available to encourage private and corporate giving including, of course, the recent changes to gift aid announced in the last Budget. However—this is a serious point, which I am sure my hon. Friend will take on board—it seems that those concessions are not well understood by the private sector and are not widely taken up. People may think that such tax concessions can be had only when they have passed on to another world, but in this living world there are tax concessions and we need to ensure that they are made known more widely.

I am keen for organisations to make the best use of existing tax breaks and the DCMS is working with Arts and Business to encourage wider take-up of existing reliefs. That is true of both the arts and sports: what we have been doing for community amateur sports clubs has not had the take-up that we wanted. We need to improve communication in the relevant area of the arts and in sport. There are great benefits to be had, and I am sure that contributions would be forthcoming if more people knew about them. Funding has also been given to the Maecenas initiative of Arts and Business, which provides training for fundraisers on raising money from individuals, research and issue identification. Of course, acceptance in lieu continues to enhance our national collections, and in 2006 38 objects were accepted. Those were valued at more than £25 million, which represents more than £13 million in tax.

The wider picture for museums is impressive. Grant in aid funding has risen by 29 per cent. in real terms since 1997. Free admission has brought about an 87 per cent. increase in visits to formerly charging museums since 2001, representing an extra 29 million visits, or nearly half the population of the United Kingdom visiting museums.

My hon. Friend alluded to the Olympic and Paralympic games and their effect on cultural programmes and funding, and I want briefly to tackle some of the myths that have arisen. The total lottery contribution to the games will be £2.175 billion. The Government make no apology for that. The Olympic and Paralympic Games are exactly the type of national event that the lottery was designed to support and Governments have been clear from the start that the lottery would support the overall funding package. However, £2.175 billion represents just 19 per cent. of the lottery's income from the time that we won the bid to the time of the games. The overall lottery contribution will make up just 11 per cent. of the total cost of the games.

To weigh that against what will happen in the next period for arts, heritage and culture, the cultural Olympiad will start next year, and it will be a huge success. Obviously projects are still in the planning stages, but they include an international exhibitions programme—a planned collaboration between museums and galleries around the UK; a world cultural festival; and a world festival of youth culture. In addition a UK-wide festival is planned to build up to and run alongside the games. The aim is that projects involved in the festival should be drawn from grass-roots community projects and should engage local communities and increase participation. We have an opportunity. Beijing will hand over the torch next year, and it will come here in 2012. That gives us five years; we are now in the planning stages.

John Bercow (in the Chair): Order. I am sure that the Minister's words are in reference to, and will be tied up with, Government policy on museums. I know that he will not want to dilate at any length on matters outwith the topic.

Mr. Caborn: Absolutely not, Mr. Bercow. That is the furthest thing from my mind. Our great museums are but part of our cultural heritage and part of what we will project to the world as we move towards 2012, using the platform of the Olympic games. More than anybody in the House, you understand that the Olympics originated as a cultural event as well as a sporting one, Mr. Bercow. That was the case in the time of the great Greeks and the ancient games, and I am sure that their museums played a significant role in the thinking of the Olympians of that day. We have inherited the great history of the Olympic movement, which provides a great platform for the renaissance of the museums in this country. It shows the diversity of our nation that we are able to use the platform of 2012 and the origins of the Olympics, and put our museums at the centre of that platform. We can be proud of that.

I shall now conclude, having been reminded by you that I might have been straying slightly from the funding of museums, Mr. Bercow. The Prime Minister spoke recently about the renaissance of British culture, in which the renaissance of museums plays a major role. Nowhere is that more apparent that in our great regional museums. I saw at first hand a sample of their wonderful collections when they were brought to a northern exhibition at the House of Commons a few weeks ago; I had the privilege of visiting it, and many people were able to view some of the great treasures of the north. As I have said, in my own constituency there is the wonderful Weston Park museum, which is now a jewel in the crown of Sheffield. We are very proud of it indeed.

The way in which we have been able to reach out to the wider public, including young people, has been an incredibly important part of the renaissance. I am pleased about the investment that we are putting into

[Mr. Caborn]

learning. My hon. Friend the Member for Gateshead, East and Washington, West referred to links between schools and museums. We have created 167 new learning posts to develop new learning opportunities in the hub museums, and 69 access posts to take collections out of the museums and into the schools themselves. There is clear interaction there, which is important. Last year, 7,000 museum staff from across the museum spectrum benefited from some form of renaissance-funded training. Those steps have built up not only the museums' real estate, but their human capital.

By 2008, there will be 188 new renaissance curator's posts to underpin the increased access and educational activities, and 58 placements for ethnic minority training. My hon. Friend raised the issue of continued funding of the renaissance; as she knows, we are awaiting the outcome of the next comprehensive spending review. We hope that sustained funding for the programme will be made available. The renaissance of the nation's museums is extremely positive, and we can be proud of it. I have no doubt that it will be play a significant role in the launch of the 2012 Olympics, on to which I might have strayed a little.

John Bercow (in the Chair): Some of the issues addressed by the hon. Member for Gateshead, East and Washington, West and by the Minister will no doubt be raised in this afternoon's first debate, which is on the impact on arts and heritage of the diversion of lottery funding to the 2012 London Olympic games.

11.24 am

Sitting suspended until half-past Two o'clock.

Arts and Heritage Funding (Olympics)

2.30 pm

Paul Holmes (Chesterfield) (LD): The news that the UK would host the 2012 Olympics was welcomed enthusiastically across the country almost without exception. However, that Olympic dream is beginning to be at best tarnished, and at worst shattered, by the bungled initial costing of the games, the delays in getting the building programme under way, the throwing away of £400,000 on the supposed design of the controversial logo and, above all, by the Olympic smash-and-grab raid on lottery funds.

Nearly two thirds of the latest costing of £3.3 billion is to come from the lottery, which must have a devastating effect on arts, heritage and sports funding across the whole country. How can there be a cultural Olympiad from 2008 to 2012 when such huge sums of money are being diverted from grass-roots activity, especially given that arts groups and, to a greater extent, heritage groups have already had to turn to lottery funding to make up for shortfalls in mainstream funding? Mainstream funding bodies such as the arts councils, English Heritage and the Museums, Libraries and Archives Council have been asked by the Department for Culture, Media and Sport to cost the effect of potential cuts of 5 to 7 per cent. in the next comprehensive spending review round.

Some countries put significant sums of money into the cultural Olympiad when they hold the Olympics. In the UK, however, it seems as though vast sums are being taken out instead, with an absolute minimum of £1.1 billion being taken directly from good causes funding. Another £750 million will come from the special Olympic lottery, whose sales will probably have an impact on general lottery sales and therefore on arts and heritage funding. Given all that, it seems inevitable that arts, heritage and cultural activities across the country will be undermined.

In place of all the money that is being lost, just £40 million is being offered by the Legacy Trust UK, which was announced by the Secretary of State, of which only £6 million is new Government money. That is counter-productive madness. Taking £340 million of lottery money from grass-roots sport can only undermine nationwide enthusiasm for the sporting aspect of the Olympics. The huge diversion of lottery funding to the Olympics will undermine the cultural value of arts and heritage, but the Chancellor and the Treasury seem unable to understand that. It will also undermine the economic value of the tourist legacy that the Government promise will come in the wake of the Olympics.

Let me give the background to the cuts. At the time of the original Olympic bid, the agreed funding package was £1.5 billion from the lottery, £250 million from the London Development Agency and £625 million from the Greater London authority via London council tax. In short, two thirds of Olympic funding was to come from the lottery. It was agreed that £340 million of the lottery funding would come from sport, £750 million from the new Olympic game, if it could raise that money as an extra, without affecting usual lottery sales, and £410 million from existing good causes.

In November 2006, the Secretary of State admitted that costs had already risen by nearly £1 billion—£900 million. Despite the fears that were voiced by the Select Committee on Culture, Media and Sport, the National Audit Office and many arts and heritage organisations about the likely impact on lottery good causes, she announced a further diversion of £675 million from lottery good causes. That brings the total lottery contribution to the cost of the Olympics to £2.2 billion, which equates to a loss of 20 per cent. of the money that would have been available for good causes between 2005 and 2012-13. Of the additional diversion, £425 million will come from the Big Lottery Fund and £250 million will come from other good causes. However, the impact on lottery good causes is likely to be even greater as ticket sales are likely to be diverted from the general lottery to the Olympic lottery, thus further reducing the money that is available for good causes.

What will be the specific impact of all that on arts funding? There will be funding cuts of £112.5 million for the Arts Council of England, £21.8 million for the UK Film Council, £4.5 million for the Arts Council of Northern Ireland, £12.5 million for the Scottish Arts Council, £1.8 million for Scottish Screen and £8.1 million for the Arts Council of Wales. In total, there will be cuts of £161.2 million in the arts sector.

As a result of the cuts, the Arts Council in England is already cutting its grants for the arts fund, which finances thousands of small projects, by 30 per cent. from £83 million to £54 million. It has also set stricter caps on the amount of money that is awarded to projects. The grants for the arts fund is the only source of funding for many small arts projects that are not designated as regularly funded organisations. Many companies will be threatened by those cuts, and many projects simply will not go ahead. The grants for the arts scheme is used to invest in one-off, time-limited productions such as theatre tours. The loss of such productions will threaten the viability of many regional theatres, which rely on such programmes to attract custom and fill their seats. It may therefore threaten their ability to survive economically, as well as deny regional audiences access to top-quality productions.

Cutting funding for those sorts of smaller-scale projects will have a knock-on impact on the whole sector. The grants for the arts scheme is the breeding ground for the artists of the future. The main threat is to small-scale and new projects, including the 53,000 voluntary arts groups in England whose only source of Arts Council funding is the grants for the arts scheme.

The impact of the cuts will be even greater in other UK nations, because whereas 60 per cent. of the Arts Council of England budget goes to the voluntary and community sector, the proportion is higher in Wales, Scotland and Northern Ireland. The effect in those nations may be to cause stagnation and lack of innovation, because new companies and projects will no longer be able to get off the ground. Local community-based participatory groups will be heavily hit, which will affect the Government's participation targets and will undermine the development of future talent.

It is the vibrancy of the arts in the UK that makes it so attractive to overseas visitors. That vibrancy was an essential strength that helped London's bid to be the host city of the Olympics to win, but it depends on small community arts activities and projects, which can only be undermined by the short-sighted cuts.

The Heritage Lottery Fund will also take a cut of £161.2 million, because there was a 50:50 split with the Arts Council. The fund is the only heritage body that operates throughout the UK. It funds heritage projects of all sorts, including museums, libraries, archives, natural heritage sites, historic buildings, townscapes and parks—the list goes on. It is the main source of public funding for heritage in the UK, and the heritage sector relies increasingly on its funding because other sources have reduced in recent years. Gift aid, for example, will generate less income in coming years as the standard rate of income tax is reduced by 2 per cent.

English Heritage is suffering a real-terms reduction in grant in aid of £20.6 million between 2000 and 2008. The Heritage Lottery Fund has had to fill the gaps that have been left by the cuts, but it will no longer be able to do so when the diversion of funds to the Olympics takes effect. The fund gives 55 per cent. of its grants to the third, or voluntary, sector. It has given grants to Strutt's North Mill at Belper, in Derbyshire, which I visited a few weeks ago. The mill is an historic landmark from the industrial revolution of the 18th century, and would not have been saved and be open to the public without the work of a small, voluntary group that survived entirely on heritage lottery funding when it was getting off the ground. There are similar stories all over the country. Large-scale cuts will inevitably hit the voluntary and community sector despite the Secretary of State's assurances that they will make no difference. If making cuts of at least £1.1 billion will make no difference, then money must surely be being misspent at the moment, but I see no evidence of that.

In the heritage sector alone, some 400,000 people volunteer every year, creating a social network that contributes to all communities and to community activities and identity. The diversion of £90 million of funding from the Heritage Lottery Fund is equivalent to wiping out four years' worth of spending on smaller community and voluntary sector grants, as well as the entire stream that is aimed at younger people—6,000 projects in all. Or it is equivalent to wiping out the planned spend on churches and historic town centres from Gateshead to Great Yarmouth—1,400 schemes—for four years. Or it is equivalent to wiping out five years' worth of funding for renovating our historic parks, such as Queen's park in Chesterfield, which has benefited enormously from that funding in recent years. It would be a shame if many historic parks around the country were denied access to that funding.

Despite the Heritage Lottery Fund's assurance that it will continue to support in full the range of projects as they are currently funded, it seems that in the circumstances of such cuts it will be impossible to fund large projects such as the Big Pit in Blaenafon, Kelvingrove museum in Glasgow and the transformation of the British Museum. The cuts will inevitably worsen the already poor ability of British museums to acquire new material. Some 96 per cent. of our museums already say that poor core funding is a barrier to collecting, and 60 per cent. of museums were unable to allocate any income at all to collecting in 2005.

What is the value of the arts and heritage? They are a central part of community life, not an optional extra.

[Paul Holmes]

They define and bind communities and they provide an understanding of the world and of what makes us human. The arts make a crucial contribution to innovation, education, diversity and social inclusion. A healthy society is one in which everyone can share in the arts, and it is the responsibility of the Government—indeed, it is an oft-proclaimed Government target—to ensure that that happens and that participation covers all levels of society and people from all backgrounds. Sustained investment in the arts means that they can now effectively contribute to wider agendas such as health, education, social inclusion and community cohesion.

The creative industries are acknowledged to be a key part of British competitive economic performance, accounting for 7 per cent. of the economy and growing at 5 per cent. per annum—twice as fast as the rest of the economy. Heritage is critical to the tourist industry, consistently featuring among the top reasons why people from overseas choose to visit this country. In one survey, 72 per cent. of visitors from Russia, China and the United States cited British historic sights—castles and houses—as the leading reason that brought them to this country.

For every £1 spent on entrance fees to heritage attractions, £25 is spent in the vicinity on retailing, catering, transport and accommodation. Heritage attractions are important employers and they generate significant income for many communities, especially those in rural areas. Britain's privately owned historic houses, castles, parks and gardens alone contributed £1.6 billion to £2 billion and 10,000 jobs to the rural economy in 2005 and attracted 15 million visitors. In my county of Derbyshire, tourism is the largest single employer—not agriculture in the Peak district, and not the defunct mining and engineering industries in east Derbyshire where Chesterfield lies, but tourism throughout the whole county.

Heritage is also important in developing strong local communities and identity, and we have recently heard much talk from the Government about fostering ideas of Britishness, community and identity. Heritage is not elitist; it is extremely popular. Some 70 per cent. of adults visited an historic location last year alone, and more than 1 million people supported the "History Matters—Pass It On" campaign.

In the build-up to the Olympics, arts and heritage are vital to achieving the objectives that the Government say they have set themselves. The cuts will affect the ability of arts and heritage to deliver and to act as a showcase for Britain during that period. If our arts and heritage are not at their best, the potential benefits from additional tourism before and after the games will be lost. The Government estimate that the tourism legacy will be £1.4 billion to £2 billion for a decade after 2012, but that will not be achieved if arts and heritage cannot showcase and market themselves to the rest of the world using the Olympics as their vehicle.

The four-year cultural Olympiad in the run-up to the games should be that showcase. It should showcase both London as one of, if not the, greatest cultural capitals in the world, and the rest of the UK's world-class arts and heritage. The cultural Olympiad is a key to the whole project and it was central to the UK's winning bid, but instead of funding the Olympiad at this critical time, funding is being drastically cut throughout the country, reducing the ability of the arts and heritage sector to deliver the cultural Olympiad successfully.

Most of the money available for cultural events connected with the Olympics has already been assigned to the opening and closing ceremonies, the torch relay and the medal ceremonies. It appears that the rest of the cultural Olympiad is to be paid for by participating organisations out of existing budgets, but existing budgets are being cut. The international exhibitions programme, which is designed to be a collaboration between many major and smaller museums and galleries throughout the UK, has not been assigned any money from the Olympics budget.

There is no clear plan for the cultural Olympiad, and regional co-ordinators are only now being appointed. However, there is little point in recruiting people who will not have any budget and whose role could have been covered by the existing infrastructure. Other cultural Olympiads have received significant financial support from their Governments. Australia's Government put 70 million Australian dollars into the cultural Olympiad that preceded the Sydney games, but in England, some parts of the cultural Olympiad, including the Shakespeare festival, the world festival of youth culture, and an international music programme, which were part of the original bid and therefore must be delivered, are to be delivered despite not having any budget allocated to them.

We need a clear plan to be made public as soon as possible so that arts and heritage organisations can plan the participation that they can manage to deliver under such conditions. Among all the arts and heritage organisations that I meet, I find a growing cynicism about the cultural Olympiad and the Olympics that threatens to undermine the delivery of a successful nationwide festival of culture, as the small-scale and voluntary groups that are key to its delivery lose enthusiasm in the face of the loss of funding.

More money, not less, is needed in the heritage sector. It has not had the benefit of the increased grant in aid that DCMS arm's length agencies in other sectors have had. From the 2000-01 baseline, English Heritage has received an increase of just 3 per cent., compared with 53.4 per cent. for the Arts Council and 98.6 per cent. for Sport England. Clearly, DCMS has already prioritised sports over arts and heritage, and it plans to take even more money from arts and heritage to put towards sport. That has left the heritage sector with a legacy of funding needs that grow yearly.

The Heritage Lottery Fund has observed and documented that £3 billion is needed to finish regenerating our historic parks, £10 million to provide digital access to archives and £700 million for repairs to canals and waterways. The canal in Chesterfield is a case in point: 30 years ago when I moved to Chesterfield, the canal was a stagnant ditch; today, as a result of the work of a terrific band of volunteers, it has become a viable canal, helping to regenerate at the centre of Chesterfield an old industrial site in which new shops and offices will be built around a brand new canal marina—something that was unthinkable 20 or 30 years ago. The combination of voluntary work by the Chesterfield Canal Trust and judicious funding

from lottery and local government sources has made it possible. Are all those projects to go by the board in the next few years?

Additionally, £185 million a year is needed for repairs to England's listed places of worship, and cathedrals alone need £95 million over the next five years just for maintenance. The repairs needed to buildings on the buildings at risk register would cost £400 million, and there is the danger of a long-term loss of conservation and maintenance expertise as the funding goes and heritage posts dry up. In addition, the heritage sector needs more money to carry out the recommendations of the Government's heritage protection review. It has been widely welcomed, as long as the money exists to make it happen, but money—mainstream and lottery funding—is under threat and drying up.

Even such a tiny scheme in funding terms as the portable antiquities scheme, which costs just £1.6 million a year, could be at risk as a result of comprehensive spending review cuts, as and when we hear of them in the autumn. If those cuts happen, the scheme will not be able to turn to a diminished lottery budget to make up the gap. For such a small cost, the scheme plays a fantastic and invaluable role in preserving, recording and mapping local archaeological heritage throughout the UK, as witnessed at Chesterfield museum when I met the finds officers for my region a few weeks ago. However, even that small amount of funding could be under threat.

There is a good case for saying that the arts world needs more funding, not less. The arts have fared better than heritage in terms of grant in aid over the past 10 years, but we do not want to return to the boom and bust cycle. The cuts of the 1980s and 1990s led to a drop in the quality and quantity of output; attendances fell and theatres closed. In the past 10 years, the funding that existed before the cuts in the 1980s and 90s has effectively been restored. Is that to be threatened by the forthcoming CSR and by lottery cuts? That would be a grave mistake, given the success of the Government's policy in that area over the past 10 years.

The comprehensive spending review covering 2005-08 froze the Arts Council grant, resulting in a real-terms cut of £34 million, which the council absorbed through restructuring and cuts. However, it seems unlikely to be able to do so again in a further round of cuts over the next three years. Without at least an inflationary settlement in the CSR, there is a real danger that theatre grants will be cut, and the impact will be serious. Why undo the good work of recent years? The subsided arts sector is a training house for the performers and technical staff who go on to work in commercial arts companies. Public funding drives up the standards of theatre and the arts by enabling risk taking and investment in new material. "Jerry Springer: The Opera" and "The History Boys" both started in subsidised theatre before moving on to the commercial world. That is what makes the UK's arts so attractive that 1.5 million people attended orchestral performances in 2005 and 12.4 million people viewed west end shows in 2006 alone. Many tourists come to London and the rest of the UK for the arts and heritage. On its own, theatre makes a major contribution to the UK economy of £2.6 billion a year.

In conclusion, I should like to put a number of questions to the Minister. It is time that the Government finally acknowledged the positive role of the arts and heritage in the success of our Olympic bid and for the nation as a whole. The arts and heritage sector strongly supports the Olympics and welcomes the opportunity that it will bring to showcase the UK. However, the sector cannot afford the twin cuts, through the CSR—if that is what emerges—and through the diversion of lottery funding. As Nicholas Hynter, the director of the National Theatre, has said:

> "There is a spectacular lack of logic in using money earmarked for the arts to plug the holes in Olympics bills. The money raided from the lottery will largely affect small, innovative, experimental organisations and individuals who are the lifeblood of creativity in the UK. Pulling the carpet out from under them and nobbling their money is undermining the future of our major arts institutions."

The lottery funding is not

"the icing on the cake",

as one DCMS spokesperson recently suggested. It is an essential element of arts and heritage funding, providing the financial base for the grants by Arts Council England and the Heritage Lottery Fund to a vast and diverse range of small organisations and community projects, which should form the backbone of the cultural Olympiad.

I have seven points to which I look forward to hearing the Minister's response. First, the Government must now guarantee that this is the last time the lottery will be raided to pay for the Olympics. No one other than Ministers doubts that the original inadequate bid, which has already been increased by nearly £1 billion, will increase again over the next few years. However, that must not be met at the expense of further lottery funding being slashed, so, secondly, any additional cost increases or shortfalls in Olympic lottery sales should be paid for by other means. The arts and heritage cannot sustain further cuts.

Thirdly, the Government should allocate money for the cultural Olympiad from the Olympics budget, perhaps from the contingency fund. That would enable arts and heritage organisations to take part in the festival and to do more than simply rebrand existing, underfunded activities. The arts and heritage sector would receive a direct benefit from the Olympics that would overcome the perception that it was being punished by having money taken away for sport, with no compensation.

Fourthly, arts and heritage should get a higher funding settlement in the comprehensive spending review, to compensate for the loss of lottery money. In particular, funding for English Heritage should be raised to a level at which it can deliver its core objectives as well as the new heritage protection reforms, which the Government have suggested passing over to it. Fifthly, the Government should give a tighter guarantee that the lottery—especially lottery funding of the arts and heritage—will have first call on the profits from the sale of Olympic properties after 2012.

Sixthly, the original principle of additionality in lottery spending should be strictly reinstated, to prevent further raids on good causes to fund what should be mainstream Government spending. Finally, Parliament as a whole, not a small Committee, should debate the resolution on the lottery funds diversion.

[Paul Holmes]

I look forward—probably in vain—to the Minister's reassurance that the Government have realised the folly of their Olympic smash-and-grab raid on lottery funds.

2.53 pm

Derek Wyatt (Sittingbourne and Sheppey) (Lab): I congratulate the hon. Member for Chesterfield (Paul Holmes) on securing this important debate, which is part of a wider debate that has resonated throughout the country. The Government's decision was a difficult one to make. If I have been critical of it, I am sure that that did not come as a surprise to the Minister, although to be honest I think that it was just bad politics. It is bad politics, approaching an election in 2009 or 2010, for each constituency to be stripped of £1 million. The decision just does not make sense and it is an own goal.

There is some hubris, however. I want to clear my throat and make one or two quick comments. Dick Pound, who was on the International Olympic Committee for more than 20 years, said that the bids that came in contained the most creative pieces of accountancy that he had ever seen. The principle of bids is to win them, not to come second or third. We won the bid, and we should be proud of that. We probably did take rather too long to get the bid into a proper position once we won it, and we are all aware of the time that that took. However, previous Olympic games—in Athens, Sydney, Atlanta or Montreal, for example—all did the same. They all underbid and they all spent too much. But were the games a magnificent success in those countries? They were. Some of us poured scorn on Greece; it has a population of 4 million people, but for them to put on the biggest sports occasion in the world and pull it off has given them the most amazing confidence in their society.

I wrote to both the Leader of the Opposition and the leader of the Liberal Democrats to suggest that we needed a Select Committee on the Olympics, of both the House of Lords and the House of Commons. Interestingly, the Leader of the Opposition turned that proposal down, but I am pleased to say that the leader of the Liberal Democrats thought that it was a good idea. With the changes that are approaching on our side, perhaps the idea will not be lost.

I could not agree with some of the conclusions that the hon. Member for Chesterfield came to. What are the alternatives, if the expenses for the Olympics have been increased? There are seven: either we pay higher general tax or London ratepayers pay a higher London tax, or we use a combination of the two, or there are also some other alternatives, which I shall come to. Higher general taxes are not good politics, either, but if that is what the Liberal Democrats propose, I look forward to their spokesman, the hon. Member for Bath (Mr. Foster), saying so at the end of this debate. In going into a mayoral election in London, if the Liberal Democrats are saying that they want to increase taxation on London, I am sure that they will be elected on that platform. However, in reality that is nonsense, and we cannot have a combination of the two alternatives, either.

The two things that I have been banging on about for the past three years as worth considering are, first, the sale of the analogue spectrum, which Ofcom will undertake in the next two years and which will come into place in 2012. The Budget in March estimated that that would bring in £5 billion, although I think that that is a serious underestimate. So, first, there is a pot of money from the analogue spectrum, which is currently allocated to the Treasury.

Paul Holmes: I do not think that we disagree about that. Money from the sale of the analogue spectrum goes to the Treasury. Therefore, if money comes from the Treasury to pay for the real costs of the Olympics, instead of being raided yet again from the arts and heritage, the route is the same.

Derek Wyatt: I ask the hon. Gentleman to bear with me. The analogue sale is the first pot of money, mentioned in the Budget only a few months ago, although I cannot remember whether the Opposition or the Liberal Democrat arts spokesman have written to the Treasury on the matter. More importantly, last month the Treasury published a report entitled "Unclaimed assets distribution mechanism: a consultation" and finally, there is the lottery. So, there are six alternatives—I said that there were seven, but there we are.

Let us consider the analogue spectrum. Our bid for the games was an all-party bid, and when we won it there was an all-party celebration. However, there has been some bitterness since, which I do not think is acceptable. We are either in this together or we are not. I therefore make this challenge to hon. Members in the Chamber: why do we not come together to make a representation to the Treasury on the analogue spectrum? Why do we not counsel our parties, make that representation and see whether we can secure some of the extra funding needed from the Treasury?

Let me quote from the report on unclaimed assets, which all hon. Members have received and which I am sure they have all read. Towards the end of page 7, under the heading "Principles for redistribution", the report refers to

> "distribution to be managed efficiently, with as little resource as possible being spent on administration and running costs; and...distribution in England to focus on a diverse range of communities across the country."

There we go—that is our chance of bidding for the money. At the bottom of that page, the question asked is:

> "Are the principles underpinning the distribution of the available surplus assets the right ones?"

For the benefit of those of us who have lost pensions or who have constituents who have lost their occupational pension schemes, I should point out that I have led the debate about unclaimed assets for four years. I happen to think that the amount of unclaimed assets is spectacularly under-represented. The Treasury, under Sir Ronald Cohen, thinks that only £350 million is unclaimed. I think he is wrong. The Irish claimed that there was £100 million, but when they introduced primary legislation they found that there was £2 billion. I think that we will find between £5 billion and £8 billion, but that is a separate issue.

I am concerned about how one applies for the money that is available, as published by the Treasury. People have until 9 August to apply. I ask the leaders of the Opposition parties and their spokespersons whether

they have applied. What have they sent in? If hon. Members think that I am completely mad, they should consider some of the questions for consultation contained in the report. On page 35, it asks:

"Is the proposal to use the Big Lottery Fund as the primary UK-wide distribution vehicle for the available surplus assets the right one"?

I think it is. The document goes on to ask:

"What are the different approaches that the Big Lottery Fund could take to the distribution of the available assets"?

Why do we not ask? Finally, the report asks:

"Do you agree with the proposals for how legislation will work in relation to the distribution of these assets?"

I do not. I do not want it all to follow the ideas in that report. It is up to us to make the case.

Greg Clark (Tunbridge Wells) (Con): Does the hon. Gentleman recognise that the independent Commission on Unclaimed Assets recommended that the funds should be used to set up a social investment bank to promote social entrepreneurship and social enterprise? The Treasury report seems to have abandoned that worthwhile exercise, which is another blow to the voluntary sector in addition to the raid that is the subject of today's debate.

Derek Wyatt: I was not aware that that had been said; I think that the whole social banking side has been toned down. The issue is that there is a pot of money, and it is up to us collectively to argue the cause for it. I will say again, as I did about the analogue spectrum: do we want to put an all-party group together—I would happily lead it or be a part of it—to argue to the Treasury by the closing date in August about how we would like the money to be redistributed, so that we make up for the wretched smash and grab, as the hon. Member for Chesterfield put it, on the lottery, which we all find incredibly embarrassing?

There is work to be done, and in the spirit in which all parties support the bid and the winning of the games, I hope that my suggestions will be taken seriously. The analogue spectrum and the unclaimed assets are available.

3.2 pm

Greg Clark (Tunbridge Wells) (Con): I congratulate the hon. Member for Chesterfield (Paul Holmes) on securing the debate and on his meticulous contribution.

I want to make three brief points, which are based on my disappointment at the performance of the office of the third sector. It is just a year ago that the office was set up to be a champion for voluntary organisations in government, after a period of many years in which they lacked a strong voice in that field. The office was set up with a new Minister as the advocate in government. The history of the Olympics episode is a testament to the disappointment that many of us feel about the intentions of the office not being delivered in practice.

In particular, on 15 March, when the Government announced their second raid on the lottery good causes to prop up the Olympics, the Parliamentary Secretary, Cabinet Office, the hon. Member for Doncaster, North (Edward Miliband), who is the Minister responsible for the third sector, assured the voluntary sector that

"today's funding settlement protects both existing programmes and future resources"

for the voluntary sector. That is a disgraceful statement as it ignores completely the effect on arts and heritage organisations of the raid. It is almost as if the office of the third sector disregards charities and voluntary organisations that happen to be involved in arts, heritage and sport as part of its responsibility, when they should be central to it.

The truth is that such organisations will lose £100 million because of the raid that took place. That figure came to light only in response to a parliamentary question that I tabled to ask what proportion of funding from each distributor went to voluntary organisations. The calculation of £100 million as the cost of the second raid is based on the most recent figures supplied by DCMS for Arts Council England, the Heritage Lottery Fund and Sport England. It does not include any estimate of the loss of funding from the other lottery distributors. My calculation was confirmed in a press release on 23 April from the National Council for Voluntary Organisations, which also put the cost at more than £100 million.

That might not be the end of it. Just today, the sector's magazine, *Third Sector*, carries an article that claims to bring news that the voluntary sector is under a new threat of another raid from the Big Lottery Fund, despite assurances specifically to the contrary from the Minister responsible for the third sector. According to *Third Sector*:

"The board of the Big Lottery Fund has decided in principle to cut £120m from its programmes, including some that fund voluntary sector projects, in a bid to recoup losses from the recent raid to fund the London 2012 Olympic Games.

Sources have told Third Sector that two programmes in line for cuts are the Young People's Fund 2 and the Research Programme, both of which are targeted at third sector organisations."

If true, that would be a great betrayal of the trust that the sector has in its Minister, who has promised that existing programmes under the Big Lottery Fund would be protected. I would be grateful if the Minister present could reassure the House that the rumour is unsubstantiated and that those organisations can sleep easy without that further worry.

That same Minister who is responsible for the third sector said in a recent interview with *The Spectator* that

"charities and social entrepreneurs are going to require funding from government to really make a big impact."

The way to do that is not to match that ambition with the record, which so far has been to withdraw money from charities.

3.6 pm

Mr. Don Foster (Bath) (LD): What a great pleasure it is for me to debate under your chairmanship for the first time, Mr. Bercow. I pay tribute to my hon. Friend the Member for Chesterfield (Paul Holmes) for securing an extremely important debate on an important issue. I congratulate the hon. Member for Sittingbourne and Sheppey (Derek Wyatt), too, on his great honesty in being fairly critical of what the

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Government have done, describing it as "bad politics" to withdraw the equivalent of £1 million in lottery funding from each constituency throughout the land. He admitted that the decisions that the Government have made about using lottery money to bolster the Olympic funds are something that we all find terribly embarrassing. I suspect that any Government Member would find it terribly embarrassing, in view of the wide-scale concerns that are being expressed by many people.

We are talking about the Olympics, and we all acknowledge that the Olympics are not merely about sporting activity. They are about artistic endeavour, culture and heritage. If we look back to the first Olympic games, many millenniums ago, we see that they brought together not only the best athletes from around the world, but the best poets and artists. Medals were awarded for artistic endeavour as much as for sporting prowess. It is important that we continue that approach with the modern Olympic games by promoting not only sporting activities for able-bodied and Paralympic athletes but a cultural Olympiad. The connection between arts, culture, heritage and sporting endeavour in the Olympics is well established.

Like everyone else, I was delighted when we won the great privilege and honour of hosting the 2012 Olympic and Paralympic games in London in 2012. I had the great fortune to be out in Singapore when the announcement was made, and it is a credit to all the people who put together the bid and lobbied for it that we achieved that. I want in particular to pay tribute to the Prime Minister. He has never been fully recognised for the work that he did in the last couple of weeks before the final decision was made.

I note that the Prime Minister, in all his lobbying, continually made the point that winning the Olympics was not about winning an event that would last for a few weeks, mainly in London. It was about the lasting benefits that it would bring for the whole United Kingdom—not only London, but every part of the UK. What he expressed very strongly was the crucial importance of the games' legacy in terms not only of sporting endeavour, but of artistic and cultural endeavour. It is therefore a supreme irony that the Government have chosen to fill the hole in the Olympic budget by taking money from the grassroots bodies that ensure that we have vibrant sporting activity and vibrant artistic and cultural endeavour in this country.

As to sporting endeavour, we have seen cuts of £525 million to the various lottery bodies that fund grassroots sport, which means that we will have real difficulties giving young people the opportunity to be involved in the games' legacy and ensuring that more people are active and become interested and involved in sports, whether by volunteering, supporting athletes or becoming athletes themselves.

Similarly, as my hon. Friend said in his excellent contribution, there will be a significant cut in funding for arts, cultural and heritage activities. He referred to the cuts to the Arts Council of England, the Film Council, the Arts Council of Northern Ireland, the Scottish Arts Council, Scottish Screen and the Arts Council of Wales. He said that, taken together, those cuts add up to more than £160 million. He referred to a further cut of more than £160 million, which is being made to the Heritage Lottery Fund, making the total more than £320 million. As a result, £525 million has been taken from grassroots sport, while the figure in arts and culture, according to my hon. Friend, is more than £320 million.

In his excellent contribution, my hon. Friend also referred to one other aspect of the cuts, although only in passing, and I want to draw his and hon. Members' attention to it. He talked about the possible loss of revenue as a result of what is known in the trade as cannibalisation. Not all the money that people use to buy an Olympic lottery game ticket will be extra money, and some would have been put into one of the other lottery games. That means that those other games and therefore the lottery distributors will lose out.

Hon. Members do not have to take my word for that, because the problem is clearly documented in the Government's own figures, which show that 59 per cent. of the £750 million to be raised from the new Olympic lottery games will come from cannibalised sales from other lottery games and that that will mean £140 million extra in cuts. My hon. Friend says that the cuts to art, culture and heritage amount to about £320 million, but we must add to that the Government's estimate of a further £140 million, which brings the total much nearer to £470 million.

That will have a huge impact in all the areas that we are talking about, and it is hardly surprising that so many organisations are deeply concerned. Indeed, they are equally concerned, as my hon. Friend said, about the outcome of the comprehensive spending review, given the mood music coming out of the Treasury and the Government. It is no wonder that Dame Liz Forgan, the chairman of the Heritage Lottery Fund, recently said:

> "Heritage funding was already due to drop because of the Olympics and this further cut will impact on our ability to invest in the nation's heritage at exactly the time it is being showcased to the world".

Peter Hewitt, the chief executive of the Arts Council of England, also expressed his concern, saying:

> "There is currently a view in Whitehall and Westminster that the arts sector can absorb the impact of the Olympics raid on lottery funding without visible impact. This is not true."

It is worth noting that, on hearing the recent announcement, even the former Culture Secretary, now Lord Smith of Finsbury, said:

> "The Government made a serious error of judgment when they took their decision on this funding."

How right he was, and he certainly should know what he is talking about.

Perhaps the Minister will give a cheery, positive response to my hon. Friend and the hon. Member for Tunbridge Wells (Greg Clark), who made an important contribution about the third sector and the disappointing response that we have had so far from the Minister responsible for it. It is slightly worrying, however, that when fears have been raised with the Secretary of State, they appear to have fallen on deaf ears. She referred to the additional contribution that the Arts Council will now have to make as "relatively small" and as

> "just 5 per cent. of its total income",

as if the cuts were small beer and would have no impact on anyone. As my hon. Friend and the hon. Member for Tunbridge Wells said, however, the impact will be felt largely by small organisations and small events right around the country. As my hon. Friend put it, they are the lifeblood of the arts, culture and heritage, but they will lose out. That is not small beer, and I hope that the Minister will acknowledge that.

We are told not to worry because there will be a £40 million legacy fund, which will fill the black hole that has opened up in the arts, culture and heritage funding system. As my hon. Friend said, however, the vast majority of that money has already been earmarked for two events—the opening and closing ceremonies—so there is not a lot of money there.

That is particularly worrying given that, on 6 March, in his excellent speech on the arts at the Tate, the Prime Minister, whom I began by praising for his success in bringing the Olympics to London, said that the arts were of

"fundamental importance to the country"

and assured us that there would be no return to boom and bust in the arts world. However, he is the Prime Minister of a Government who are making the very cuts that I am talking about. I congratulate the Government on the increased funding that they have provided to date, as my hon. Friend did; the Minister appeared to acknowledge that from a sedentary position. However, they are now moving us away from the boom, and it appears that we will have the bust. That is our real concern.

I will not repeat what my hon. Friend said, but he explained why the arts, culture and heritage are so important to the country. Everybody recognises that they are important for their own sake and that they make a contribution to tourism and to regeneration. Indeed, he referred, for instance, to the work on canals, and there are many other examples. There is, therefore, real concern.

The hon. Member for Sittingbourne and Sheppey rightly said that anybody can stand up and say, "It's a disgrace that the Government are doing this" and that people should say a little about what the Government should do instead. He asked whether I believed that there should be increased taxation to pay for the games. Given that he asked me a straight question, let me make it absolutely clear to him that the answer is no. He also asked whether I believed that additional money should come from the London council tax payer, and the answer is no. He therefore has a straight answer to those questions.

The hon. Gentleman then asked whether I believed that an all-party group should go to the Treasury to make representations about the sums that might be available, whether from the analogue sale or from unclaimed assets, and the answer is yes, I do. I would be happy to join him, just as I was when he suggested that there should be an all-party, cross-House Select Committee to keep an eye on the Olympic games.

Paul Holmes: Could I add just one note of caution as regards the all-party consensus on such an approach? There is a danger in pinning the whole answer on an easy option such as unclaimed assets. The hon. Member for Sittingbourne and Sheppey talked about the pensioners who lost £125,000. I have been campaigning for them for six years, since autumn 2001, when their company first went bust in my constituency. This is not a question of an easy option of saying that the analogue spectrum or unclaimed assets are available. The principle is that the Government—the Treasury—should find funding for the Olympics, in this case, without devastating areas such as arts and heritage. The Treasury should find the funding. The detailed mechanics of where it comes from are for the Treasury to sort out. Any cross-party approach should not pin its hopes on one simple solution.

Mr. Foster: My hon. Friend is right, and has obviously been looking at my notes, because I was going to give the hon. Member for Sittingbourne and Sheppey a few additional suggestions for putting cross-party pressure on the Government to do something about the problem. I should be interested in the Minister's reaction to the couple of suggestions that I have.

I want to suggest to the Minister that, as money is being removed from lottery distributors or funds, there may be a way in which, without taking money away from the Treasury, we could help them to grow the money that they have available. I suggest two ways in which that could be done. The first would be a change in the tax regime: at the moment the lottery is taxed on its turnover, but I am assured that switching the taxation on to profits—so-called gross profits tax—would allow Camelot to invest more of its revenues in growing the business. That, in turn, going by its evidence to the Select Committee on Culture, Media and Sport, would raise an additional £50 million per annum for lottery good causes. We should be well on the way to making up the loss. That would require a change in the taxation regime, but the figures show that it would happen in such a way that not only would the Treasury not lose money, it would gain a little, which, in turn, it could contribute to paying for the Olympics or meeting the shortfall of the arts, heritage and cultural sectors.

The other approach, which would entail no difficulty or cost to the Treasury, would be to clamp down on the legal grey area of so-called lottery-style games. Those are causing leakage of money—some estimates suggest as much as £45 million per annum—that would otherwise have gone to the national lottery. Those two suggestions would go a long way towards supplying the shortfall that currently exists. I hope that the Minister will respond to those, or will at least be prepared to discuss them with the Treasury.

I have a small third suggestion to add, because the hon. Member for Sittingbourne and Sheppey will obviously be anxious to draw up a long list for his all-party grouping to take to the Treasury. It does not cost a lot, but it is bizarre that alongside the special Olympic lottery game an Olympic lottery game distributor has been set up. Why do we need a body, which costs money, to allocate the money, when we could just give it to the Olympic fund, and reduce the take?

I am at a loss as to why the Government have done something that the hon. Member for Sittingbourne and Sheppey calls bad politics, and which causes those on the Government Benches acute embarrassment, when

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there are other ways to proceed, and when we know that it will cause deep difficulties in the arts, culture and heritage sectors: they are critical to ensuring the legacy of the games that the Prime Minister has described as crucial.

In a note on this issue, the head of heritage services in my council area, Stephen Bird, said:

"The supreme irony of the loss of Lottery funds to London 2012 is that museums will now have less opportunity than they might have had for contributing to the Cultural Olympiad. This also means that the much-vaunted "legacy" will not be a rich one but an impoverished one."

That is right. The Government's decision is fundamentally flawed and they should seriously think again.

3.25 pm

Mr. Edward Vaizey (Wantage) (Con): It is a great pleasure to be speaking under your chairmanship, Mr. Bercow; it is the first time that I have done so. I congratulate the hon. Member for Chesterfield (Paul Holmes) on securing today's important debate. I think that he and all hon. Members present would agree that it is sad that more hon. Members are not present to debate a hugely important aspect of what is happening to the arts and heritage sector. I also congratulate the hon. Member for Sittingbourne and Sheppey (Derek Wyatt) on coming to the debate in a spirit of cross-party consensus, and proposing possible solutions, and my hon. Friend the Member for Tunbridge Wells (Greg Clark) on his important contribution on the voluntary sector. Finally, of course, I congratulate the hon. Member for Bath (Mr. Foster) on his ebullient and pacy speech setting out the Liberal Democrat position.

Figures on the cuts to the lottery, and therefore to arts and heritage, have been bandied about, and at one point I thought it might help if a whiteboard were put up in the Chamber, so we could write them down and reach some agreement on their significance. What we know is that £675 million is going from lottery good causes to the Olympics. With specific reference to arts and heritage, we know that the Arts Council of England will lose £112.5 million—a huge and significant sum when one considers the total arts budget—and that the Heritage Lottery Fund, another incredibly important distributor, will lose £161.2 million. We can add to that the fact that the arts in Northern Ireland, Wales and Scotland will lose £25 million and the Film Council will lose £28 million. Pretty soon a huge sum is reached—something like £1 billion in total.

As has been mentioned, it is also necessary to take into account the new Olympic lottery games. The hon. Member for Bath pointed out that those games will cannibalise the existing lottery: the people who play them will not play other lottery games, so their money will not go into the lottery. I can update him, because, as I understand it, the National Audit Office has considered the matter and increased the estimate of the cannibalisation effect from the Government's figure of 59 per cent. to 77 per cent., which equates to £575 million. That is the kind of money that will no longer be available to good causes, and it should certainly be added to the figure. Probably about £1.5 billion will come out of good causes overall. That is a huge impact.

What depresses most hon. Members is the fact that much of that additional funding has been taken to cover the Government's embarrassment. The hon. Member for Sittingbourne and Sheppey rightly took the realistic and common-sense view that one makes a bid to win, and that sometimes the figures that one presents, just as with any business plan, do not necessarily exactly equate to the way the figures will turn out. However, one is entitled to ask how on earth the budget for the Olympics can effectively triple in less than two years. That is an appalling indictment of how the Government went about bidding.

There are two very clear reasons for the enormous increase in the Olympic budget. First, no provision was made for VAT in the original Olympic bid. That is a sum of £840 million—a pretty big slug with respect to money coming out of the lottery. There is also the new contingency fund of £2.7 billion, another cost that was not put forward in the original budget. Those two clear mistakes made by those who made the bid for the Olympics, involving huge sums that were not put into the original budget, are mistakes for which our arts and heritage sector must pay.

It is important for the Minister to understand, if he does not already, the enormous anger that is felt in the arts and heritage sector about those raids. I do not think that that is because people feel that they should not necessarily make any contribution. It is the way in which the situation has come about. On 6 March, 500 or 600 people were dragooned to Tate Modern to sit at the feet of our Prime Minister during his legacy tour. Having not made a speech on the arts for nigh on 10 years, he decided to share his views on the arts with the arts world and to claim the credit for what he called the arts renaissance. People sat there listening to his fine words, which referred to a golden age for the arts. Just 10 days later, the Secretary of State for Culture, Media and Sport stood up in the House to tell the arts world that its golden age was over, and that, as far as she was concerned, it existed simply to fund the mistakes made in bidding for the Olympics.

Still the Government carry on blithely as though nothing had happened. The Chancellor of the Exchequer, who a few months ago sent letters to all arts organisations asking them to budget for 7 per cent. cuts in the comprehensive spending review, had the chutzpah to announce at the Brighton festival:

"I do intend to make sure that what happens over the next period is not detrimental to the arts and will not allow the fact that we are having an Olympic Games to come in the way of the arts."

How does one square that statement with the fact that about £1.5 billion is being taken away from the arts?

Is it any wonder that those who have been working in the arts or have cared about them feel passionately about the subject and able and willing to speak out? It is no wonder that the former Secretary of State for Culture, Media and Sport, Lord Smith of Finsbury, said in the other place that

"I absolutely recognise the deleterious impact that the recent decisions about lottery funding have had, particularly on the arts, heritage and, importantly, on community sport. It is difficult to overestimate the impact that these decisions have had on the cultural sector."—[*Official Report, House of Lords*, 17 May 2007; Vol. 692, c. 342.]

Is it any wonder that the former Under-Secretary of State for Culture, Media and Sport, the hon. Member for Stoke-on-Trent, Central (Mark Fisher), tabled an early-day motion that condemns the Government and the redirection of up to £675 million of national lottery funding to meet increased infrastructure costs, and which

"notes that such a diversion will lead to profound funding cuts for the very culture that the Prime Minister hailed as a key reason for the UK's successful Olympic bid; further notes that such cuts in Arts funding threaten to tarnish what the Prime Minister recently called this 'Golden Age' of British arts".

Is it any wonder that so distinguished a Labour backbencher as the hon. Member for Sittingbourne and Sheppey should find the time to come to this debate and call the Government's decision "bad politics" and "incredibly embarrassing"? As the hon. Members for Bath and for Chesterfield pointed out, numerous practitioners of the arts have had their say.

Nicholas Hytner said:

"There is a spectacular lack of logic in using money earmarked for the arts to plug holes in the Olympic bills. The money raided from the lottery will largely affect small, innovative, experimental organisations and individuals who are the lifeblood of creativity in the UK. Pulling the carpet out from under them and nobbling their money is undermining the future of our major arts institutions."

Liz Forgan, the chairman of the Heritage Lottery Fund, said:

"This is bad news for the nation's heritage...It will impact on our ability to invest in the nation's heritage at exactly the time that it is being showcased to the world."

Peter Hewitt, of the Arts Council of England, said that

"£63m will need to be found over four years from 2009 and will sadly impact on the arts at local level in every corner of England - with very many youth organisations, festivals, dance and theatre tours, exhibitions, concerts and other activities being turned down for funding".

I could go on, although you will be delighted to know that I will not, Mr. Bercow.

Mr. Rob Wilson (Reading, East) (Con): Is my hon. Friend aware that there are 53,000 voluntary arts groups in England, for which the only accessible Arts Council funding comes from the grants for arts lottery fund, and that the diversion of resources to the Olympics will cut by about a third the Arts Council funding for those local community-based groups?

Mr. Vaizey: I am aware of that, and I thank my hon. Friend for bringing it to my attention. It echoes the point made by the hon. Member for Sittingbourne and Sheppey about the bad politics of cutting grants to so many of those voluntary organisations. As I said, I could go on: I could quote Tony Hall, the chief executive of the Royal Opera house; I could quote Jude Kelly, the artistic director of the South Bank centre, a great jewel for the nation that will reopen this weekend thanks to a national lottery grant. The Minister knows all that, and he knows the sheer depth of anger about it.

It is not just about money; there is a principle at stake. The national lottery was set up with the clear principle of additionality. The lottery was meant to fund things that the Government would not normally fund. It was meant to create a pot of money on which charities, grass-roots sports organisations, arts organisations and heritage buildings and institutions could draw. It was a magnificent achievement, which was going to secure long-term funding and capital for those organisations. It was precisely set up with a view to keeping the grubby hands of politicians out of the till. Sadly, the Government, who long ago ceased to pay much attention to the additionality principle, have now thrown it out of the window completely with their raids on the lottery.

Mr. Don Foster (Bath) (LD): I apologise for interrupting the flow of the hon. Gentleman's excellent contribution. I urge him to be a little cautious with his condemnation of the Government on additionality, however. Will he confirm whether the Conservative party included in its manifesto a pledge to raid money from the lottery to pay for its club-to-school sports scheme?

Mr. Vaizey: I praise the hon. Gentleman for his huge attention to the detail of the Conservative manifesto, which exceeds mine by a factor of 10.

Our arts and heritage organisations are astonishingly efficient. Since I took on this shadow role, I have seen that they are among the most efficient public sector organisations in the country. Many of them survive on what is almost peanuts: we are talking about sums of £50,000, £100,000, £150,000. When they see that £400,000 has been spent on the universally acclaimed logo for the Olympics, having pared themselves to the bone to provide first-class arts and heritage services for their localities and for the country, one can imagine how they feel.

Another reason why people feel so angry is that the Government's decision has set the arts and sport against each other. I echo the comments of the hon. Member for Chesterfield and others: sport and the arts should co-exist. The Olympics should be a fantastic opportunity to showcase our arts and heritage to the world, and to invest more in them if we can. Sadly, that opportunity has gone and the arts and heritage now see sport as having robbed them to pay for its activities.

As the Government scrabble about, trying to square circles and pretend that the raid on the lottery is not as bad as it has been, confusion has emerged as a result of the idea that the money will somehow eventually come back. We are told that there is a legacy fund of something like £40 million, of which some £28 million may or may not go back to the arts and heritage. That is described as venture capital. If a venture capitalist got £28 million back from an investment of £300 million, they would be fired pretty quickly.

We are also told that the sale of the land will somehow make its way back to the lottery. We are not told whether the lottery should expect a percentage of or all the profit from that sale; we are not even told the current value of the land. The Minister tells anyone who dares to suggest that he might put an estimate on the value of the land that they should grow up—

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Mr. David Lammy): Come on.

Mr. Vaizey: Or he says, "Come on" from a sedentary position. We only want more details, because it is no good telling the arts and heritage sector that in five, six

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or 10 years' time—we do not even know when the land might become available for sale—that somehow there will be a pot of money at the end of the rainbow. Such an approach is ludicrous. The Government raised this as an issue and an opportunity, but they now refuse to discuss it in detail because should anyone possibly ask them a question about what they mean, they regard that as immature.

In last month's debate in the other place, the Government spokesman hinted that if the contingency fund—the £2.7 billion—is underspent, it will come back to the lottery. Will the Minister elaborate on that, and confirm that that is the position?

As the Prime Minister leaves office in the next two or three weeks, having made what the hon. Member for Bath describes as a magnificent speech on the arts, it is sad that his arts legacy is in utter disarray. The Government like to claim that they have invested more in the arts, without saying that much of the investment was to make up for the shortfall caused by withdrawing charging. They have slashed the heritage budget by millions and millions of pounds, have entirely ignored their own report, prepared by Sir Nicholas Goodison, on ways of bringing more money into the arts—not a single Minister, including the one who is present, has bothered to meet Sir Nicholas Goodison, despite his work—and now we have the lottery raid.

The Government have no coherent policy on the arts. We need long-term investment, positive support from the Government and a re-examination of the Goodison report. We do not need the Liberal Democrat policy, which I understand is not to build an Olympic stadium in order to save £600 million.

3.41 pm

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Mr. David Lammy): I am pleased to be replying to this debate and to see you in the Chair, Mr. Bercow. It is the first time that you have been in the Chair when I have spoken in this Chamber.

This debate is important to the arts and heritage sector in this country, and I congratulate the hon. Member for Chesterfield (Paul Holmes) on securing it. There has been concern and discussion over the past few weeks about the nature of arts funding. It had been going on before because this is a comprehensive spending review period. It is right that we have this debate, and I am pleased that passion has been shown across the Chamber and that a consensus has emerged that arts and heritage are vital to the life of this country. On that basis alone, although I cannot agree with all that has been said, I congratulate the hon. Member for Bath (Mr. Foster), my hon. Friend the Member for Sittingbourne and Sheppey (Derek Wyatt), and the hon. Members for Wantage (Mr. Vaizey) and for Tunbridge Wells (Greg Clark) on their participation.

The debate has been a good opportunity to reflect on the achievements of the arts, culture and heritage over the past few years. Culture and heritage in this country are outstanding and are important to millions of people. They impact hugely on our international reputation and are economically vital. Changes in cities such as Manchester, Newcastle, Glasgow and Liverpool have been led by cultural regeneration.

Concerns have been expressed today, and I shall come to those a little later, but it is worth reminding ourselves briefly of the context. I say that because it took the hon. Member for Chesterfield 19 minutes to put on record the success that has occurred over the past 10 years because of this Labour Government's investment. It is easy to forget that just 10 years ago, many of our cultural and heritage organisations were struggling to survive; they were caught in a downward spiral of deficits and underfunding. The financial fragility in the arts had a hugely debilitating impact. Some 30 out of the top 50 regional producing theatres were in deficit, many were technically insolvent, and there was no sign that the trend would be reversed. I must say to the hon. Member for Wantage that that was the legacy of a Conservative Government, and I was surprised that he sought to attack the free entry to museums that has been a cornerstone of the revival over the last period.

Mr. Vaizey: I am not attacking that; I am attacking this Government's attempt to elide the compensation that they gave to museums when they were prevented from charging with the phrase "increased investment in the arts".

Mr. Lammy: Let us be clear that when we came into office, Government investment in the arts stood at just £187 million a year. This Government have provided a 73 per cent. real-terms increase to £412 million this year. The increase has clearly paid off in the sector, because a 72 per cent. increase in the budget for theatre led to an audience increase of 40 per cent. and to a 60 per cent. increase in education work.

The groundbreaking creative partnerships initiative has allowed more than 610,000 young people to be involved in creative projects. Grant in aid funding to museums has risen by 29 per cent. in real terms since 1997. Free admission has brought about an 87 per cent. increase in visits to formerly charging museums since 2001, representing an extra 29 million visits. Membership of English Heritage is at its highest level; visitor numbers are running to 11 million a year. Heritage open days have enjoyed increased success and have attracted more than 1 million people in the past year. The listed places of worship scheme has given more than £56 million to places of worship across the UK since 2001.

I say all of that because it is clear that part of this debate has been about the core funding that has gone to heritage organisations. Such funding is yet to be determined in the comprehensive spending review, and I understand the anxiety of hon. Members and the sector during this period. As I have said, it is my belief that we must build on success, tight though the Treasury has indicated that the CSR will be. All that has happened is unaffected by the decisions on the lottery, which I shall discuss.

Paul Holmes: I agree with almost everything that the Minister has just said. As I said in my opening comments, the cuts under the previous Conservative Government were appalling. It is excellent that things have been restored during the past few years, which is why no one wants a return to the bust period after the boom period—we do not want to go back to where we were 10 years ago.

Will the Minister deal with a specific point that I have made? We were talking about the increased funding for arts in particular, but the heritage world has not done so well. English Heritage has faced real-terms cuts, and it is much more on a knife edge. Private heritage groups cannot bid for DCMS money and must rely exclusively on lottery funding. If lottery funding is to be even more squeezed because of the Olympic-inspired cuts, such groups will lose out even more in what is already a poorly funded area compared with the arts.

Mr. Lammy: We have had long debates in this Chamber about heritage and we had a Select Committee inquiry on heritage investment. Let us be clear. Five or six years ago, a quinquennial review of English Heritage showed that the organisation needed modernisation. That has been led superbly by Sir Neil Cousins and Simon Thurley. It was not the right time to increase the budget of an organisation that was in need of modernisation, but English Heritage was able to make efficiency savings, which it put back into the heritage sector. The combination of investment in museums and heritage and funding from the Heritage Lottery Fund resulted in more being spent on heritage last year than has ever been spent on the sector in this country's history. That is a statement of fact.

Yes, the hon. Gentleman is entitled to make his case for further funding for English Heritage, and the Government have made our intention clear in the heritage protection White Paper. It is wrong to suggest that the community has been starved of funds during that period. If that were so, we would simply not have the increase that we are seeing in the number of visitors and open days and in the maintenance of the fabric of our buildings and institutions

Paul Holmes: Museums, galleries and, to some extent, archives have certainly not done as well as the arts, and would argue that they have not had the funding to meet the above-inflation cost of acquisitions, books and digitisation

Mr. Lammy: We are moving towards the Select Committee inquiry, but before I return to the central point let me say that I encourage the hon. Gentleman to look at the page on acquisitions in the Museums, Libraries and Archives Council report that was published two or three months ago, where he will see how our national museums stack up against those of our colleagues in Europe. He will see that the acquisition budgets have held up particularly well and that they are particularly strong in this country. I am sure that he will acknowledge the increase that allows the National Heritage Memorial Fund to ensure that our museums can make acquisitions during the next period.

Given what has been said, it is important to say that in the past few weeks I have of course spoken to cultural organisations and small arts groups, and I recognise that there is real concern about the impact of the changes to the Olympic budget announced in March. It is true that for a limited period of about four years, some lottery projects that might have gone ahead will have to be postponed or will be unable to go ahead. I do not accept the suggestion that that is a smash-and-grab raid, which sounds more like a Dale Winton programme than reality, or that it has shattered the country's arts fabric. I believe that we are talking about a huge opportunity for this country. We cannot, on one hand, say that it is hugely important for the nation that the Olympics proceed and, on the other hand, not accept that it is precisely the Olympics that will fund this opportunity.

I remind the Chamber that constituents in east London are similar to mine. They are some of the poorest people in the country and include some of the poorest youth in the country, who need sport and arts infrastructure. That part of the country was severely affected by the huge bombing that it experienced during the second world war and it still needs investment. If that is not a case for Olympic funding, I cannot think of another. That is why, in the detailed negotiations between the Government, the Mayor of London, the Secretary of State for Culture, Media and Sport and the Treasury, we have sought to establish a balanced and fair pot of funding.

Of course, during those discussions one must have priorities, and hon. Members may depart from the consensus that we arrived at on the Olympics. I accept that my hon. Friend the Member for Sittingbourne and Sheppey has led on these issues, particularly funding, for a considerable time, but in the end one must be clear about where the funding comes from. The debate has reflected a basic tenet that I cannot accept. I believe that lottery funding is appropriate for the Olympics precisely because of the problems in that part of London and the games' huge importance for the aspirations of young people in this country, and so that culture and arts in this country can go forward.

Mr. Rob Wilson: Does the Minister agree with the Secretary of State who said in the *Financial Times* that the loss of lottery funding for the arts was very small?

Mr. Lammy: As I said in my opening comments, the Secretary of State was referring to the overall spend on the arts, which has increased by 75 per cent. Lottery funding remains available to enable the arts to go forward. Lottery spend on heritage to 2019 is £1.9 billion, so it is disingenuous to suggest that this is a smash-and-grab raid that would leave the sector entirely shattered.

I acknowledge the concern in the sector, but it is right to put on record the cultural life of this country and our legacy from that. The hon. Member for Chesterfield should look at the work that the MLA has done on the Olympics and at the 30 per cent. increase in tourist revenue for Sydney after the games there. The net gain to the sector here after the Olympics will clearly be in tourism, heritage and the arts sector. That is why it is so important that we all make that investment.

Mr. Don Foster: I confess that I am now totally and absolutely confused. I accept entirely that the additional cut from the arts, culture and heritage sector will not leave it entirely shattered, but does the Minister accept the simple premise that as a result of Government decisions those sectors will have less money to spend? Can he explain how cutting that money will enable us to have more legacy than if we had not cut it? That is what he seems to be implying.

Mr. Lammy: Can we have some consensus among the Liberal Democrats? One Liberal Democrat Member is saying that the sector will be left shattered, and the other is saying that it will not.

This decision has been made for the next four years in the run-up to the Olympics and we have come together to establish a budget that includes contingencies. After that, it is absolutely clear—indeed, axiomatic—that those who gain from a successful Olympic games are precisely the sectors that we are talking about. That is why we made the decision and why we have come to this arrangement. Of course I accept that less funding will be available from the lottery for arts and heritage organisations, but I welcome the decision to protect funding from the Big Lottery Fund to the many organisations that do arts, creative, sporting and heritage work.

Greg Clark: On youth exclusion, is the Minister aware that the Big Lottery Fund has decided in principle to cut the young people's fund, which helps to promote youth inclusion?

Mr. Lammy: I am aware of the rumours to which the hon. Gentleman refers, but I refer him to the statement—

John Bercow (in the Chair): Order. I am sorry to interrupt the Minister, but it is time for the next debate.

4 pm

Sitting suspended for a Division in the House.

Local Government Finance

4.13 pm

Mr. Douglas Carswell (Harwich) (Con): I am extremely grateful for this opportunity to talk about the reform of local government finance, and I thank the Minister for coming along to this debate.

In a sense, we are all localists now. At least, all the mainstream political parties are paying lip service to localism and talking the language of localism. Labour Ministers are tripping over themselves to tell us how they will devolve power to local communities. The Conservative party—my party, which used rate-capping and abolished the Greater London council—is building a new modernist agenda based on localism. The Liberal Democrats have been talking about devolving power from Whitehall to town halls for as long as any of us care to remember.

There is a danger in having an orthodoxy in politics, in that localism could mean all things to all people. Therefore, we need to introduce a litmus test for localism. For me, the litmus test is the extent to which a political party is willing to localise control over finance. In Britain today, central Government collect more than 90 per cent. of public revenue. They have a near monopoly on tax revenue. Among Organisation for Economic Co-operation and Development countries, only in Ireland is a small percentage of local government finance collected locally. In the United States, some 62 per cent. of local spending comes from local sources. In France and Germany, it is some 66 per cent. In Britain, on the other hand, a mere 25 per cent. of what our local councils spend is collected locally.

I shall not give a detailed description of the minutiae of local government revenue streams—that would be tedious and take a long time. Briefly, revenue support grants constitute nearly one third of local authority income. Critically, those grants are awarded on the basis of Whitehall's calculation of local need. Also set centrally are specific and ring-fenced grants, and the national non-domestic rates, which make up about one fifth of local authority revenue. Only a tiny element—one quarter of local revenue—is left to local discretion. Two thirds of that comes from the council tax, and the remaining third comes from other charges.

There are consequences to fiscal centralism. There is an economic cost, in that it rewards inefficient councils. With central Government's allocation of grants being made on the basis of their assessment of local authority spending needs against the actual level of service, there is a perverse incentive at work. A local authority that is good at turning tax pounds into high-level public services will not qualify for as large a grant as one that is less efficient.

I believe that the political consequences of fiscal centralism, however, are more serious. There is less local accountability in local government. There is no longer the correlation that there once was between how someone votes and what services they receive locally, what priorities are set locally and the taxes that they have to pay. There is much less local democracy. The scope for a slate of candidates from any party to stand for office proposing a radically different set of tax-and-spend alternatives is diminished, and as a result there is less pluralism. There is a uniformity of

provision, process and output, whereas I believe that local government should be a rich mosaic of diversity and should offer different local solutions to different problems.

Most worrying of all, fiscal centralism causes voter resignation. Turnout for the past three local elections in England has hovered between 29 and 39 per cent. It would be a grave mistake to regard that low turnout as a sign of contented voter apathy. Far from being contented or apathetic, voters are resigned. A MORI poll showed that 91 per cent. of the public were dissatisfied with the services provided by their local authority. Sixty per cent. believed that their local authority gave bad value for money, yet a far smaller percentage bothered to vote and do something about it on election day. I believe that voters have perceptively clocked that it does not really matter whom they vote for or how they vote in local elections. The key decisions—how often bins are emptied, the rate of council tax—are made by officials in Whitehall, and funding is provided through bureaucratic formulaic calculations.

How then should we make town halls more self-financing? Rationally, there are two categories of option. We could solve the balance-of-funding problem by massively centralising expenditure, but I would not advocate such a solution as it would destroy any remaining semblance of local democracy. The other alternative, if we are serious about making town halls more self-financing, must logically be to devolve revenue-raising powers from central to local government. To make town halls entirely self-financing, revenue from devolved tax raising powers would have be about £80 billion. I am not suggesting that town halls are made 100 per cent. self-financing, but we could take steps towards that by devolving national revenue streams that are currently used to collect tax centrally to local authorities. I emphasise that that is not about additional taxes. I am not proposing what Lyons suggested in his inquiry and trying to invent new forms of taxation; I am talking about the devolution of existing central revenues to the town hall.

Any reform that devolves tax revenue streams must adhere to four key principles. One is local accountability. Local authorities must be accountable for how they exercise any new revenue-raising responsibilities. There must also be transparency as local taxpayers and voters need to know to whom they are paying tax and for what. There also needs to be cost-effectiveness and fairness.

What are the options? One solution is a local income tax, which has been an option since the Layfield committee proposed it in 1978. The Liberal Democrats have advocated a local income tax for as long as anyone can remember. In Sweden people have municipal services funded through a system of local income tax. It is an option and I do not dismiss it out of hand, but I do have a couple of reservations. If one is to have a local income tax, either it should be a genuine local income tax that is collected, set and administered locally, in which case the cost of collection would make it an inefficient solution, or it would have to be based on Liberal Democrat party policy. That would involve a local income tax that is in fact collected centrally, in which case there would be problems of accountability. I hope that hon. Members will excuse the slightly wonkish language, but such a tax would become, in effect, a locally hypothecated band sitting on top of what remained a national income tax. In what sense would that be perceived as a local tax?

Another alternative—the one that I believe comes closest to solving the problem—is VAT, which raises a revenue stream for Whitehall of about £80 billion. By happy coincidence, that is approximately the amount that Whitehall pays to the town halls through various forms of subsidy and grant. Could we localise VAT revenue? I believe that we could and that we could go further and turn VAT into a local sales tax. VAT is, of course, charged at every stage in the transaction process; a local sales tax would be charged only at the point of retail. Tax jurisdictions at county or metropolitan level could each set their own rate. In short, we could abolish VAT, replace it with a local sales tax, and scrap the council tax-based system of local government finance.

Such a system would be devolved rather than additional taxation and there would be local accountability. People would know what services they were getting and would pay through their taxes for what they voted at the ballot box. It would be cost-efficient. At present, VAT is an extraordinarily expensive and complicated tax to collect and an army of businesses—large and small—are co-opted, often against their will, to be unpaid tax collectors of the state. With a local sales tax, that would simply fall away and the only liabilities would be calculated at the point of retail. It would be a fair system and it would be a tax on consumption.

Figures from the Institute for Fiscal Studies show that, under such a system, the tax bill as a percentage of household expenditure would be pretty equal across each income decile. There would be drawbacks—for example, equity. Different tax jurisdictions would have different tax bases capable of generating different levels of revenue, so there would be some need for a top-up scheme. The scheme would contravene our EU treaty obligations. Currently, EU rules govern our VAT system. We could renegotiate, and as someone who advocates that the United Kingdom should withdraw from the European Union, I do not consider that a barrier to the proposal. If we could axe VAT, restore local democracy to England and the European federalists objected to it, that would be the icing on the cake.

Some people say that different tax jurisdictions with different rates would lead to evasion—as one Tory Minister once put it, there would be the smuggling of butter across the south downs. There is currently massive VAT evasion and I do not believe that this system would be any worse. A good deal of data suggest that tax would be less easy to evade under my proposal. In the longer term, there would be the advantage of tax competition between different tax jurisdictions. I believe that the system would also lead to more efficient local government as the rate would have to be set at a level that generated a high rate of taxation without harming small or big businesses. Local government would try to squeeze efficient value for money out of every tax pound collected.

Sir Paul Beresford (Mole Valley) (Con): My hon. Friend has obviously given the issue a great deal of thought. Can he explain how he would bring in a form of equalisation, bearing in mind the differences between sparsity and density?

Mr. Carswell: There would need to be a system of top-up. The Government would need to take revenue centrally from certain tax jurisdictions with tax bases that generated a lot and allocate that money to jurisdictions with smaller tax bases. However, the local authority would be able to do something if its jurisdiction was unattractive to businesses. In the age of the internet, online shopping and increasing mobility, it would be possible for a tax jurisdiction to make itself more attractive to businesses than is currently possible.

In conclusion, the current council tax-based system is losing its legitimacy. If 50 people refuse to pay their council tax, they have a problem; if 50,000 refuse to pay, the state has a problem. I sometimes wonder whether the people in Boston in the 1770s felt about tax as people increasingly feel about council tax today.

During 10 years, we have had a 90 per cent. hike in council tax, but we have not had a 90 per cent. increase in books in our public libraries, in police on our streets or in waste disposal and rubbish collection. The Westminster village and the political establishment need to seriously question the future of local government finance. I hope that I have provided some helpful suggestions as to how that can be done.

4.26 pm

Mr. Jeremy Browne (Taunton) (LD): I am grateful to have the opportunity to make a brief speech on the important subject of local government finance. I congratulate the hon. Member for Harwich (Mr. Carswell) not only on securing the debate and providing the opportunity to debate the subject, but for two other reasons. First, it is refreshing and interesting to have an opportunity to discuss a big-picture subject that is not necessarily within the confines of party political thinking. Secondly, the hon. Gentleman's pursuit of the issue of localism is done with huge vigour and energy and it is refreshing and interesting to hear his latest thoughts on the subject.

I agree that there is a greater interest in localism and how services can be devolved to a level closer to the citizen. I would like to see more of that happening and for parties from across the political divide to grasp that agenda. The hon. Gentleman is right that the Liberal Democrats have a long track record in that respect. However, I say these words of caution to my party: localism is not just about devolving power from one tier of government to a more local tier; it is also about empowering individual citizens, giving them choice and putting power in their hands. I would like to see my party and the political classes within Westminster grasp that emerging agenda.

I accept the hon. Gentleman's point that local government finance is far too centralised and that local councils' discretion in how they raise and spend revenue is extremely limited. That diminishes the power of local government to make meaningful decisions on behalf of the people they represent, which diminishes the entire political process. If councils have little scope to raise revenue and nearly all their money is ring-fenced in relation to how they are allowed to spend it, the ability of any politician to outline a vision for change in their community is severely compromised. That acts to the detriment of everyone who wants local government to be successful.

I turn to how we should finance local government. Council tax has been particularly problematic for people on fixed and low incomes. The group that most obviously comes into both of those categories is pensioners and, in his report, Sir Michael Lyons recognised that council tax is particularly unfair to pensioners. Local income tax, which has been proposed as an alternative by my party, has the advantage of having a direct correlation between income and the degree to which someone is taxed. In the context of this debate, it would also offer the scope for a corresponding reduction in national tax and a transfer of tax-collecting ability from the Treasury—the centre—to individual councils at a lower tier. That would, I hope, provide an opportunity for a rebirth for local government.

I end my remarks with this observation: we need greater accountability in local government, which is why I oppose the creation of a single unitary authority in Somerset, for example. We need greater flexibility and autonomy in local government. I hope that all those things will contribute towards a rebirth not only of local government, but of our entire civic life.

4.30 pm

The Minister for Local Government (Mr. Phil Woolas): It is good to see you in the Chair for this debate, Mr. Bercow. Congratulations are due to the hon. Member for Harwich (Mr. Carswell) on putting forward his ideas. The debate gives us an opportunity—in this instance, in a non-partisan way—to debate policy ideas, which is the rightful job of Parliament. We have three proposals before us: a local sales tax, a local income tax and a property-based tax with a personal element.

Hon. Members might recall that, in 1981, the then Government, with Michael Heseltine as the responsible Minister, published a Green Paper containing those three options, but of course it contained a fourth option, which has not reared its head this afternoon—the poll tax. By coincidence—this is not a partisan point—I was just rereading David Butler's magnificent book on the history of local government finance and the poll tax in particular. The book, which was published in 1994, is called "Failure in British Government: the Politics of the Poll Tax", and it is very interesting. Lady Thatcher, the then Prime Minister, sent a draft of the Green Paper back to the then Department of the Environment with a handwritten note in the margin that read, "I will not tolerate failure in this policy area." The rest is history.

A serious proposal has been put forward. I do not want to use my time to criticise the hon. Gentleman's proposals. The Lyons report was published recently and it, too, has gone round the circuit of local government finance. I have a few observations to make, however, because as Minister for Local Government, I debate such matters in detail, not least with the Local Government Association and its excellent leader, Lord Bruce-Lockhart, who has many interesting things to say about this policy area.

The hon. Gentleman began by saying, wisely, that we are all now in favour of localism. At last year's LGA conference, Ministers and shadow Ministers were queuing up to compete over their localist credentials.

The Leader of the Conservative party has promised an end to all ring-fenced grants—well, I shall believe that when I see it. My right hon. Friend the Secretary of State for Communities and Local Government outlined our proposals on how to move localism forward that were eventually in our White Paper.

The hon. Gentleman said that there was a danger of orthodoxy. I think that that is right in this regard. Yes, the drive for localism is intended to promote greater democracy and to re-engage the public along the lines that he suggested, and, as the Government and policy makers now see it, to improve local services—public services as well as local government services. However, the hon. Member for Taunton (Mr. Browne) made an important point—I was going to say that he spoke for the Liberal Democrats, but, in this debate, he speaks for Taunton and gives his own views rather than his party's—when he talked about the paradox between devolution and equity. Those are not competing priorities; Governments and political parties of all persuasions must discuss where the balance should lie. Obviously, we believe that our policies in the White Paper square that circle satisfactorily and will allow the local establishment of targets and accountability under the proposed new performance regime. Nevertheless, in finance, that is a paradox that must be resolved.

The 1981 Green Paper, the Layfield committee report in the 1970s and, indeed, debates in the 1950s all came back to this issue: if one has a completely localised tax, one must have a mechanism to promote equity. I certainly I believe that it is desirable to have one and the hon. Member for Harwich said that he thought so, too. The danger of a completely localised sales tax is not the smuggling of butter across the Epsom downs—

Mr. Browne: The south downs!

Mr. Woolas: No it was the Epsom downs. I believe that it was the predecessor of the hon. Member for Mole Valley (Sir Paul Beresford), Lord Baker, whose quote it was. He represented an area near the Epsom downs, not the south downs.

John Bercow (in the Chair): Order. I do not think that the Minister should dilate on the question of the south downs or the Epsom downs, or on the subject of the smuggling of butter—deeply interesting though his observations thus far have been.

Mr. Woolas: I am very grateful to you, Mr. Bercow. I had forgotten that the Epsom downs were not in the south downs. The point is that if taxes were set locally, differential prices in different local authority areas would result in no sales tax in some areas or local councils setting one and then knocking on the Minister's door asking for the redistribution of central Government grants to make good on their resulting poverty.

Sir Paul Beresford: Going back a bit, I would like to give the example of one London borough that for two years, because of the way in which the equalisation worked and because of its efficiency, managed to have zero poll tax.

Mr. Woolas: That is true, and of course one of the consequences was a desire of people to move into that borough, with the consequential effect on house prices. Were such a principle to be applied to retail sales, I think that there would be a significant distortion. However, my point is that, rather like the debate on non-domestic rates—here again I criticise the Liberal Democrats' policy—if we relocalised business rates, we would provide an incentive to areas with more significant business rates to cut them, because people will say, "Why should we pay rates in the better-off business areas?" I fear that the same would be true of sales tax.

I want to challenge another assumption in the remarks of the hon. Member for Harwich. He said that at the moment we have a perverse incentive. Under the council tax and revenue support grant regime, whatever its faults and the balance-of-funding arguments—we had the balance-of-funding review some three years ago—this Government and previous Governments have allocated funding not on the basis of the performance or needs of the local council, but on an assessment of the needs of the area. However efficient the council is—we can measure that by performance regimes, by satisfaction rates, to which he referred, or through the ballot box—central Government assess the needs of the area. Part of that assessment, as the hon. Member for Taunton indicated, is based on the property portfolio in the area. If there is a sales tax, it is difficult to see how one could have an equitable system that allows the 100 per cent. localisation that he is seeking. So there are two significant problems with that point.

The hon. Member for Harwich was good enough to mention the impact of the European Union. It is worth recalling that we have VAT because the then Prime Minister Sir Edward Heath, took us into and kept us in the European Union. We moved from a purchase tax to what became known as VAT. It is worth recalling also that the VAT rate increased from 15 per cent. rate to 17.5 per cent. to pay for the poll tax. When I study these policy areas it amuses me greatly to see that described in the Budget at the time as a transitional increase in VAT. The previous Government and the present Government have not returned to 15 per cent., and I think that the public would be right to be wary of any transitional scheme that did not have a time limit.

I am surprised at the proposal that the hon. Gentleman makes, as he represents Harwich, which I would have thought has a lot of trade with the European Union. That policy would involve renegotiating the treaty of Rome.

Mr. Carswell: I do not want to diverge too far from the subject of the debate, but it will be perfectly possible to have market access once we are free from the treaty of Rome. Many other countries have increased the amount of trade that they do with European Union member states, despite not having signed away their sovereignty.

Mr. Woolas: I admire the—

John Bercow (in the Chair): Order. The Minister is far too dextrous to want to go down that route.

Mr. Woolas: Thank you, Mr. Bercow. I shall deal instead with the point about a local income tax, which was the second of the four options in the 1981 Green Paper. It was recommended as a possibility for part-funding of local government finance by the Layfield inquiry and was not dismissed by the Lyons inquiry. Lyons said that he thought that it would take many years to introduce and there was mention of the danger of a cumbersome bureaucracy.

I do not know whether the hon. Member for Taunton has criticised the tax credits system, but his party certainly has. I would like to see a local income tax system being introduced smoothly and efficiently, but there are some points of principle that one would need to address first. I have asked the hon. Member for Truro and St. Austell (Matthew Taylor), who spoke for the Liberal Democrats on economic policy for many years—I met him when he was at Oxford university and he advocated this policy—whether the local income tax would be based on where a person works or where a person lives. However, I have never had a satisfactory answer. A local income tax based on where one lived rather than on where one worked would cause huge bureaucratic difficulties and, I suggest, would have an impact on the market in many unforeseen ways, and the same would be true if the opposite arrangement applied.

Sir Paul Beresford: The simplest way of putting it is that such a tax would have all the disadvantages of the poll tax and none of the advantages.

Mr. Woolas: The question of accountability is at the heart of the issue, as the hon. Member for Harwich said. All of us are seeking to improve accountability—that was the fundamental motive behind the community charge or poll tax. The country has not yet fully answered that question. However, we believe that our proposals in the local government White Paper and the Local Government and Public Involvement in Health Bill change the performance regime and the accountability regime and that we will see an improvement in that respect. We believe that localism that gives more power, particularly over financial decisions, which the hon. Gentleman likes to see, will increase turnout and show that there are real policy choices between the political parties. It will force the political parties to clarify their policies at local level as well, which is desirable.

I am extremely grateful to the hon. Gentleman for raising the issue. I am extremely apologetic to my ever-vigilant officials: They drafted me expert advice and speeches, but because of the wide-ranging nature of the debate, I have not been able to go through all that. I am amazed that my hon. Friend the Member for Wigan (Mr. Turner) has not chosen to intervene. I know that he is not here for this debate, but he has strong views on this issue as well.

The hon. Member for Harwich should be congratulated on raising fundamental points, putting forward his ideas and moving forward the debate after Sir Michael Lyons' inquiry. I regret the notion that comes from some local authorities, which say that they have no power. Council tax is set by local councils. Opposition Members cannot have their cake and eat it. They cannot say when they are in the House that the Government set the council tax, and then put out leaflets in late April or early May every year saying how good Conservative councils are for having low council tax. They cannot have it both ways, but I do believe that we need to give more power over financial decisions to local authorities and I welcome the contribution that the hon. Gentleman has made to the debate.

Market Forces (NHS)

4.44 pm

Mr. Neil Turner (Wigan) (Lab): I am extremely pleased to be under your guidance and tutelage for the next half-hour, Mr. Bercow. This will be a rather techie debate—I am not sure whether you are as pleased as I am about that. Indeed, it is a debate of choice for anoraks, but it is very important. Let me set the scene.

The market forces factor has been around for quite some time, but the patient choice agenda and payment by results have made it an essential ingredient of the national health service's finance, so it is very important. Patients have their choice, and the hospital that they choose to go to gets the payment from the appropriate primary care trust, but that hospital may have a different cost base from another hospital, and the PCT would not be able to afford it if everyone in their area chose to go to a higher-rated hospital, so it is important that things are levelled out, which explains the need for the market forces factor.

The market forces factor is made up of four elements: base costs, for which the figure is 27.3 per cent., land, which is 0.6 per cent., buildings, which is 4.6 per cent. and staffing, which is 67.6 per cent. Of the three variable elements, the staffing element is far and away the largest at more than 90 per cent., so it is extremely important that we get that right. Hospitals bearing additional costs through no fault of their own should be recompensed. I fully agree with that principle. I see a look of puzzlement going across your face, Mr. Bercow: if I agree with the principle, why on earth am I bothering to have the debate? The problem is not with the principle, but with its application.

As I pointed out, more than 90 per cent. of the variable element of the market forces factor relates to staffing costs. Those staffing costs do not necessarily relate to the NHS staffing costs. The NHS is, for want of a better expression, a closed economy. Because of the "Agenda for Change" system and the consultants' contract, a nurse or a specialist consultant gets paid the same for the work that he does, be he in Westminster or in Wigan. An apprentice cleaner will receive the same rate of pay no matter where they work in the NHS. Of course, there is the London weighting allowance, but the rate of pay is the same. From Cumbria to Kent and from Durham to Devon, because of "Agenda for Change" and the consultants' contract, people will be paid the same amount of money.

I asked the Department of Health some time ago what percentage of the labour costs that hospital trusts incurred were outside "Agenda for Change" and the contracts, and it said that it did not keep those figures. I understand that; it is not necessarily a central issue. Nevertheless, I took the matter further by going to my own local trust and asking it what its percentage was. It said that more than 90 per cent. of its costs were within the "Agenda for Change" element; in other words, it was paying the nationally negotiated wage rates. It went further and asked other hospital trusts in the North West strategic health authority area, and they confirmed that that sort of percentage was reasonable, so in relation to the labour costs, about 10 per cent. or less is variable.

As I said, the formula is based not on NHS labour costs, but on the costs of labour in the private sector. The effect is that the formula bears no relation to the real additional costs that a hospital incurs. Let us consider the Greater Manchester area and treatment in Wigan with, say, a base tariff of £1,000. In respect of the Wrightington, Wigan and Leigh NHS Trust, the amount will be £1,059. However, in central Manchester, the amount will be £1,150. In central London, Guy's hospital will receive £1,322 and St. Mary's £1,446.

Those differences arise not because of increases in the base cost within the NHS contract, but because we are using the private sector to calculate the figures. We get paid less in the private sector in the Wigan area because of the low-wage economy, whereas Guy's and other central London hospitals get paid an awful lot more because of the large bonuses in the City. So the amount paid bears no relation to the real costs that are borne by hospitals.

The formula is extremely detailed—indeed, it goes to six decimal places at times—but when we try to resolve what PCTs should get, there is a variance of more than 10 per cent. between the base and what they get. I might get into another argument with my hon. Friend the Minister on that, as he represents the same borough as me. So, when we work with figures of six decimal places, we are into the particle physics of NHS financing—quarks, neutrinos, bosons and fermions.

It is an absolute nonsense that we are applying private sector costs to the NHS—indeed, it is intellectually unsustainable. If that were the only issue, we could argue about it very nicely in the pub and then all go home thinking what a nice debate we had had, but it is not the only issue. The amounts paid have a real impact on what happens to our health services and communities. A perverse incentive of the system is that it feather-beds hospital trusts in central areas, because it gives them no incentive to increase efficiency. They know that the City bonuses and the amount of money that flows into central Manchester will go up more than increases in other areas, and that they will therefore get more money for performing operations than we will in other places.

The system takes money out of deprived areas, and that will have an effect on the amenities that hospitals in those areas can provide. If those hospitals have less money, they will not be able to redecorate their wards and make them more attractive, which will affect people's choices about which hospital to go to, so there will be a reduction in clients. That lowered throughput will cause a loss of income, which will mean that wards and services, such as the walk-in centre in Leigh, will have to be closed. All that has a real impact on the services that are being provided, so this issue is not entirely techie.

Julia Goldsworthy (Falmouth and Camborne) (LD): Has the hon. Gentleman looked into whether there is any correlation between the trusts that operate on a deficit and how the market forces factor operates in those areas?

Mr. Turner: I knew that the hon. Lady was going to intervene on me, but I thought that she was going to ask something else. So, no, I have no idea what the

[Mr. Neil Turner]

impact of the market forces factor is in that regard, or whether it correlates to a lower or higher rate of deficit.

It is interesting that in 2005-06, the Royal Cornwall hospitals trust received £484,000 and my authority received just under £2.5 million, whereas the three central trusts—University College London Hospitals Trust, Guy's and St. Thomas's Hospital Trust and Barts and the London NHS Trust—received almost £20 million. When I looked at the figures more closely, I found that the London weighting for Barts was nearly £2,694,000, but it received a market forces factor increase of nearly £21 million. That illustrates just how far removed the market forces factor is from the real NHS costs that are borne by hospitals.

The Minister is both a colleague and a friend, in more ways than one. He is also a Member of Parliament for Wigan borough, so he will have seen the "Mapping Poverty in Wigan" document that I have here, which I got from the local authority. The document shows a clear correlation between poverty and ill-health throughout, and I am sure that that is the same right across the country. It shows that where there is a low employment blackspot, there is a high disability blackspot; where there is a low skills blackspot, there is a high coronary disease blackspot; and where there are high numbers of children on free school meals, there are high cancer rates. Such correlations are shown throughout the document when one looks at the super output areas. The same will be clear wherever one goes in the country. The overlay is almost exact. If the maps showing those incidences were placed on top of each other, the blackspots of deprivation and low health would match almost exactly.

All that gives the Government excellent targets for reducing health inequalities. That is what I came into politics for—to reduce inequalities throughout the country, particularly in relation to health. However, the market forces factor system reinforces those inequalities, because it takes money away from areas such as mine with low incomes, rather than putting money into them. Because those areas have low incomes, their hospitals receive less money with which to tackle the health issues in the communities. We need to break the link between low income and poor health by providing a funding regime that properly compensates hospitals for the unavoidable additional costs that they incur. As I said at the beginning of my speech, I have no difficulty in supporting that principle—it is the right thing to do—but when hospitals get significantly more than those costs, the impact on authorities such as mine is extremely deleterious.

The system has another impact, because it is based on private sector wages that can vary unexpectedly. In the Wrightington, Wigan and Leigh hospitals area, the market forces factor was reduced by 3.04 per cent. between 2004-05 and 2005-06, and by a further 0.01 per cent. between 2005-06 and 2007-08. In comparison, the market forces factor for the Christie hospital in the centre of Manchester went up by 1.29 and 4.38 per cent. respectively in those periods. Those rises were not because of extra costs incurred, but because private sector wages in central Manchester rose faster than those in Wigan.

The Wrightington, Wigan and Leigh NHS Trust is seeking foundation status. Its last application was turned down because it was estimated that last-minute changes to the market forces factor would cost the trust £18 million over five years. Although it is a four-star authority and has an extremely good record of saving money—£12 million the year before last and £7 million—the trust fears that it will not be given the foundation status that will give it the freedom that it wants because of the reduced income that it will receive through the market forces factor system.

I understand that although the Department of Health is consulting on payment by results, it is not consulting on the market forces factor. As I said earlier, they are both absolutely integral if we are to have a financial system that puts trusts on a level playing field. The Government should therefore consult on the market forces factor.

In summary, I believe that the market forces factor is right in principle, but that the labour cost element should be based on actual unavoidable costs to hospital trusts rather than fictional private sector costs. The current system provides a disincentive to high-wage trusts to reduce inefficiency; reinforces, rather than tackles, the link between economic deprivation and health inequalities; and introduces uncertainty into the medium to long-term financial planning of hospital trusts. I hope that the Minister will have a root-and-branch review to eliminate those inequities within the system.

4.58 pm

The Minister of State, Department of Health (Andy Burnham): I congratulate my good friend and neighbour, my hon. Friend the Member for Wigan (Mr. Turner), on securing this important debate. He and I have spent many a Friday afternoon sitting in the Wigan borough health services offices discussing these issues, so I can vouch that he is well-versed in them. He is one of a select group of MPs who take an interest in the allocation of resources within the NHS and local government. Indeed, he not only takes an interest in them, but understands them, which is why he strikes fear into Ministers and civil servants in our Department.

My hon. Friend began by describing himself as an anorak, but I could not possibly comment on that observation, save to say that most people in Leigh would choose far worse descriptions of our neighbours in Wigan than that rather polite one.

I shall address directly my hon. Friend's questions about the market forces factor, and I am pleased to see the hon. Member for Falmouth and Camborne (Julia Goldsworthy) present, because those issues are alive in her part of the country, too. I hope that in addressing my hon. Friend's concerns, what I say will be of interest to her, too.

I shall put the matter into context. Earlier today, my right hon. Friend the Secretary of State announced provisional financial out-turn results for the national health service in 2006-07. They showed that the NHS has delivered a net surplus of £510 million, which is a

big improvement on the £547 million net deficit that was recorded in the 2005-06 accounts. The success of that effort is down to NHS staff throughout the country, often operating in different circumstances and often on the receiving end of difficult decisions. Nevertheless, the entire NHS will benefit from the actions that have been taken, and we have a position of stability from which the NHS can move forward.

I shall tell my hon. Friend what that means for the Ashton, Leigh and Wigan primary care trust. Like others in Greater Manchester, its resource allocation was top-sliced in the year just ended—by 1.7 per cent. in its case, which amounted to some £6.9 million, or almost £7 million. The PCT made a contribution to the writing off of some historical debt in the north-west, so that and other costs that had to be paid were taken into account, and the PCT was notified that its allocation for 2007-08 will increase by some £5.7 million, returning the top-slicing from 1 April this year. I hope he agrees that that is excellent news.

People are commenting today on the terrible effect of putting the NHS in financial order, but I hope that my hon. Friend agrees that, because such action has been taken, money can be released to Ashton, Leigh and Wigan primary care trust, which covers, as he rightly said, an area with some of the most entrenched health inequalities in the country. I am sure that he, like me, is encouraged by the PCT's new scheme called "find and treat", on which we have both been briefed. It is a real, concerted effort to get underneath the under-reported ill health that is still so evident and prevalent in our borough. Interestingly, the scheme's value is roughly equivalent to the return of the top-slice to our PCT, with some £6 million being spent on it.

That is the real, practical effect of getting the NHS back into financial balance. It enables PCTs in areas where the health need is greatest to get on with the job of spending money to tackle the root causes of ill health in boroughs such as ours. That is why so much effort was put into delivering the financial results.

Several issues relate to the market forces factor and they create the overall financial context that my hon. Friend mentioned. They are the pieces in the jigsaw that will make up the further resource allocations to the national health service later in the year. In the previous allocation round, he lobbied strongly for a faster pace of change policy to ensure that PCTs were brought up to their target allocation as recognised by the national funding formula. In 2003-04, the most under-target PCT was some 22 per cent. under its fair share of available resources, but because of that emphasis on moving PCTs quickly towards their fair share of funding, by the end of 2007-08 no PCT in England will be more than 3.5 per cent. under target.

The Ashton, Leigh and Wigan PCT received resource allocations of £410 million in 2006-07 and £449 million in 2007-08, an increase of £74 million—19.7 per cent.—over the two years, compared with the national average of 19.5 per cent. Progress has been made in our PCT area, and as a result, at the end of this financial year, the trust will be 2.4 per cent. under its weighted capitation target. We are now considering the right pace of change policy to apply to the resource allocation round that comes out of the spending review. My hon. Friend knows that I, too, take a close interest in such matters, and we will consider the right next step in due course. His comments today will be heard during that process.

Julia Goldsworthy: I am grateful to the Minister for giving way and to the hon. Member for Wigan (Mr. Turner) for his insight into the issue. While the Minister is on resources, the market forces factor is not about the size of the cake, but about the way in which it is then sliced. I understood that the Department had commissioned a report on the market forces factor specifically, and the group of MPs in Cornwall were informed at Christmas that the report was on the desk of the then Minister, Lord Warner. Is the Department considering the report? Will the Department respond to the report and perhaps even publish it so that we can understand the Department's considerations? Although the spending review is important, the discussion is about the way in which the cake is divided, not about the size of the cake itself.

Andy Burnham: The hon. Lady makes a well-informed and timely intervention. The issue is linked to the spending review, because that is the cake, and then we cut it. The report to which she just referred has been the work of the Advisory Committee on Resource Allocation, ACRA, which is independent. If I may, I shall answer her question directly when I describe ACRA's work in the run-up to the next funding allocation.

My hon. Friend the Member for Wigan made a point about taking money out of deprived areas, and obviously the formula has to do two things: allocate money towards need, while respecting the different costs of providing health care in different parts of the country. That said, the priority is to ensure that NHS funding reaches those parts of the country where it is needed most. We believe that we have achieved that objective through a fair funding structure, but it is continually overseen by ACRA, which is an independent committee of experts.

ACRA's role is to ensure that there is equity in funding, and it is overseeing an overall funding formula review that will examine the make-up of the market forces factor. The review is being undertaken, it will be published before the allocations are made, and it will in some way address colleagues' questions about the application of the NHS funding formula. However, the hon. Member for Falmouth and Camborne referred to a specific review of the technical aspects of the MFF, which is different from the general funding formula review that ACRA has undertaken.

That takes me directly to the point that my hon. Friend the Member for Wigan made about the Department consulting on payment by results, which is absolutely true. However, an interrogation of and consultation on the market forces factor is being undertaken—it is just that it is being carried out by ACRA. It is not a wide, public consultation, but a review of the make-up of the MFF. The two none the less sit together; they are complementary pieces of work.

Just to give a little background, the market forces factor has a long history. It is an important element of the weighted capitation formula and its purpose is to adjust for unavoidable differences in cost between the

[Andy Burnham]

different regions of the country. The need for an MMF was identified by the resource allocation working party in 1976, which recognised that the costs of care may vary from place to place, depending on local variations in market forces. The development of the MFF has been overseen by ACRA, and is the result of many years of analysis by academics. Since it was introduced, the MFF has always been based on private sector wages, even where national wage rates limit the flexibility of local organisations to pay higher wages. Higher costs are experienced, which are caused by such factors as higher staff turnover, lower productivity, higher recruitment and higher agency costs.

We believe that the MFF is the best mechanism available to reflect unavoidable differences in the costs of providing services. However, to ensure that the development of the MFF continues, ACRA is reviewing it again, before the next round of resource allocations, and has submitted its findings to Ministers. In answer to the hon. Lady, that review will not be published in advance of the allocation process, but at, or around, the same time. The recommendations that ACRA makes to Ministers on the MFF will therefore inform the allocation policy and it will be clear how they have done so. I repeat that the points that my hon. Friend raised have certainly been heard by me and will be borne in mind by the Department of Health in making those judgments.

The MFF is, of course, linked to payment by results, which we would argue is transforming NHS funding, by paying hospitals according to the number of patients treated and the complexity of treatment, based on a national tariff. The tariff is calculated from information supplied by NHS trusts about the costs of their services. The cost of treating similar groups of patients varies among providers, owing in part to unavoidable differences in the cost of land, buildings and staff. That is an important reason why the national tariff is adjusted using the market forces factor and ensures that our approach to paying providers is consistent with our approach to resource allocation.

For providers, payment by results encourages clinically effective and cost-effective models of care, such as day surgery. That benefits patients by reducing the amount of time that people have to spend in hospital and helps to reduce waiting times. Payment by results also offers commissioners of health care incentives, such as to redirect resources to providing diagnostics or minor surgery in primary care. That enables people to be cared for closer to home and avoids unnecessary waiting for people who would otherwise be referred to hospital.

I raise payment by results because, although my hon. Friend did not mention this a great deal today, I know that he remains deeply concerned about the effect of the tariff, as it applies to our local trust and to Wrightington hospital, the specialist orthopaedic hospital. However, although he might not yet have all the answers that he seeks, I reassure him that there is a recognition in the Department of how the pieces fit together and a process under way that will eventually result in a fairer outcome for all. Before closing, I should also say to him that the effect of the pace of change policy, of bringing the NHS back into financial balance, put our PCT in an extremely strong position as it entered this financial year—a financial year in which the NHS will receive its largest ever increase in funding in one year, of some £8 billion. That is a position of strength that our PCT can build from.

I heard my hon. Friend's rather provocative comments about the MFF perhaps resulting in the closure of the Leigh walk-in centre. People in Wigan always want to close things in Leigh. I will not rise to the bait on this occasion, but I am pretty confident about the future not only of the Leigh walk-in centre, but of the other excellent services in our borough. Indeed, only a couple of weeks ago, he and I were in a new local improvement finance trust centre, which has an excellent renal dialysis unit, run by Hope hospital. That is a great facility for people who previously had to travel to Salford three times a week. Through the new LIFT centres, some cutting-edge care is being introduced in our borough, into the heart of communities that need the best of modern health care. We are now in a position where we can see further improvements in that quality of care in the coming year.

Question put and agreed to.

Adjourned accordingly at fourteen minutes past Five o'clock.

Westminster Hall

Thursday 7 June 2007

[JANET ANDERSON *in the Chair*]

Coastal Towns

[Relevant documents: Second Report from the Communities and Local Government Committee, Session 2006-07 HC 351 and the Government's response thereto, Cm 7126.]

Motion made, and Question proposed, That the sitting be now adjourned.—*[Jonathan Shaw.]*

2.30 pm

Dr. Phyllis Starkey (Milton Keynes, South-West) (Lab): I rise to introduce the Select Committee on Communities and Local Government's report on coastal towns. Given that a large number of hon. Members who represent coastal towns are present, I shall try to keep my remarks short. I do not intend to cover everything that is in the report, since it largely speaks for itself.

Let me explain why the Committee decided to undertake the inquiry. We have a strong interest in regeneration and we perceived a lack of national policy focus on coastal regeneration. The report reproduces a map of deprivation in the UK. Unfortunately, because it is printed in shades of green, it is not quite as striking as the original, but it shows a clear ring of deprivation around the coast of England, as well as large areas of deprivation in inner-city and former industrial areas. Twenty-one of the 88 most deprived authorities in the UK are in coastal areas. We felt that there was a lack of policy focus on coastal regeneration, in contrast to the Government's well established policies on urban and inner-city regeneration.

There has been a considerable amount of interest in the report both inside the House, where it was most recently mentioned during Prime Minister's questions, and outside, where it was one of the subjects of a "You and Yours" programme that occasioned a great deal of public input and interest. There has been considerable interest from local authorities, local authority organisations and various organisations that are involved in coastal towns. It has also been the subject of discussion at a number of national conferences on coastal towns and regeneration. I am confident that the issues raised in the report will be carried forward outside the House and within it.

The evidence given to the Committee demonstrated clearly that although coastal towns are extremely diverse, which we recognise, they have a number of shared characteristics. The most obvious is their physical isolation and peripheral location, which often means that they have poor transport connections.

The demography of coastal towns is often skewed by the outward migration of young people. One of the more distressing experiences that the Committee had was when we met young people in Margate, who all said that they would leave as soon as they could because they did not see their future in their home town. One will always be able to find young people who want to leave their home town, but for them all to want to leave is depressing. Not only do such towns see outward migration of young people and inward migration of older people—often those who have chosen to retire by the seaside and so have a reasonable income—but they see inward migration of people on benefits or low incomes who can live more cheaply at the seaside than elsewhere, and the number of transients, including vulnerable adults and children, is high. There is often a two-level housing market, in which the incomers drive up house prices so that they are out of the reach of many local people. Coastal towns have a low-wage, unskilled economy, often with seasonal unemployment. I shall return to that point in a minute because it is the subject of one of the Committee's recommendations.

The Committee also remarked that no one Department has responsibility for coastal towns, which are affected by a range of policies administered by many Departments, and that there is no national strategy or policy framework for coastal towns. In fact, the Committee did not recommend that there should be a national strategy, although many organisations outside the House wanted one, but we stated our belief that some changes in the way in which Government works were necessary to ensure that there was more effective cross-departmental working and to ensure that issues that affected coastal towns were given proper consideration in all Departments.

We called for the establishment of a cross-departmental group led by the Department for Communities and Local Government to examine the impact of national policy on coastal communities and to monitor and maintain an overview of the situation in coastal towns. Unfortunately, that recommendation was one of those that were rejected by the Government. I hope that they will reconsider that. I am sure that some of the MPs who are in the Chamber to represent coastal towns will make their own arguments about why the Government should accede to the Committee's recommendation.

I welcome the fact that there has been greater activity on the part of some Departments, notably the Department of Trade and Industry, since the inquiry began. It was interesting that a couple of Ministers who gave evidence to the Committee readily admitted that they had not thought about coastal towns as a group until our inquiry started and they were required to give evidence. We have at least achieved something by focusing individual Ministers' attentions on coastal towns. The DTI organised a coastal towns conference on 8 May. The Committee can claim some credit for having stimulated greater DTI activity on that front.

The Government have agreed to our recommendation that one of the regional development agencies should act as a lead in co-ordinating RDA activity in respect of coastal towns. That RDA is the South East England Development Agency, because it was generally felt that SEEDA already has a reasonably well developed strategy for the coastal towns in the south-east and would be the most suitable agency to lead and exhort the other RDAs to take greater note of their own coastal towns.

We also concluded that there was a lack of Government understanding of and of substantive research on coastal towns and the problems that they face. We were particularly unimpressed by the evidence that we were given by the Department for Work and Pensions. It seemed stunningly

[Dr. Phyllis Starkey]

unaware of the situation on the ground in some of our coastal towns. The DWP did not challenge the findings that we reproduced in our report, which demonstrate that since 1997 the levels of those who claim incapacity benefit, special disability allowance or income support for disability had increased six times as much in coastal towns as the national average. We sought to ask the DWP what evidence it had to show whether those figures meant that individuals in coastal towns were more likely to claim those benefits, or that people who claimed those benefits were more likely to migrate to coastal towns, since the Department's response would need to be different depending on which explanation was correct. We are not impressed that the DWP does not seem to have challenged those findings or responded to them in its response to the recommendations. It has simply written off the problem as historical.

It will also come as a surprise to many of those who represent coastal towns that the DWP believes that seasonal unemployment in coastal towns is

"not substantially higher than the national average".

I recognise that, given that coastal towns are very disparate as a group, there might be some support for the DWP in the numbers if one takes into account all coastal towns, including those that are successful. However, that avoids the issue of those coastal towns that have substantial problems with large numbers of people on disability benefits and with seasonal unemployment. We wish to follow that issue up and will refer it to the relevant Select Committee.

I want to draw attention to some other issues, but I shall not expand on them. The first problem is the lack of affordable housing in coastal towns and the fact that young people are often completely priced out by the more affluent incomers. The second issue is houses in multiple occupation, which are a particular problem in those coastal towns that were once seaside resorts and where a large amount of housing that used to be hotels is now HMOs, and the effect that that has on districts in those towns.

Further issues are the growing importance of coastal management in the light of global warming, and the need to integrate shoreline management plans with economic planning, rather than treat them in isolation. Funding for coastal towns and the formulae used by Government are also issues of importance, and I am pleased that the Government are reviewing the day visitor indicator, which is obviously significant to many coastal towns.

Mr. Michael Jack (Fylde) (Con): I see the hon. Member for Blackpool, South (Mr. Marsden) in his place. I am sure that he will provide a remarkably good exposition of what is needed by a big coastal town. However, many of the characteristics that the hon. Lady has just enunciated are typical of the problems faced by a small, resource-pressured district council in trying to maintain the character of coastal towns and areas such as Fylde, and particularly Lytham St. Annes. Does she believe that the Government have shown, through the changes to which she referred, that they truly understand the need to make additional resources available to such places, in recognition of the costs of taking action in the four areas that she mentioned?

Dr. Starkey: I certainly hope that the Government now have a greater understanding, but it is up to individual councils to make the arguments for their particular area very strongly, both directly and through the Local Government Association. The Government need hard evidence on such matters, especially because the more money that is given to one authority, the less is given to others. Additional More funding has to be justified to the residents not only of the right hon. Gentleman's constituency, but to those of all Members, because if one constituency gains more funding, others are the losers.

I want to draw attention to one final aspect of our inquiry, which shocked those Committee members who took part in the Committee's visit to the Kent coastal towns, particularly Margate. It is the problem of using former guest houses as care homes for vulnerable children—a problem that is most marked in those coastal towns that are relatively close to London, although I suspect that it occurs also in other coastal towns near large urban conurbations.

The problem is one of boroughs—in Margate's case, London boroughs—placing vulnerable children in care homes in a coastal town, rather than in facilities in their home borough. The Committee understands that there are circumstances in which the required facilities are so specialist that an individual borough does not have them within its boundaries. However, we are concerned by the apparent practice of placing children outside a borough—in particular in towns such as Margate—because it is the cheaper option.

We made it clear that children should never be placed outside their home authority simply on the ground of cost. The effect on such children and, indeed, on the authority in the area where they are placed was graphically described to us by representatives of Thanet district council. The council cited individual cases in which vulnerable children, although adequately supported financially, were not given the necessary additional support and care by the home social services authority. The social services in the town where they had been placed were completely unaware of their existence until the point of crisis.

In one case, a teenage girl came to the notice of the Margate authorities only when she waded into the sea to try to commit suicide—thankfully unsuccessfully. So I am pleased that the Government have accepted the principle of the Committee's recommendation in this area, and are considering how to take matters forward in their Green Paper, "Care Matters: Transforming the Lives of Children and Young People in Care".

Mr. Adrian Sanders (Torbay) (LD): That is an important issue to emerge from the report, and one that we do not necessarily think of in relation to wider coastal towns matters. Social services are not the only bodies affected; education bodies are too—I know that from experience in my own constituency. There is a school there that deals with a dozen different social services departments because those departments stick with the child even though the child has changed area. That is a real problem.

Dr. Starkey: I entirely agree with the hon. Gentleman.

Tim Loughton (East Worthing and Shoreham) (Con): I apologise to the Chairman of the Select Committee for not having been present for the start of her speech. I am particularly pleased that she has mentioned looked-after children, because Worthing shares Margate's experience. The real problem is the clustering of independent children's homes, not only in former retirement homes but in domestic residential properties which, if they have six or fewer residents, do not need planning permission.

The point is not a new one, however. Lord Utting made a recommendation back in the 1990s that such placements should not happen—that children should be placed within 20 miles of their own home unless that would result in serious harm to them. How much confidence does the hon. Lady have that the Government will show more urgency in the matter than previously?

Dr. Starkey: I accept the Government's word when they say that they will take an issue more seriously. However, it is incumbent on hon. Members who represent areas in which the problem exists and who have evidence of the points that have been made to make the Government directly aware of the practical consequences in their constituencies of the policy's continuance. The point is not that people are unaware of the problem; it is that until now the efforts that have been made have been inadequate in ensuring that the placing authorities do not continue their practices.

I understand the pressures on London boroughs in particular. They might not have sufficient accommodation in their area, but in my view they should be more proactive in dealing with the problem, instead of shunting children off to care homes. Those homes might try their best, but they can never provide the proper care that is needed, because the children concerned have been completely removed from the support mechanisms that they would normally expect in their own borough.

I said that I would be brief, and I do not have any further substantive points to make. I shall listen with interest to the remarks of other hon. Members. If they do not manage to address all the points that they wish to, I urge them to continue to use other parliamentary avenues to get their message through to the Government.

2.47 pm

Sir Paul Beresford (Mole Valley) (Con): I appear not as a resident of a coastal town but as one of the Committee members. It has been pointed out by some hon. Members who represent coastal constituencies—in particular, those who are within earshot—that the tide is in, that I should be short and succinct and that I should then shut up and get out of the way so that they can get to the meat of the report.

The report is very good—it is among the better reports that the Committee has submitted. The Committee Chairman has given a very able summary, although she was a little more benevolent to the Government than I feel inclined to be. In the preparation of the report, evidence was received from many witnesses from coastal towns and from groups and individuals. There was also a considerable response to the report itself from many and varied sources. The reaction of witnesses varied considerably, as indeed did the problems that were described. Some witnesses—both in person and in writing—were very positive and took a positive approach to the benefits that they have.

Brighton and Hove city council is a good example of that. Brighton has lots of benefits: it is close to London, it has a university and it has been well known as a seaside town for decades, if not centuries. The interesting thing is that it was determined to overcome its problems and that it had a very positive attitude. Some of the other towns—I shall not mention them—also showed that spirit. One that I must mention is Blackpool. In my opinion, it should succeed on the grounds of effort alone. It is a town that even when clobbered—and it has been clobbered recently—seems to get up on its feet and fight back. It was quite a contrast with some others.

A few of the authorities that presented themselves before the Committee were crying in the pool of their own deprivation and lying there with their hats out waiting for central Government grants, instead of getting down to it and doing something. Yes, some of them have huge problems, but a positive attitude might be more helpful.

Our essentially radial transport system means that coastal towns are at the end of the line or the end of the road—Brighton, for example, is at the end of both. Brighton has quite a good transport system, but other towns such as Hastings do not, and I hope that the Government will consider such issues.

On a more positive note, there were increasing signs that the coastal towns are working together on coastal town issues, which is more than I can say for the Government. The British Resorts and Destinations Association, whose name is a heck of a mouthful, is a relatively new grouping. It and the British Urban Regeneration Association's seaside network—an even bigger mouthful—are two positive groups that are providing guidance and pulling together ideas. They are starting to get some positive things back into the thinking of coastal towns.

As I have said, and as the Chairman of the Select Committee has faintly and delicately hinted, there is much that the Government could do. In many cases, expenditure is not needed. Unfortunately, the Government's response to the recommendations in the report is, in essence, negative. Some of the recommendations are fairly basic. A joined-up approach is a fairly basic thought, but there was no action on that. It is clear that there is little Government understanding, research or assessment of coastal towns, particularly as a group. The fact that coastal towns have similar problems should be recognised.

The effect of seasonal low-wage employment—the other way of putting it is off-season unemployment—the outside placement of vulnerable children and adults, which has already been mentioned, and the outward migration of the young and inward migration of the retired are key factors that should be but have not been recognised. The effects of poorly checked coastal flooding and erosion, and even the acceptance of such things, need not only compensation but concerted thought and action. Action is needed.

The report speaks for itself. It is a good report, and it has attracted good attention. This debate is an opportunity for hon. Members on both sides of the

[Sir Paul Beresford]

House who represent coastal towns to push the Government and then sit back while the beleaguered Minister comes up with some positive responses on behalf of joined-up government. I hope that she feels beleaguered—she ought to, if she does not.

2.52 pm

Mr. Gordon Marsden (Blackpool, South) (Lab): I wish to declare my interests, as one should, at the beginning of my contribution. First, I am the honorary president of the British Resorts and Destinations Association. Last night, I spoke at its annual conference in Eastbourne, where it was sunny. Secondly, I am the convenor of a group of Labour Back-Bench Members of Parliament who represent seaside and coastal towns. The group was formed shortly after the 1997 election, as you are aware, Mrs. Anderson, because of our belief that seaside and coastal towns had things in common. Thirdly—and, of course, not least—I am the MP for Blackpool, South. My hon. Friend the Member for Blackpool, North and Fleetwood (Mrs. Humble) is unable to be here today because she is on a Select Committee visit. She and I work closely together on all the issues that affect Blackpool, and I am sure that, if she were here, she would echo many of the things that I hope to say this afternoon.

I praise the Select Committee and its Chairman, my hon. Friend the Member for Milton Keynes, South-West (Dr. Starkey), for producing an excellent and outstanding report. To those of us who represent seaside and coastal towns, many of the issues that the report covers will not come as bolts from the blue, but the singular value of the report is in bringing all the specific characteristics and challenges together in a succinct way and with the full authority of an informed and thoughtful Select Committee. The report is an important contribution to the debate.

I was pleased, but not at all surprised, that the Select Committee included in the report many if not all the problems that Blackpool and many other coastal towns face. Some of them have already been mentioned: the skewed demography, the outward movement of young people, and the need for stronger care structures for vulnerable and elderly residents, which is a big issue that needs to be addressed. Certain resorts have a reputation for attracting retired people, but all coastal and seaside resorts attract a significant number of people who are retired or are about to retire. When they move to seaside and coastal resorts, they often think that there will be many years of happiness and security ahead of them, and for many, pray God, there will be. But if illness or accident come along, or if one partner loses the other, those people are often deprived of the natural supports of family and familiar social networks that they would have had had they stayed in the places that they came from originally. Therefore, apart from the number of care homes and the other issues to which my hon. Friend alluded, seaside and coastal towns attract significantly higher burdens in that respect, and the funding formula and the Government in general would do well to pay attention to them.

Transience has been mentioned. It is a great challenge for local authorities. I believe that sometimes the sophistication of the problem is not entirely understood, particularly in relation to education. For example, I can think of two or three schools in the centre of my constituency for which turnover on the roll can be anything between 40 and 50 per cent. in a year. It is not just a question of people coming into the town—families coming to Blackpool or escaping economic pressures elsewhere and so on—but of families moving within Blackpool. I know from my advice surgeries and from cases that have been raised with me that some families in Blackpool move three or four times a year to get access to relatively low-cost accommodation in the rented sector, which, sadly, is sometimes of relatively low quality as well. That creates additional burdens. The impact of transience was well documented in a series of reports that Janet Dobson and her colleagues at University college London did some years ago under the sponsorship of the Department for Education and Skills. The report deals very well with the subject.

Housing is a major problem. If we pick up our papers today, we see alarmist reports about what will happen to the cost of housing in years to come and how difficult it will be for first-time buyers to get on the ladder. I pay particular tribute to the Select Committee for having the sophistication to recognise the dual problem in seaside and coastal towns. House prices have been driven up very high in seaside towns that are attractive and where regeneration has taken place. However, areas with former bed and breakfasts that have officially or unofficially become houses in multiple occupation, for the reasons given by my hon. Friend the Member for Milton Keynes, South-West, have remained areas with low-cost rented accommodation that is often of poor quality. Those twin pressures do not do seaside and coastal towns any favours. I am glad that Blackpool council, with the support of the Government, has begun to license HMOs. The Government acknowledged the problem in their response to the report, but a great deal more needs to be done about it. The situation will only get worse, not better.

As for tourism, again, I do not want to repeat many of the things that I and other colleagues have said continually since 1997 to a succession of Ministers, but the historical reliance on tourism for jobs and inward investment, certainly in a town such as Blackpool, cannot be expected to produce change or renewal overnight. An analogy that I have used before can be used to describe the problem faced by all of us who represent seaside and coastal towns. After Suez, Dean Acheson said that Britain had lost an empire but not yet found a role. That is true, although perhaps not in quite such a bleak way, of many seaside and coastal towns. We have lost the empire of the standard one or two-week family holiday.

It is not true to say that seaside towns have not yet found a role; they are all in their various and vibrant—some more vibrant than others—ways trying to find alternative roles, but it is not an easy path. I will briefly illustrate that with some facts about Blackpool. One of the great advantages of being the MP for Blackpool is that everyone has an opinion about it—it is not like representing some melange dreamt up by the boundary commission. Blackpool experienced one of the biggest, if not the biggest explosion of investment in working-class holidays and infrastructure in the late

19th and early 20th century. Our experience of the legacy and the downside of that is therefore significant, which is one of the reasons why Blackpool is currently ranked as the 24th most deprived authority area out of 354 nationwide, why between 1987 and 2003 visitor numbers dropped from 13.2 million to 10.6 million, and why about 11 per cent. of Blackpool's population is classed as transient.

I am grateful for the comments on the evidence given to the Committee by Blackpool council as it means that we have not simply cried into our beer. I see my hon. Friend the Member for Stevenage (Barbara Follett) in her place; and she will be pleased to know that I will not go into a long account of Blackpool's attempt to secure a super-casino—although I am tempted. That process and campaign demonstrated that it was not just about getting a super-casino, but about everything that Blackpool has done with its master plan, its sea defences and the investment that has gone in. Much of that was directly a result of Government investment.

What can regeneration do? What should we expect the Government, local authorities or regional development agencies to do in terms of regeneration in response to the Committee's excellent report? I hope that most hon. Members agree that the success of a community in a seaside or coastal town depends on addressing the needs of visitors and residents equally. We should take account of the needs of visitors, who are in many cases still the economic bread and butter of a town, as well as the needs of residents. In Blackpool there has sometimes been a history of friction and tension between those involved in the tourist industry in the town, who thought that enough could never be done for tourism, and those residents who were not involved, who thought that far too much was done. I am glad that that tension has largely disappeared in Blackpool during the past 10 to 15 years. Regarding the need to have a joint enterprise, there is a great sense of commonality between those who are involved in the tourism sector and those who are not.

It must also be recognised that investment in infrastructure is important, which the Committee has made clear. Another important factor is the economic motor in a seaside or coastal town. Money may be spent on infrastructure, but if there is not an economic force in the town—a vibrant activity, entrepreneurship or source of job creation—the infrastructure that is designed to attract tourists will not in itself lead to regeneration.

Tourism infrastructure will also not solve the problem of transport, which is a key issue in seaside and coastal towns. The report has alluded to that, but on the whole Governments of all parties have not focused on the transport needs of seaside and coastal towns. We are grateful to the Government for the first tranche of investment in our tramway, but we are still waiting for a definitive solution on transport. Hastings is a classic example of a south-coast town that does not benefit from good links to London, either by rail or by road. Such peripherality issues cannot be left solely to regional development agencies to deal with; they have their own priorities and pressures. An element of central Government intervention or response is needed.

Tim Loughton: Internal transport in Blackpool may leave a little to be desired, but getting to Blackpool is relatively easy. Getting to towns in south-east England that are on the south coast is a nightmare, whether it is Hastings or, in my case, Worthing. The density of housing that is being imposed on us means that transport will become an increasing nightmare. Never mind the gridlock that we have in our towns; getting into the towns, and getting corporate investment into the towns is a complete nightmare. The quality of life for residents trying to get back to their homes, particularly in south-east England, is also a problem.

Mr. Marsden: I entirely accept what the hon. Gentleman says as it underlines the need for transport and peripherality to be addressed centrally by Government.

I shall briefly mention benefits and education and skills because they are key issues. Blackpool had some good results this year in the league tables, but like many other seaside towns, Blackpool has historically had a low-wage, low-skill economy and staying-on rates have not necessarily been what we would wish them to be. On incapacity benefit, my hon. Friend the Member for Milton Keynes, South-West was right to take the Department for Work and Pensions to task for not looking at which of the two elements is relevant. My own view is that in Blackpool it is a bit of both. We know that many IB claimants in Blackpool originally arrived 10 or 15 years ago, probably when they were in their 40s from other industrial centres in and around the north-west. Those are important issues. If the Government want to achieve what they hope to in terms of welfare to work, they need to use their imagination in using the money that is put in. It is not enough to produce welfare-to-work plans; there must also be an economic strategy—whoever it is delivered by—to create decent and progressive jobs in areas that have an historically low-wage and low-skill economy.

My hon. Friend has already referred to the Government response; I share her concerns and her disappointment. I am not a fan of committee for committee's sake or of a joined-up, linked, strategised or anything else approach. However, my experience as an MP for 10 years who represents a seaside, coastal town—and I think the experience of many of us—is that such an approach is sorely necessary. For the sake of argument, if civil servants in various Departments dealing with tourism, local government and communities and transport met regularly to speak informally about common issues, we might be dismissed as pedants for wanting a strategic approach. However, the fact is that they do not. With honourable exceptions, the record of Departments on this issue during the past 10 years—I can only speak about the past 10 years, but I know about before that period—has been extremely patchy. If there is not some form of joined-up strategy, it is very difficult to deal with the problems.

We may praise the efforts of organisations such as the British Urban Regeneration Association or the British Resorts and Destinations Association, but it is difficult to follow through their work in a systematic way. In recent years, we have had a coalfields regeneration taskforce and a rural taskforce, so I see no reason why the Government should not go back and think a little bit more about the recommendations of the Committee. Some of the details of the response strike me as rather complacent and show that the Government have not looked in detail at the issue. For

[Mr. Marsden]

example, the response mentions the diversification of the economies and states that the RDAs are

"best placed to take on this role within the context of the Regional Economic Strategies"

and then refers to the role of city region economic development companies. However, I must tell my hon. Friend the Minister that city regions and city regional approaches will not necessarily be the magic solution for seaside and coastal towns. Most such towns—there are exceptions, and Brighton is a significant one—will not benefit directly from city region-orientated economic activities, because many, if not all, fall into the second-level category of town.

Mr. Jack: Does the hon. Gentleman agree that one way to develop the co-ordination to which he referred to the advantage of the wider Fylde coastal area, including the constituencies of Blackpool, North and Fleetwood and Blackpool, South and my own, would be for the Government, as a major employer, carefully to think through their employment strategies? That is particularly true of Her Majesty's Revenue and Customs, the Department for Work and Pensions and the Departments that deal with national insurance, investments and so on. In its own way, that could have a major impact on the future of coastal areas and towns. Without proper co-ordination, however, we will have, not economic well-being, but economic unwell-being.

Mr. Marsden: I thank the right hon. Gentleman for that. Like my hon. Friend the Member for Blackpool, North and Fleetwood and I, he is well aware of the importance of the public sector and the civil service across the Fylde. I agree that there needs to be a joined-up approach to Government policies in such areas, although I would gently remind him that that process is greatly complicated by the outsourcing and breaking up of elements of the civil service, which goes back to before 1997. However, on the basic issue, I entirely agree with him.

Let me say a little more about the role of RDAs. I pay tribute to the Northwest Regional Development Agency, which has grasped and grappled very well with seaside and coastal town issues. However, RDAs cannot do everything. As the evidence given to the Select Committee made clear, RDAs were not all clued up about some of the issues or—because of the population distribution in some of their areas—always entirely sympathetic. If we are to have a national strategy or linkage, it should not be implemented on a one-size-fits-all basis or by setting up some new Government quango that is stuffed with civil servants to administer it.

We should be looking not only at how to support some of the existing networks that have been mentioned, but at how Departments, and particularly Government officials, can meet regularly. We do not need to create an enormous, expensive bureaucracy to ensure that a few civil servants from some of the main Departments can sit down together two or three times a year to discuss an agenda put to them by BURA, BRADA or other outside groups and to look at some of the issues. At a time when we have the social exclusion unit in the Cabinet working across Departments—social exclusion is, of course, another important aspect of the problems in places such as Blackpool—ensuring that those officials meet each other would be entirely in keeping with the spirit of Government policy.

I do not want to end on a negative note, and we are not talking about seaside and coastal towns managing the process of decline, to quote the offensive words of a certain chairman of the casino advisory panel. Seaside and coastal towns have a strong and vibrant future, and some good things have already happened. In a briefing that it has circulated today, the Heritage Lottery Fund rightly draws attention to the more than £104 million that it has put into seaside and coastal resorts in deprived areas. We in Blackpool are particularly grateful for the money that was provided to help with the major regeneration of Stanley park and the restoration of the Grand theatre.

I have said relatively little about the details of tourism, but the recent emergence of issues such as sustainable tourism, carbon footprints, lifestyles and short-tem breaks should benefit and give new life and opportunities to seaside and coastal towns. That will be particularly true if those involved in tourism, however it is stimulated, look at ways of building closer and more imaginative links with the rural and heritage hinterland of seaside and coastal towns. There is also the issue of social tourism. One in three families still do not get any form of regular annual break, and the Government could take up that issue imaginatively.

There is genuine and exciting entrepreneurship in seaside towns. Not long ago, the Number One guesthouse in Blackpool literally became the No. 1 guesthouse, when it was awarded the title of best bed and breakfast in the country. I have already referred to our master plan, and I should also mention the imaginative refurbishment of the Solaris centre in Blackpool, which turned an old solarium from the 1930s into an environmental centre and a venue for meetings and conferences. There are other examples up and down the country that we could talk about, including St. Ives.

Seaside and coastal towns bring out a can-do and entrepreneurial quality in the people who go to them. Blackpool pleasure beach is an extraordinary institution, which has been going for more than 100 years. It was built as a result of the efforts and continued investment of one family. So seaside and coastal towns have a can-do attitude and entrepreneurship, but they need structure, support and an economic motor for regeneration. Most of all, they need a joined-up strategy and encouragement from regional and central Government.

3.7 pm

Mr. David Amess (Southend, West) (Con): I wholeheartedly congratulate the Select Committee on its report. I can say with my hand on my heart that I agree with all its recommendations.

As politicians, we are only too well aware of the problems, but it is the solutions by which we are somewhat challenged. Having carefully read the Government's 33 responses to the Select Committee on Health, or rather the Communities and Local Government Committee—sorry, I am a member of the Health

Committee—I am just appalled. I do not know who wrote the Government's response. Over the years, I have become accustomed to the way in which the Government respond to Select Committee reports, but they normally dress things up a little. In this case, however, their response to the various recommendations has been to say, "One, no. Two, no. Three, no." There is not even any soft language. The only recommendations with which they agree are those in which the Committee does not ask a great deal of them. The Chairman said that the Department for Work and Pensions saw certain matters as historical, but the Government have not even bothered subtly to blame the previous Government for what is wrong.

I am delighted that we are discussing the report, and those of us who represent coastal towns owe a great debt of gratitude to whichever member of the Select Committee it was who walked in one morning or afternoon and said, "Let's have a report about coastal towns."

Dr. Starkey: It was the hon. Member for Southport (Dr. Pugh).

Mr. Amess: I am greatly obliged to the Chairman, and we owe the hon. Gentleman a great debt of gratitude for coming up with the idea for this inquiry. Those of us who represent coastal resorts have tried for so long to persuade the Government of the real difficulties that such towns face. Select Committees are wonderful and independent, and they increasingly have more powers, and it gives those of us with coastal resorts in our constituencies great heart to be able to refer to such a report, but I am not holding my breath waiting for something to happen as a result of the debate.

Sir John Butterfill (Bournemouth, West) (Con): Does my hon. Friend think that it is a coincidence that the Government's response applies only to recommendations that affect non-Government agencies, and not the Government?

Mr. Amess: My hon. Friend and I entered the House of Commons at the same time, so we have become accustomed to these little tricks over the years. He is entirely right about that point.

I was going on to say that we are about to have a change of Government, without a general election, so I am hoping that we may get some action on the 33 recommendations in the Select Committee report. The Minister for Local Government is not here to respond to the debate, but he and I have had several meetings about the challenges that we face in Southend. I am in a reasonably good position to judge what it is like to represent a coastal town, as compared with a new town. Representing, as I did, a new town with a development corporation and a new towns commission was as if I had won the pools. There was investment there all the time. However, having moved to a seaside town I am, not to use too much of a pun, awash with challenges.

I do not want to stir things up too much, but I still regard Southend as the finest seaside resort in the United Kingdom. Nevertheless, it has some real challenges, among which is the fact that 20,000 people were left off the census. I had meetings with the census organisation and the Minister, and was given tea and sympathy, but has anything changed? Absolutely not. It will not change until the next census when some of my constituents, and even I, may have passed on to another place. Who knows? The impact of losing funding for 20,000 people has devastated the community.

It was wonderful that the Chancellor could give everyone free bus passes. Sadly, in Southend that is of no use because we do not have too many buses. As a result of unitary authority status we had cuts of £7 million one year and £5 million the next.

Mr. Sanders: A very peculiar issue about bus travel that seems to worry several seaside resort local authorities is that when the concession is extended nationwide, areas with an influx of visitors will result in a charge for the council tax payer, because of paying for the concessionary fare, unless government properly compensates them. There is no indication that that will happen.

Mr. Amess: The hon. Gentleman has made a wonderful point. We were not given anything, and an even greater burden has been placed on us.

We have lost our buses. We had the longest pier in the world, which burnt down for the third time, and on which huge amounts of money will have to be spent, through nobody's fault. Our beautiful cliffs started to slide into the sea, which will cost a huge amount to repair. The estuary at Leigh-on-Sea needs dredging, because it is becoming silted up and the cocklers can no longer harvest as efficiently as they used to. There are a huge number of problems. How right the hon. Member for Milton Keynes, South-West (Dr. Starkey) was to bring up matters concerning children. In my constituency such issues have been a particular challenge for the local authority. Southend—and Southend, West in particular—has not only the problems of all other coastal resorts, but its own special problems, which we could do without.

We celebrate the fact that we have the most concentrated gathering of senior citizens in the country, including the most centenarians. I shall not fall out with my hon. Friend the Member for Bournemouth, West (Sir John Butterfill) over numbers of senior citizens, but we shall be in the "Guinness Book of Records" for bringing together the most centenarians in the country. That itself presents huge challenges.

The Government's response tells us that they have been helping all Britain's towns and cities to address the issues that they face, through various programmes and initiatives, over the past 10 years, which is splendid. The initiatives have been developed by organisations such as the European Union, development agencies and urban regeneration companies. As to the European Union, I make regular visits, when I meet the appropriate commissioner and try to get money in relation to green initiatives or disability, for example. Whatever the criteria, we will meet them, but we do not really get much money from the European Union in Southend. I ask the House to consider how on earth the European Union will know the detail of the challenges faced by a constituency such as mine.

I understand the good intentions behind the establishment of organisations such as the regional development agencies, but I, and many of my

[Mr. Amess]

constituents, are fed up with unelected, unaccountable quangos trying to dictate to towns what is best for them. In the 24 years that I have been a Member of this House, Parliament has gradually lost a great many powers, and the balance has now finally tipped so that the mother of all Parliaments is in truth no longer running the country. Quangos—unelected bodies—are. The point about them is this: when I represented a new town the money was there, but all those quangos are unable to deliver. Privately their representatives come to see me, asking, "David, can you raise this issue in the House of Commons, and get us taken a bit more seriously and given more money?"

I know, Mrs. Anderson, that I am probably talking to myself. It will not do much good in the long run, but I am heartened by the prospect of a change of Government, without a general election. I particularly welcome the proposals in the Sustainable Communities Bill, which is sponsored by some of my hon. Friends and which will make the action of the relevant organisations more transparent, and, it is to be hoped, more responsive to the needs of specific communities. *[Interruption.]* I thought that my hon. Friend the Member for Bournemouth, West wanted to intervene, but he was obviously just terribly interested—or hoping that I was about to finish; I am not going to quite yet.

A common characteristic of coastal towns on which the Select Committee reported was the nature of the coastal economy. Southend became a popular seaside resort during the Victorian era, owing to its proximity to London, and easy access. It has many similarities to Brighton, but we are not in Brighton's fortunate position. We face many challenges that are different from those faced by Brighton, which of course now has city status. You, Mrs. Anderson, were once the Tourism Minister, and a splendid one. I recall your responding to a debate that I secured in this Chamber some years ago. I thank you for what you were able to do for my constituency and the difference that you made.

To return to the report, it recommended that the Government

"conducts an immediate study on coastal tourism, including evaluating the levels and spend of domestic and inbound visitors to the coast in comparison to non coastal areas."

The Government, however, have stated in response that their investment of £50 million a year in VisitBritain has already taken that task in hand. However, VisitBritain has been getting £50 million every year. Without pretending to be a mathematician, I do not think that it is worth as much as it was 10 years ago.

Mark Simmonds (Boston and Skegness) (Con): As always, my hon. Friend makes an extremely powerful case. Is he aware that rumours are circulating in coastal towns, such as Skegness, which I represent, that the funding to VisitBritain will be cut by the relevant Department?

Mr. Amess: My hon. Friend has his ear closer to the ground than I do. However, I think that the Chamber has heard him. The battle must now be joined.

Many coastal towns with aspirations, such as Southend, cannot afford to promote themselves through the VisitBritain scheme or to appear in its brochure, in which the towns that pay the most money get the best slot and pictures. Now that we have a global market, I hardly need to illustrate the enterprise of various countries, such as Qatar, which has realised that its oil resources will not last for ever and recently has invested £40 billion in tourism. I think that despite having so much to offer, Britain cannot be a lead competitor in the tourism market without increased funding. Indeed, if we are going to talk about wasting money, we must highlight the logo for the Olympic games. I am one of the lead enthusiasts for the games, but I do not think that the logo is worth while.

The report considered diversification, with which I agree entirely, and touched on employment opportunities in Southend. This was another blow to Southend: we were called to a meeting with colleagues at the Treasury and found out that Her Majesty's Revenue and Customs will be sized down. Where will cuts be made? In Southend!

Tim Loughton: Downsized.

Mr. Amess: Sorry, I mean downsized.

We are fighting those changes, but I do not know whether we will get anywhere. I agree also with the points made by the Select Committee about the demography of coastal towns.

I end with the point about coastal management and, specifically, the Select Committee's recommendation. The report pointed out that

"some communities face significant and increasing risks from coastal erosion and flooding".

I do not want to over-egg the situation in Southend, but many years ago there was a very serious flood on Canvey island, which is very near to us, and many people lost their lives. I agree with the Committee's conclusion that investment in sea defences is linked with the regeneration of costal areas. However, again, the obstacle is the lack of Government funding for sea defences. I understand that the Environment Agency no longer provides funding for sea defences because it is not allocated sufficient funds by central Government.

That brings me to the point that I made at the start of my speech regarding the commonality of coastal towns. Many coastal towns suffer from the same problems, but I think that Southend's problems are worse than those of others—for instance, the local authority must bear the huge cost of tackling coastal erosion, if it is going to deal with it. On top of that, coastal towns suffer from the outward migration of the young, which may mean that the particular problems of the coastal economy are more serious even than any of us realise.

The Government must develop a national strategy to help with the serious problems that coastal towns face, the cumulative effects of which put many such towns in a very serious situation. The huge numbers of elderly people in coastal towns do not have the time to wait for action some time in the future.

3.35 pm

Shona McIsaac (Cleethorpes) (Lab): Like other Members who have spoken today, I pay tribute to the work of the Select Committee. I also pay tribute to my hon. Friend the Member for Blackpool, South

(Mr. Marsden) who has over the years lobbied Ministers along with other Labour MPs representing coastal towns and seaside resorts.

I shall try to start with the positives. Cleethorpes itself is a small part of my constituency, but the name conjures up an image of saucy seaside postcards and end-of-the-pier shows. Blackpool, Southend and other coastal towns and resorts also have that image, which is still stuck in many people's minds. That perception is detrimental to the development of our economies. Nevertheless, coastal towns have a lot going for them, and I do not think that we talk them up enough. Cleethorpes has about four and a half miles of sandy beach, although unlike Southend, we probably have the stumpiest, shortest pier on the east coast. It used to be considerably longer, but for some reason, after the second world war, the War Office decided to blow up most of it—I think that the office thought that that was a matter of national security. So we were left with the pavilion, but no pier attached to it. The timbers were then sent to Leicester, I think, to rebuild its bomb-damaged football ground. At least we managed to help out there.

On any sunny Sunday bank holiday, Cleethorpes remains the playground of South Yorkshire. People from Rotherham, Barnsley and Doncaster all head to Cleethorpes, so it remains vital to day trippers. People still spend holidays there. We have the wonderful, listed Humberstone Fitties chalet park, which is enormously popular, as well as some very large caravan sites. However, the core of the tourism economy is now day trippers from South Yorkshire.

As others have said, there is a lot of entrepreneurship in coastal town resorts, and there have been new developments on our seafront—restaurants, coffee bars and other such facilities. We even have our own boutique hotel. The coastal light railway has been expanding; in the 10 years in which I have represented the area, the railway has expanded year on year—it is probably the only railway in Britain about which that could be said during that time—run on time and been very cheap. The track is being extended into the theme park in Cleethorpes. A new cinema was opened recently as well. Until a few years ago, there was no cinema. Given British weather, it is absolutely outrageous that the resort had nowhere inside where visitors could go if it rained. Good things are happening, but they are happening in spite of the Government. We are seeing this development only because of action taken by some very determined, single-minded visionary people in the area.

Cleethorpes has another wonderful attraction: the meridian line runs straight through the resort. Cleethorpes is 9,919 miles from the south pole and 143 miles from London, but frankly London might as well be 9,000 miles away given the understanding of some Departments of what is going on in seaside resorts. The last calculations that I looked at estimated that about 2,000 people work in the tourism economy in Cleethorpes. However, as the Select Committee and others have mentioned, there are serious problems. There is physical and social isolation in the area—it is true to say that we are at the end of the line. The railway stops there. The A180 stops at the outskirts of Grimsby, and from there to Cleethorpes there is one huge traffic jam as people try to get into the resort. The A46, which comes up from Nottinghamshire, is a dual carriageway to Lincoln and from there it is an ordinary road. That creates further problems. The hon. Member for Boston and Skegness (Mark Simmonds) will understand those problems; some of those who go to Boston and Skegness travel the same route. Those transport problems are quite serious.

On the question of the skewed demographics, as in other coastal areas, young people want to move out—particularly talented young people. They do not see a future for themselves there, so if they are bright, they move. There is therefore a much lower than average number of 18 to 44-year-olds. There is also a larger number of elderly people in the constituency, and as other hon. Members have mentioned, many of them do not have family and social networks there, whether because they moved to the area to retire as it is by the seaside or because younger members of the family, seeing no future in the area, have moved out. We therefore need to consider loneliness and social isolation as well, which naturally impact on the Department for Work and Pensions.

Apart from the outward migration of young people, most residents who remain in the area are manual workers. The number of unskilled and semi-skilled workers is much higher than the national average. In the 2001 census, Cleethorpes came fifth in the UK for people in lower supervisory jobs and 37th for semi-routine jobs—routine is the term now used for unskilled jobs. As for professional, managerial and technical jobs, the numbers were negligible. That skewed demographic profile impacts across the board in an area, including politically. In the part of Lincolnshire to which I am referring, there has never been Government investment in a Government agency to bring white-collar jobs to the area. I would love to see that; other areas such as Blackpool have it.

Mr. Marsden: My hon. Friend is making a very powerful speech and echoing many of the points that have been made already. Does she agree—this point was touched on by the right hon. Member for Fylde (Mr. Jack), who has left his place—that one of the problems when it comes to acquiring grants for seaside and coastal towns is that often the area that needs the sustained investment and support has been regarded not only by the Government but by the EU and others as too small to fit into the category, and that a pepper-pot approach, which is desperately needed by seaside and coastal towns, does not always get through?

Shona McIsaac: I certainly agree. I intended to touch on some of the problems in that regard later in my speech.

One point about employment in seaside and coastal towns that has not been made is that much of the work is part-time. Cleethorpes is third in the UK for the proportion of people in part-time work. People will be getting the sense that it is low-skilled work, but it is also part-time work, with quite low wages as well. Interestingly, Great Grimsby—Grimsby and Cleethorpes form the North East Lincolnshire unitary authority area—comes in seventh for part-time work. That has a big impact on our area. In fact, I do not think that any other seaside or coastal town has a higher percentage of residents in part-time work: in Cleethorpes, 23 per cent. of the

[Shona McIsaac]

working population works part-time. If action could be taken on that, the area would benefit.

Also owing to the skewed demographics, the burden placed on social services is extraordinary. Others delivering services in the area have difficulties because of the skewed demographics, but also because of visitors coming into the area. The police argue that they are funded based on population but not on the number of people coming into the area, which increases the burden on policing in terms of antisocial behaviour and law and order. I would love the formula for police or local government funding somehow to reflect the fact that seaside and coastal areas often have a huge influx of people. They do not necessarily stay overnight, but there are certainly day-trippers. I would like that to be examined.

Points have been made about deprivation and poverty. Yes, I have created a lovely picture of the seafront, the promenade and the 4.5 miles of sandy beach. I love the fact that within a few minutes' walk of my front door is that wonderful beach, but as we go further back from the prom, behind the seafront, the poverty grows, and the areas with the most poverty are those closest to the seafront. The commuter villages and suburbs and the new-build estates do not have that poverty.

Of the nine electoral wards in my constituency, three use Cleethorpes in their postal address, and two of those three wards—Sidney Sussex and Croft Baker—are among the most deprived in Britain, but trying to get any grants is very difficult, because we are talking about only two of nine wards in the constituency. That relates to the point made by my hon. Friend the Member for Blackpool, South. The Lincolnshire wolds, on the fringes of my constituency, are not deprived, which has an impact. Overall, the area is quite average. Those pockets of deprivation are hidden by relative affluence in the Lincolnshire wolds and in the suburbs, so whatever we do to tackle this problem, we must recognise the hidden deprivation, which is centred on the quite transient population that other hon. Members have mentioned.

Unlike in many other coastal towns, house prices in Cleethorpes are relatively low. That is the case compared with the regional average and the national average. However, that has led to particular problems, which have increased transience and some of the deprivation. No disrespect to the people involved, but there is a lot of buy-to-let, which in our area does not involve people with one or two properties. Because house prices have been relatively cheap, people are buying a lot of them and they are renting them out, putting many people into them. The condition of many of those properties is very poor. People on a low income are moving into Cleethorpes because the money goes further there, but that is increasing deprivation and social isolation. People move into the area from somewhere such as Leeds, Sheffield or Rotherham, thinking, "Well, things will be much nicer by the seaside. The rents are low." That is creating problems.

Those of us who went out and about canvassing five or 10 years ago recognised the names and the households as we went down a street. Yes, there was turnover, but we would probably recognise the vast majority of people. Now, in some of the streets where most of the buy-to-let is happening in Cleethorpes, there will be several changes every year of the residents in the houses. Information comes through to me from the local authority about alterations and I think, "Oh well, that house has changed again." In some streets, almost half the people could be described as a transient population.

A problem particular to Cleethorpes and some other parts of the country is that many of the properties are leasehold houses. That has kept the house prices low, but it has an impact on people who have lived in the properties for many years and paid their mortgage off. Because the big house building period in Cleethorpes was in the early 1900s, the 99-year leases have been running out and people have found that they do not own the property because it is leasehold. That has had a serious impact on our housing market. Some people are having to sell very cheaply because there is no lease left, which is leading to the buy-to-let.

Sir John Butterfill: There is a similar situation in Bournemouth, where there is a very high proportion of leaseholds—the freeholds are mainly owned by two major estates—but the people who live in those areas are enthusiastically using the leasehold enfranchisement legislation, the Commonhold and Leasehold Reform Act 2002, either to buy the freeholds or to obtain new long leases. Why is that not happening in the hon. Lady's constituency?

Shona McIsaac: As someone who sat on the Standing Committee that considered the Commonhold and Leasehold Reform Bill, I welcome many of the changes that the subsequent Act brought about; indeed, I put some of those changes into the Bill. That legislation has made it much easier for residents in the hon. Gentleman's constituency and mine to extend their leases.

The reason why many people do not take advantage of that legislation is probably to do with the type of people who live in those areas. In the part of Cleethorpes where most leasehold properties are, many people do not have post-compulsory, school-age qualifications. There is some ignorance, much as I try to let people know about the legislation through leaflets and advice surgeries. The problem is purely down to fear and ignorance. However, it does cost money, and many people simply do not have the money to pay surveyors to give estimates of what it will cost to buy the freehold.

People either do not know about the legislation, or they feel that they cannot afford to take advantage of it. Things are not as bad as they were, but it is particularly difficult to get that knowledge to people, especially given that freeholders, frankly, do not want folk to know about it. That is a problem. I try to tell everybody, "Enfranchise, enfranchise, enfranchise." I tell people, "Buy it: you might think that it is expensive, but it is better than losing your home." I thank the hon. Member for Bournemouth, West (Sir John Butterfill) for making that point, because I have now put another advert on the record telling my constituents, "Buy your freehold."

On Government strategy, I shall not use such strong terms as the hon. Member for Southend, West (Mr. Amess), because I am such a Government loyalist,

but I am sorely tempted to use similar language. Instead I shall say that I was somewhat disappointed by the Government's weak response. It was fragmented and did not seem to be a coherent response. Is not that typical of the whole approach to coastal and seaside towns? Perhaps we would have been more surprised if it had all fitted together and been coherent, because so many Departments have responsibilities for such towns.

Let us consider the issues that have been raised today: we have discussed transport, work and pensions, health and education. The Minister who will respond to the debate is from the Department for Communities and Local Government, but the Department of Trade and Industry also has an input because of its role with regional development agencies. We are talking about life—people's lives and people's towns—so every Government Department is involved in this issue. I was disappointed with the Government's response to the report, but my hon. Friend the Member for Blackpool, South and I, and other hon. Members present, have been banging this drum for an awfully long time, so perhaps we should not have been surprised by the response.

I want to discuss RDAs and their input. The RDA with which I work has the wonderful title: the Yorkshire and Humber RDA. The Humber is a river and although Cleethorpes is in Lincolnshire, Lincolnshire is not mentioned. As there is only a tiny bit of Lincolnshire in the RDA, we are, again, on the fringe; the vast majority of its work focuses on Yorkshire. I have read about all the wonderful innovation, and, yes, there has been wonderful innovation in places such as Leeds, but we are still on the fringe. The psychology of the RDA is to put us to one side. Yet again, we are at that end-of-the-line place.

For those reasons, I have my doubts as to whether RDAs are an appropriate vehicle with which to tackle the common problems of seaside and coastal towns. I shall give hon. Members an example to illustrate my point. A few years ago, my hon. Friend the Member for Waveney (Mr. Blizzard) did some work on former fishing ports, many of which are, of course, still coastal towns. We tried to track down Government money that had been allocated to RDAs for the regeneration of former fishing ports, and discovered that it had been divvied up almost equally across the RDAs, including London. The RDAs then spent that money, which was meant to be tagged for specific purposes, in many different ways. In one region, we discovered that it was used to put new lampposts somewhere not remotely near the seaside. When money is earmarked, can we guarantee that when it has been filtered through all the relevant organisations it will get to its intended targets? I have worries about that.

I shall try to end on a positive point. One positive point is that Cleethorpes is a most wonderful place, and save for Tory MPs who are trying to campaign, anyone is welcome to come and have a nice wee break there. As we are next to Grimsby, our fish and chips are probably the best in Britain.

Hon. Members will recall that I raised this matter with the Prime Minister yesterday, because the debate was coming up today. I must admit that the wee bit of sniggering from those who do not represent coastal towns did not go down terribly well. Although he is going to be around for only a couple more weeks, I shall remind hon. Members what the Prime Minister said, because it might be good to repeat his comments to a future incumbent. He said:

> "Because the focus is sometimes on inner-city regeneration, people forget that some coastal towns have large numbers of people who are either socially excluded or unemployed and that such local economies can be difficult. It is precisely for that reason that we are looking at what more we can do to support our coastal towns and to make sure that a fair proportion of the £20 billion that we are spending on regeneration gets to them to allow them to develop local economies that are sustainable in the future."—[*Official Report*, 6 June 2007; Vol. 461, c. 254.]

Having rubbished the Government response to the report, I must say that I thought that a better response than anything in the Government response. It is a shame that the Prime Minister is off, because with that attitude, we could have worked on him a wee bit more.

It has been wonderful for us to discuss the problems of our coastal towns. Yes, they are all very different, but we have come together today to share our concerns about the problems in our constituencies.

Janet Anderson (in the Chair): A number of hon. Members would still like to speak, but if Members restrict their speeches to less than 15 minutes, we should just about manage to get everyone in. I am sure that hon. Members want to give the Minister plenty of time to respond.

3.57 pm

Dr. John Pugh (Southport) (LD): I am sure that as a former Tourism Minister, you must be tempted to intervene in this debate, Mrs. Anderson. I hope that the Minister will respond to the last point made by the hon. Member for Cleethorpes (Shona McIsaac) by commenting on the fair proportion of the £20 billion that is set aside for regeneration. If we get that sort of news at the end of the day, it will be very welcome.

The report has clearly got people talking seriously about coastal towns. As Oscar Wilde said, there is only one thing worse than being talked about, and that is not being talked about—and we are certainly being talked about. We have been talked about on "You and Yours" and on a Trevor McDonald show that I caught, on which the Select Committee report featured prominently and Southport was shown quite favourably. Few Select Committee reports make it on to Trevor McDonald's show.

Apart from the profile of this issue having been raised, I question what other results there have been. The Government's response has been disappointing, and that disappointment has been echoed by organisations such as British Resorts and Destinations Association, which has commented on it. To be fair to the Government, however, they have had some sort of conference and have given support to deprived wards in particular areas.

Dogging the Government's thinking—and, to some extent, the Select Committee's—has been the question of what thematic solutions apply right across the piece for all coastal resorts. Both the Committee and the Government recognise that there is a great variety of seaside resorts, which might be why they both rejected the idea of an individual, dedicated seaside or coastal fund. That is not a bad tack to take, because seaside

[Dr. John Pugh]

resorts differ enormously in size—one could compare Brighton and Whitstable in that regard. One might also compare Southport and Whitby in terms of accessibility, Blackpool and Bournemouth in terms of current economic success and Hastings and Cromer in terms of types of economy. The housing profiles, resident bases and educational opportunities in those towns all differ.

The report makes a fair case to suggest that there are generic problems that are solved more or less adequately in different places. Some problems might not be universal and might be a consequence of the fact that the towns concerned are seaside towns. Although such problems might not be totally peculiar to seaside towns, the fact that the towns are by the coast is the prime cause of those problems.

The fundamental thing that goes against all coastal towns is that they are not in the middle of a radial catchment area—50 per cent. of what their residents look at is sea and fish, if they are lucky enough to have fish in the sea off their coast. That has two important consequences: it often affects the location of public investments, such as hospitals, which should arguably be in the middle of dense population centres, and it affects the location of private investment, because industrial and commercial operators look hard at the catchment area for any investment that they make. Those highly desirable public and private facilities, which are good for any town, often follow commercial and public service models and are set up in centres of population. Most coastal resorts are not centres of population in that sense, so they face problems in keeping public facilities and attracting inbound investment apart from leisure investments, from which they have had particular success.

Coastal towns are invariably at the end of a transport link, on which they are highly dependent. Those links are often appallingly inadequate, given the nature of the economy, the demands of citizens and so on. A lot of seaside resorts grew up in the railway age. In many cases, the railway is either no longer there or no longer useful, so those towns are left with a somewhat inadequate road. It frustrates local councils and local people when their perfectly reasonable pleas for better communication are dismissed because their towns do not happen to be regional priorities or because the funding is simply not there.

Although we complain, the coast remains extraordinarily attractive, which is a big plus. At times, there is an enduring call to all human nature to go to the coast. Unfortunately that call is seasonal and, sometimes, it is to the coast of the Mediterranean, the Iberian sea or elsewhere, which leads to all the problems that we have discussed. Employment fluctuations have always been there to some extent in seaside resorts.

There is an element of decline in many resorts, and there is the problem of spare capacity. Accommodation that was once for visitors who stayed some time is now sometimes filled with benefit clients and the like. We saw a good deal of that in Margate, where we saw the problems that it is experiencing. Not every resort has such problems, however. I was told the other day—the hon. Member for Southend, West (Mr. Amess) will confirm this—that Southend has a university, so many places that might formerly have been occupied by holidaymakers are now occupied by students. That solution is not available to many other seaside towns.

There are other problems that are consequential on being a seaside town but are not a necessary consequence, which to some extent invalidates the Government's response. The Government have dismissed some of the Select Committee's findings by giving general statistics. They suggest that economic fluctuations in employment are not very different from those that one might find in many inland towns. If one aggregates the figures for all seaside towns, including those for the really successful ones such as Brighton, I am sure that one can come up with some such stat, but some seaside towns that are in decline are severely affected by precisely the problems that we have identified.

The Government should also concede—I do not think that they have hitherto—that because of the environment of coastal towns, they attract a large number of retired or otherwise economically inactive people, which puts an additional burden on social services departments. That is insufficiently recognised, which has been the case for a long time.

The fundamental point, which we all want to address, is that to solve the problems as they crop up in coastal towns, we need central Government, RDAs, transport and health authorities and policy makers in general to recognise that there are generic problems and problems that are peculiar to, or typical of, coastal towns. Such problems do not necessarily have a single solution—it is not a case of casinos all round for everything to come right—but there are good solutions for most resorts that have not gone too far down the path of decline. However, those solutions cannot be implemented without a degree of sensitivity from the policy makers.

The Committee Chairman made the point, albeit in a less full-frontal manner than I will, that solutions cannot be implemented without a certain amount of tough political leadership locally, and another member of the Select Committee also made that point. The management of change in a seaside resort, or anywhere else, is fairly tricky, because one is dealing with a volatile political environment. We have only to look at the local election results in—dare I say it—Blackpool, Torbay, Bournemouth and Eastbourne to see what a volatile political environment it is. Seaside towns are difficult places in which to manage change.

One of the most discouraging events that the Committee witnessed in the south-west happened when we went to Exmouth. We found that it had solutions to its problems, but zilch political leadership to deliver any of them, so it was in a state of paralysis. There has to be an absence of paralysis, and there has to be dynamism and a vision of how the resort will regenerate. The community and the other agencies have to buy into that vision.

Support from other agencies is not always as helpful as it might be. VisitBritain was mentioned earlier. On a trip to France with the Select Committee, I picked up a brochure entitled "Guide to the North-West". I looked to see whether my resort was mentioned in glowing colours, and I found that it did not feature on the map, although the squirrel reserve half a mile down the road did. Some mills in Oswaldtwistle that I had never heard

of—I had never actually heard of Oswaldtwistle—were also mentioned. I was deeply puzzled, as I am when I go abroad and find that London, Stratford-on-Avon and bits of Scotland are the only things to which foreigners who come here are generally directed.

Regeneration is a difficult business, and it is a rollercoaster ride for anyone who embarks on it. A major regional attraction will open this month in my resort. It will be called Splashworld, and I am happy to put in a plug for it here. As I go back to my resort, I shall see cranes around the town, which testify to the building of new hotels, a conference centre and so on. I do not share the views of the hon. Member for Blackpool, South (Mr. Marsden) about Blackpool Pleasure Beach, which last year, cynically, stupidly and in trust-destroying fashion closed its Pleasureland operation in Southport, leaving the site semi-vandalised. Within weeks, there will be renewed activity on that site and international marketing of a prime opportunity. I seek to bring home the fact that for most towns, seaside regeneration is struggle. It is a tough ride, but I hope that the report will help people to go on that journey.

4.8 pm

Sir John Butterfill (Bournemouth, West) (Con): Although Bournemouth is often considered to be one of the most successful seaside towns in the country, it is not without its problems and it did not achieve its position without many courageous actions on the part of the local authority and others. Many people think that Bournemouth is a very prosperous resort, but the present Government have identified West Howe, in my constituency, as one of the 20 most deprived areas in the United Kingdom. That often surprises people.

I do not wish to dispute statistics with my hon. Friend the Member for Southend, West (Mr. Amess), but my constituency also has one of the highest—if not the highest—concentrations of elderly people. I am talking about extremely elderly people. My oldest constituent lived to be 116; I went to his 116th birthday party, accompanied by most of Europe's television and other media. He claimed to be 118, but his 92-year-old son said, "No, dad is getting on a bit and he is beginning to lose it. He is actually only 116."

There was a saying among some of our colleagues that Bournemouth was the place to which people came to die and then forgot why they had come there. When I was first elected for Bournemouth, West, some 24 years ago, the town was not the thriving place that it is now. I shall not try to claim much credit for the transition, but the town was fairly typical of seaside resorts: it had an ageing population; it had little industry and commerce outside the tourism industry; and it was suffering the same problems caused by the decline of the traditional family bucket-and-spade holiday as most other resorts. Its future did not look terribly bright.

Bournemouth has been fortunate because its borough council, under successive administrations, has courageously taken difficult decisions. The decision to build the Bournemouth international conference centre and subsequently to refurbish it at the cost of many millions of pounds was very courageous. Some political opponents campaigned, particularly among elderly residents, on the basis that the centre was a waste of their money and would not benefit them. In fact, it has made the town extremely successful and very much to the fore in obtaining major conferences, such as the Labour party conference that will be held later this year. We look forward to welcoming the Labour party to Bournemouth once again.

I should also cite the decision to expand our education facilities. When I was first elected, Bournemouth had the Dorset institute of higher education, which had about 1,100 students. That later became Bournemouth university, which now has 12,500 students. That has made a tremendous difference to the feel of the town. Bournemouth also has about 10,000 students of English as a foreign language. Other than London, Bournemouth is the biggest centre in the United Kingdom for such students.

We have encouraged some major financial services companies into Bournemouth. I played quite a big part in that. I was involved in the decision by JP Morgan to come to the town—we were talking about Chase Manhattan then. That has increased the financial services employment in the town enormously. Such things can be done. Financial services fit well with tourism and do not conflict with it. Where local authorities are prepared to spend the money on making a town attractive, success can be the reward, although it is difficult to obtain.

As the hon. Member for Blackpool, South (Mr. Marsden) and others have said, most of the constituencies of the hon. Members present have a large elderly population. Those people usually come to our areas with fixed incomes, which often fall, particularly when one of the partners dies and the surviving spouse is left to live on a much diminished income. There is a great deal of hidden poverty in most seaside towns. As the Committee's excellent report has indicated, that fact is inadequately recognised by Government in terms of the support that can be given to local authorities. It is a courageous local authority that embarks on substantial public expenditure of the type that is needed to maintain the position of a town as a seaside resort, knowing that much of the burden will fall on people who are not well able to afford it without Government support.

Similarly, the report was perceptive in identifying the problems—we all have experience of these—caused by people coming to towns, particularly on a day basis. When I was first elected, the only way a seaside town could get recognised in respect of Government support was on the basis of bed nights for foreign visitors: if we could encourage enough foreign visitors and prove to the Government that we had received that many foreign visitors, we would get a bit more money.

First, I argued, "What about persuading English visitors to come here rather than go abroad?" When we were successful in that respect, I asked, "What about all our day visitors?" There is no doubt that day visitors impose a huge additional burden on local authorities, on our local health service and on our other local services. At the height of the summer season, the greater conurbation of Bournemouth goes from dealing with 500,000 people to dealing with more than 1 million. That imposes huge burdens on everyone, not least the police.

Mr. Robert Syms (Poole) (Con): I am listening carefully to my hon. Friend, who is making a good case for Bournemouth, which has done very well. We must also consider the impact of youngsters who want to have a night out and drink in the centre of town. That puts burdens on the local police authority and Bournemouth borough council.

Sir John Butterfill: My hon. Friend is right. Although some might not agree, Bournemouth is in some ways fortunate for having supposedly become the clubbing centre of southern England, after London. All sorts of young people appear for the day, for the night or for a little longer, some of whom are scantily dressed. They enjoy themselves in the town until the wee small hours of the morning, and sometimes beyond. That imposes a huge burden, despite bringing a lot of business and spending power to the town. I would not say that we should do without it, although some of my more elderly residents might think that it would be well dispensed with.

The criteria that the Government use to consider how support should be given to seaside towns are not fair. The day visitor allowance has been abolished under the present Government—an extraordinary decision. Although Bournemouth might be able to sustain that loss to a degree, it might be a death knell for many other seaside towns. It does not help us in creating an environment in which we can attract not only UK visitors but overseas visitors. We attract such visitors in increasing numbers, thus benefiting our balance of payments greatly.

Interestingly, the language schools contribute substantially to the number of our overseas visitors. I am not just talking about the young people who come, because some people meet their future husband or wife in such places and subsequently come back on honeymoon and then bring their children back on family holidays. That is a noticeable phenomenon, and we undervalue it at our peril, leaving aside the enormous economic benefit that we gain from the language schools, and the employment and prosperity that they bring to the town.

I welcome this excellent report. I should apologise because I was meeting the President of Namibia when this debate began and I therefore missed the opening part of the speech by the hon. Member for Milton Keynes, South-West (Dr. Starkey).

Dr. Starkey: It was brilliant.

Sir John Butterfill: So I gather. The hon. Lady has done an excellent job, and I hope that the Government will listen. It is very important that they do so.

May I conclude by citing the chairman of the Bournemouth tourism management board? He says:

> "We need to ensure that the government does not do a disservice to Coastal Towns by discounting and dismissing the very sensible recommendations of the All-Party Coastal Towns Inquiry."

4.19 pm

Tim Loughton (East Worthing and Shoreham) (Con): I, too, apologise for missing the first few minutes of the excellent speech by the Chairman of the Select Committee, the hon. Member for Milton Keynes, South-West (Dr. Starkey). I did not intend to speak in this debate, but I have been urged to do so, not in order to join the voices of those Parliamentary Private Secretaries who want to dish it to the Government, but to make some observations arising from the various points that have been raised. I was late because I was with the representative of the Sheikh of Abu Dhabi, but that does not outdo meeting the President of Namibia—*[Interruption.]* I believe that he has a bit more money than Namibia.

I do not want to outdo colleagues, but Worthing has the oldest population in the world, if not the universe—4.6 per cent. of Worthing's population are not just pensioners, but are over the age of 85. I recently went to a 106th birthday party—not quite 116—and was regally entertained with the largest glass of sweet sherry that I have ever had in my life, and some interesting entertainment. I thought that people came to Worthing to die, and then forgot, and that the apocryphal graffiti at Victoria station says, "Dover for the continent; Worthing for the incontinent." I shall not go into that.

The serious point is the enormous pressure on the local infrastructure, particularly the health service. I shall not repeat health debates, but in south-east England the pressure that older people place on the health service is considerable. A 75-year-old requires twice as many visits to or from the doctor as a 65-year-old, yet the captitation payment in the health service does not acknowledge the additional age-related costs. The older population is disproportionately concentrated in seaside resorts, particularly along the south coast in Bournemouth, Worthing and the coastal resorts of Kent.

The references to Margate are interesting, and I see from the Select Committee's report that the Committee visited Margate. I am delighted that the serious problem of looked-after children being dumped there was also mentioned. I made a speech about that this morning at a conference on looked-after children. Disadvantaged children who have had traumatic experiences are often dumped at the opposite end of the country from the place they are used to. That does them no favours, and they are often left to run riot.

A couple of years ago, a chief inspector in Worthing told me that 28 per cent. of his crime figures for one month related to half a dozen children in independent children's homes—we now have 10 such homes in Worthing. The problem was not necessarily the individual homes, but the effect of clustering them. If the children are not properly looked after, it is not fair to local agencies or the police who must pick up the problems, or to local residents who must suffer the problems. Most of all, it is not fair to the young people whom we have already failed to fail them again by putting them in those areas.

I quoted Lord Utting earlier because many years ago, back in the '90s, he produced a report saying that young people who go into the care system should remain as close to home as possible, unless there is a good reason for them to be given a completely clean break and taken to a place of safety away from traumatic family experiences, and that preferably they should have kinship care. I have visited independent homes in my constituency, which often offer good-quality service, but children from inner-city London, Somerset and other urban towns are dumped in seaside

coastal resorts or rural areas in West Sussex, and are like fish out of water. The experience is disorienting for them and we are doing them no favours.

That happens in many coastal resorts, such as Margate, although I read a little while ago that because of the perceived problem with hoodies, whom we love dearly, a group of pensioners in Margate had got together—they were dubbed the gangster grannies—and went around wearing hoodies so as to make the wearing of them so uncool that young people would not want to wear them to make themselves seem intimidating, which is interesting counter-intuition.

Another problem in coastal towns, certainly in Worthing, is identity crisis. As the hon. Member for Southport (Dr. Pugh) said, they are often towns that grew up because of railway links, and they prospered because they followed the success of Brighton's royal patronage. Worthing became an alternative to Brighton, and coastal towns became upmarket seaside resorts, but were later often hit by poorer times. Some places, such as Cleethorpes and Blackpool, served as holiday resorts for midlands industrial towns where everyone took their holidays at the same time.

What are those towns now? In the age of low-cost flights, when it is cheaper to fly to Torremolinos than to take the train from London to Brighton or from Leeds to Cleethorpes, their role is not so clear. Are they still seaside resorts with a future? I believe that they have a future, but the competition is far greater. Are they retirement towns? In places like Worthing, there is clearly a dominance of people who have retired there, and they are often incoming retirees. Many people retired to Worthing from Essex because they went to Worthing for their holidays when they were children, and then retired to the south coast that they knew. However, nearby towns in my constituency—Shoreham and Southwick—consist of people who have lived there for generations. There is a great contrast in the populations.

Are coastal resorts business towns? For three years running, Worthing had the extraordinary accolade of being the most profitable town in which to do business in the United Kingdom. My hon. Friend the Member for Worthing, West (Peter Bottomley) and I are at a loss to work out how that was calculated. We think that because GlaxoSmithKline has a large division in Worthing its worldwide profits were predicated into the calculations; thus, Worthing turned out to be the most profitable town. However, we have a thriving business community, as does Brighton—the hon. Member for Blackpool, South (Mr. Marsden) mentioned that. Are the south-eastern coastal towns business towns, or are they on the fringes as commuter towns? I do not know the answer. Many local people—Worthing is not atypical in this respect—really do not know the answer.

Some towns have been very successful. A few years ago, some coastal towns, such as Brighton and my birth town of Eastbourne along the coast, got together to work out what they wanted their identity to be. With the council, the chamber of commerce, business, the hotel industry, and the movers and shakers they decided that they wanted to be upmarket conference towns, for example, and appealed to the conference business. A common theme among many coastal towns is an identity crisis.

I agree that many coastal towns need strong leadership and someone to bring together strong local movers and shakers to take them forward, out of the time warp in which many of them have been stuck. That can be done, but it needs Government support. They do not need the Government to lead the way, but they need the Government to provide support. The Government have been good at identifying areas of social exclusion in inner cities and sometimes the rural poor, but coastal towns have missed out, and they need help because of their special circumstances.

I would guess that all our constituencies—we have heard this today about coastal towns—have enormous contrasts between neighbouring wards. In my constituency, I have wards that are in the top 10 per cent. in terms of deprivation next to wards that are of average or just above average affluence. Depending on how the geographical boundaries are drawn, if the two are bunged together they come out as having an average rate of poverty or affluence, so some pockets of poverty are overlooked, which masks the situation.

Places such as Worthing, Brighton, Hastings and Cleethorpes used to be fishing towns, but the fishing fleets have gone. We did not see the money that was supposed to help them out, but the last vestiges remain of what used to be prosperous fishing towns. Shoreham harbour in my constituency is the closest cross-channel harbour to London, but reflects only a shadow of its former glory in years gone by.

There is a problem, particularly in the south-east coastal areas, with transport. When I go to Blackpool for party conferences, the journey by car is swift, and travelling within Blackpool to one's hotel is not too bad. However, travelling to Worthing, Eastbourne, Brighton, Chichester and Hastings by road can be a nightmare. The train service to Brighton is a good one, but as soon as one arrives at the south coast and turns right, it becomes a nightmare. I have many big manufacturers in my constituency, including GlaxoSmithKline, British Oxygen and B&W Loudspeakers, but a place at the end of a line where there are very poor road infrastructure links surrounded by residential areas is not obviously the best place to run a manufacturing business.

Mr. Marsden: I am glad that the hon. Gentleman acknowledges Blackpool's good road links, and I do not dispute anything that he says about the problems with roads in the south-east. However, there is another side to the coin. Getting to Blackpool by road from London may be relatively easy, but getting to Blackpool by public transport is anything but. That is a legacy of the failure of 1970s Conservative Governments to invest in the west coast main line, and sadly, of our general problem over the past 20 years in making Governments of all hues recognise the importance of public transport—in particular the railway network—to seaside and coastal towns.

Tim Loughton: The hon. Gentleman has had 10 years to do something about it, but let us not go there, because we have built up a cross-party consensus in the Chamber.

Transport to many coastal towns, and particularly to the south because of the population density, is not good. When we in the south-east are told that the region stretching from Milton Keynes—the constituency of

[Tim Loughton]

the Chairman of the Select Committee—to Dover, the Isle of Wight, Sussex, Berkshire and so on, which is amorphous and incohesive, is to be the powerhouse of the European economy, and that central Government must impose housing development on us, many of us have reservations. However, everybody will have reservations if we do not have the infrastructure to support that development.

The number of new houses that my constituency is being forced to take is ridiculous given the geographical limitations of the sea to the south and the downs to the north. We simply do not have the spaces for those houses, and we certainly do not have the infrastructure for getting to and from them, let alone to and from the companies for which the people living in the houses are supposed to work.

We are dealing with a double-edged sword. The A27 is probably the biggest car park in the south of England. One can drive from Newcastle all the way down south on dual carriageway or motorway until one reaches my constituency when it changes into single-file traffic on a major trunk road. It is crazy putting more and more cars arising from the extra house building on to that road; it is a double-edged sword. Our biggest weapon for combating inappropriate further developments at the foot of the downs is by saying that the roads cannot sustain them. That is the biggest factor enabling us to reject some of the developments on appeal. However, we want infrastructure, investment and everybody to have a good quality of life, so that they can retire to Worthing or bring up their families in Worthing, Shoreham or another town in East Sussex.

Brighton is a thriving place and a big town of 250,000 people, but it has its problems. I visited a Brighton school that was dubbed the third worst in Britain a few years ago. At the school, which is in a particularly depressed part of Brighton called the Whitehawk estate, there is some really good stuff going on, and an entrepreneurial headmaster is bringing about change. Brighton is the drugs capital of the United Kingdom, and there has been a great deal of downside to its prosperity and the life that has been put into it.

However, Brighton is just a city, and although I am not trying to undermine the place, it has gobbled up the lion's share of investment, particularly social investment, from the Government. Much regeneration money has quite rightly gone into cities because of their problems, but it has done so to the exclusion of neighbouring towns and villages, which also have big problems. They do not qualify for that help because they do not have economies of scale or the same quantity of problems, and they do not get the help and regeneration that they need.

A scheme that worked really well and that the previous Government strongly championed was the single regeneration budget. One did not need to be a big city or a big deprived estate to qualify for it. The SRB did a lot in my constituency and along the Sussex coast in pockets of deprivation to help to upgrade the more downmarket business estates, to regenerate the town centres that had lost out to out-of-town shopping centres and to bring up the standard of the housing. It worked very well, because it was not big-budget stuff, but it had a big bang for its buck.

My final point is about coastal erosion. We have benefited greatly from the Environment Agency, I am glad to say. We got £20 million to fortify the coastal defences from Shoreham to Worthing, where we are vulnerable and below sea level. I am grateful for the Environment Agency's far-sightedness, which enabled us to do that work. The trouble is that because of the pressure on budgets for coastal defence *work, and* because the problem a few years ago was not coastal but river defences, when the city of Chichester, the town of Lewes in Sussex and other market towns throughout the country flooded badly, a great deal of money that would have gone into coastal defence work had to go into river defence work in our towns. There is a competing equation, and towns are losing out on coastal defence work that is essential if we are to defend them from the effects of global warming.

The debate has raised a range of interesting coastal town problems. I am not one to bleat and say, "Why aren't we getting more help?" because ultimately local people, enthusiasm and entrepreneurship, and the flexibility to adapt to new times, markets, customers and interest, are the future of our coastal towns. However, the Government must at least recognise that coastal towns have diverse problems. They are not inner cities with enormous estates that suffer from all sorts of deprivation; they are not rural ex-coal mining or ex-tin mining communities that have specific problems; and although many parts of north-west Sussex are close to affluent rural areas, many parts of south-west Sussex are not. It does not mean that they are without their problems.

We want to solve the problems ourselves. We need greater co-ordination and we parliamentarians can be the catalyst for much of that change, but it would help if the Government recognised the problems and responded rather more positively and proactively than they have to the Committee's otherwise excellent report.

4.37 pm

Mark Simmonds (Boston and Skegness) (Con): As a non-member of the Select Committee on Communities and Local Government, I start by congratulating the Chairman, the hon. Member for Milton Keynes, South-West (Dr. Starkey), and her colleagues of all political persuasions on the excellent, comprehensive and cohesive report that we are debating this afternoon. As I was present when she spoke, I can confirm to those who were not that she did so with great passion and eloquence.

The hon. Lady was absolutely right to highlight the three or four key issues that the report pulls out. They include outward and inward migration. Outward migration involves people who are younger, brighter and ambitious—they want to go away to university, and they rarely come back. We have exactly the same problems in Skegness. Inward migration is often by elderly, vulnerable or poor people. The hon. Member for Blackpool, South (Mr. Marsden) made the same point, and he was right to do so.

There are also poor transport links, but I shall not dwell on them, because although it is an issue in Skegness, it is not one of the top three or four that I want to discuss. My hon. Friend the Member for Southend, West (Mr. Amess) is right to be proud of

Southend. I am sure he knows that in a recent survey, Southend and Skegness came joint first as the best places to retire in the United Kingdom, and we, as the representative Members, can be proud of that.

My hon. Friend the Member for Mole Valley (Sir Paul Beresford) was absolutely right to highlight the importance of co-ordination. In Lincolnshire, East *Lindsey district council has* set up a coastal action zone that pulls together all the disparate and requisite bodies to put forward a cohesive action plan to regenerate the coast. He has a great deal of expertise in regenerating socio-economically deprived boroughs from his excellent work over many years in Wandsworth, which is now a beacon in the local authority sector.

Shona McIsaac: I was there, too.

Mark Simmonds: The hon. Lady was also on the local authority in Wandsworth with me at that time, and I am sure that she learned many lessons from my hon. Friend about dynamism and how to regenerate socio-economically deprived areas.

My hon. Friend was also absolutely right to say that the Minister should feel beleaguered, although I would go further and say that she should also feel embarrassed to come here and defend the Government response to the excellent Select Committee report. The hon. Members for Blackpool, South and for Cleethorpes (Shona McIsaac) also said, although in a very polite way, that the response was not acceptable and not up to scratch. Of course, they have to be careful, given their positions.

Before I drill down into some of the details of the issues for Skegness, I should like to put it on the record that the town is very different from Bournemouth and Worthing, because it does not have economic diversification. It is very reliant on the UK tourist industry and is a very successful UK tourist resort. I would argue that it is the leading UK tourist destination. People go there—and to Cleethorpes—from the former coalfield areas of South Yorkshire and from many parts of the midlands, such as Mansfield, Nottingham and Worksop.

Some 600,000 people visit Skegness in summer. In peak periods, there are 250,000 tourists in the town. The tourism sector is dynamic, full of energy and driven by an entrepreneurial flair that means that the private sector is prepared to put its money where its mouth is and invest in creating attractions that bring people back to Skegness, and other tourist resorts, year after year. Skegness's tourism sector is also coupled with a hard-working public sector that understands the importance of co-operation and a link between the private and public sectors.

I want to pull from the report several key points with which I agree—I shall rattle through them quickly. The report states that

"Government has neglected...coastal towns for too long."

I agree. It also states that the

"Government does not sufficiently appreciate the needs of coastal towns."

I agree. There needs to be cross-departmental liaison, which is currently "disappointing", and I shall return to that theme.

There are problems, particularly those linked to deprivation, common to many coastal towns, and that is just as true of Skegness as it is of Blackpool and Cleethorpes. A high number of people in coastal towns claim sickness and disability benefits, and it is absolutely right to point that out. The response from the Government on that, read out earlier, was awful, and it raised a titter of laughter in the Chamber. I hope that the Minister will address that issue in her reply.

We need a national level requirement to promote English seaside resorts to visitors, and it is incumbent on the Government to try to find ways to address such resorts' inherently low-wage and low-skill economies, the seasonal nature of employment and the importance of economic diversification. I will make some specific suggestions on that later.

I want to put on the record some of the specific problems in and around Skegness. I want to cover the level of deprivation. Some 19.4 per cent. of the working-age population in the East Lindsey coastal area claim incapacity benefit. The area includes the constituency of the hon. Member for Cleethorpes—

Shona McIsaac: No; my constituency is in north Lincolnshire.

Mark Simmonds: Well, I am talking about the East Lindsey district council area, which is along the coastal strip. The figure is 19.4 per cent. in that area, compared with the average of 7 per cent., which is a significant difference. According to the 2001 census, Skegness has a population of 18,000, divided into four wards, three of which rank very high on the indices of deprivation. However, as has been mentioned, because things are done on a ward basis, the requisite funding from the European Union or central Government to address those problems is not attracted.

There have been problems with the local hospital in Skegness, which has been under threat. As in other coastal resorts, there is a high proportion of elderly residents in Skegness—the average is 23.7 per cent. compared with the UK average of 18.4 per cent. When one of the hospital's wards was closed and there was a threat that the hospital would be totally closed—coupled with the threat of the closure of the accident and emergency ward in Pilgrim hospital, Boston, which is also in my constituency—there was a chance that the accident and emergency ward nearest to Skegness would be in Lincoln, which is an hour and a half away. Thankfully, that possibility was defeated by a concerted effort and campaign. I hope that there will be more investment—capital investment, not just revenue investment—in the health service in Skegness, and if I have time I shall return to that theme.

Turning to education, some 50 per cent. of residents in the east Lincolnshire coastal region have no qualifications at all compared with a rate of 29 per cent. nationally, and only 13 per cent. are qualified to NVQ level 3 compared with a rate of 48 per cent. nationally. Those significant statistics demand changes to how the public sector is funded through the current formulae, and I shall come to some specific proposals later. Several of the schools on the east Lincolnshire coast and in Skegness are poorly equipped. Such areas have highly transient populations, and there is significant movement in school rolls. That means that the schools do not get the requisite funding, because the decisions are made on the count of the school roll in September, even if the numbers increase significantly

[Mark Simmonds]

later in the academic year. I have raised that issue before, but nothing has been done.

Turning to employment, the Lincolnshire coast is the least productive area of a low-productivity county. It has a low and falling gross domestic product in comparison with the rest of the United Kingdom—there are low wages and low skills with seasonal work often dominating. Large numbers of people in the area claim jobseeker's allowance in the winter months. Disgracefully, the DWP withdrew that without warning, leaving people in Skegness and other coastal towns suffering without any money at all. Thankfully, that decision was overturned on appeal.

The significant problems with housing have been driven by the recent changes to housing legislation. The changes mean that local authorities have to take into consideration people coming from elsewhere. A resort such as Skegness is an attractive place to live. People from the east midlands want to come there, and if they come from pockets of deprivation, they are often very high on the housing priority list. That means that local people in Skegness cannot access social housing. The problem is coupled with and exacerbated by the fact that there are 26,000 caravans on the east Lincolnshire coast, the vast majority in my constituency. They used to be holiday homes—second homes for people from the midlands. There is now a growing trend for people to live permanently in caravans. They use the local facilities but make no economic contribution through council tax towards paying for them. Caravan parks close for one or two months of the year, so such people go and rent private property in Skegness and then return to their caravans. I am working closely with East Lindsey district council on that, and we are attempting to set up a meeting with the relevant Minister to discuss it.

There are also significant environmental issues, particularly coastal flooding. According to the Environment Agency, my whole constituency would be under water if it were not for the coastal defences and the excellent work of the internal drainage boards. Yet via the local authorities, this Government have cut funding to those boards, which used to get 100 per cent. rebates from central Government. Now they get only 87 per cent., which means significant deficits and more pressure on local council tax payers. The Government ceiling in respect of 5 per cent. increases means that the local authority has to make a difficult decision. Does it cut back on service provision or flood defences?

Because of their incompetent handling of the single farm payment, the Government, through the Department for Environment, Food and Rural Affairs, are having to make significant cutbacks to coastal flood defences. In this year alone in Lincolnshire, £15 million is being taken from those defences. That could well have a significant impact, particularly in the context of climate change and global warming.

The Government need to focus on five particular issues, the first of which is tourism. They need to formulate a national strategy, including economic diversification strategies, for coastal tourism. I do not share the confidence of the hon. Member for Milton Keynes, South-West about regional development agencies. Like the hon. Member for Cleethorpes, I believe that the RDA in the east midlands is distant and does not understand the coastal region and coastal issues, although I believe that she and I have different regional development agencies. I would much prefer the engagement to be with the local authorities and in order to go to the lowest possible level with people who understand those communities. More needs to be done about tourism.

The revenue support grant is the second issue that needs to be addressed. It needs to take into account to a far greater extent elderly and transient populations and recognise the geographical variations that demand different emphases on services in respect of those groups. There are large numbers of tourists in Skegness, and some of them are not terribly well. GPs get refunded from other primary care trusts, so they give tourists priority at their surgeries, which means that local people cannot access their own GPs, particularly in the summer months. That is causing immense tension, as I am sure that all hon. Members will understand.

Furthermore, we need to look at coastal protection. We need a significant increase in the availability of funding for coastal flood defences. DEFRA must not continue the cuts that have followed the RPA shambles. Some 20 per cent. of the food consumed in the UK is grown in eastern and southern Lincolnshire, and the possible salination of high-quality agricultural land could significantly damage the production of that food for a long time. Coastal protection is vital for most, if not all, the people in my constituency, because, as I have said, the whole of my constituency would be under water otherwise. The Environment Agency must be fully funded in the comprehensive spending review that will report in the autumn and I hope that the Minister and her officials will take that message back.

Finally, I would like the Government to focus on further investment, particularly for health and education. I have talked briefly about the hospital, which needs capital investment. I hope that we will succeed in getting some capital investment from the community hospital fund. There needs to be a greater focus on the further education sector in my part of Lincolnshire, as it has low penetration and accessibility. The whole Lincolnshire FE sector gets less funding than one FE college in Nottingham. That has been recognised by the Learning and Skills Council, but in my view the misallocation of funds is being rebalanced and readdressed far too slowly. The low-wage and low-skill economy in Lincolnshire means that there is a need for the FE sector to be more accessible and relevant to the needs of the people in the part of Lincolnshire that I represent.

In conclusion, I thank the Committee once again for its hard work in putting together this excellent report, which makes a significant contribution to coastal towns. I hope that the Government will go away and reflect on their response, which is not excellent. As a representative of Skegness, I do not see why—we have heard this from the representatives of other coastal towns—we should not have the same priority and resource allocation as the inner cities. We have the same problems, exacerbated by distances, isolation, an ageing population and declining public services, including transport.

The Government need to take seriously the issues set out in the report. There is no reason why the work cannot be done across the Departments, nor why the Government should not set up a coastal regeneration taskforce, as the hon. Member for Blackpool, South pointed out. That should be a facilitating and enabling taskforce, rather than one that tries to take on the work load itself. The Government need to take coastal communities seriously and, at the least, to provide the appropriate focus to help economic diversification.

I shall continue to fight on behalf of the coastal town of Skegness, and the message from other Members in the Chamber, irrespective of their political persuasions, is that they will continue to fight for their coastal towns, too.

4.53 pm

Mr. Adrian Sanders (Torbay) (LD): I congratulate the hon. Member for Milton Keynes, South-West (Dr. Starkey) on securing the debate and enabling this important matter to be discussed through her work as Chairman of the Select Committee. The Committee's report took the common challenges that face coastal towns and placed them firmly on the political agenda. For too long it has been assumed that because a town is an excellent place to spend a week's holiday, the permanent population must be lucky to live there. In a sense they are, but as we have heard today, in many other senses they are not.

Anyone who ventures past the promenades, deckchairs and piers will soon realise that many people who reside in coastal towns are far from lucky. From the lack of affordable housing to low-value employment, the vast range of problems that plague such towns have a daily impact on the lives of residents. I commend the Committee for turning its attention to some of those issues. Although I appreciate that the Committee covered a wide range of issues, for the sake of the debate I will focus on coastal economies, demography, funding and regeneration.

As the MP for what I consider to be England's premier coastal town, I am only too aware of the challenges faced by such towns. It is difficult to represent a holiday area as our main business is attracting visitors and therefore it is our duty to put the best gloss on the attractiveness of our area. However, we cannot ignore the socio-economic changes that have taken place in most of our seaside towns over the past 30 to 40 years, which have resulted in a number of negative features, more often associated with inner-city areas, that lie behind the facade of the palm trees.

Seaside towns could be described as 180° local economies, whereas inland communities are 360° economies. Seaside towns have hinterland on only one side, while the sea faces them on the other. Those with the most severe economic difficulties are, inevitably, a long way from the main centres of economic activity and are geographically on the periphery. Many seaside towns are a mixture of the urban and rural, the deprived and affluent, and residents and visitors. Their main industry is tourism, which is one of the fastest-growing economic activities in the world—but not, sadly, in our coastal tourist resorts.

Some 42 per cent. of British residents who opt to take their main holiday in Britain choose a traditional seaside destination. The market is worth an impressive £4.2 billion. Between 2005 and 2006, more than 270 million day visits were made to the UK coast. However, day trippers to the coast spent on average one third less on their day out than those who visited an inland city. However, that is only part of the story. The figures do not separate tourism spending in seaside resorts from the growing number of inland attractions and markets across England. They do not recognise the fact that local tourist spending does not stay in the local economy because of the growth of nationally owned entertainment centres, pubs, hotels, retailers and superstores, where once locally owned businesses rang up the tills.

The geographic location of coastal towns means that they are likely to be end-of-the-line destinations, and with poor transport links it is harder to diversify the local economy to attract higher value employment from manufacturing and other sectors. The Government's transport policy only exacerbates the problem, as funding and approval of major road projects is concentrated on the main arterial routes linking our main centres of population, with a number of coastal towns waiting decades for much-needed link roads.

Although the Committee has highlighted the trend of high sickness and disability benefit take-up in coastal towns, the Government have again chosen to stick their head in the sand and deny that that is a problem. Unemployment in seaside resorts remains higher than the national average. In the United Kingdom the average was 5.4 per cent., but in many seaside towns it was well above that figure.

The most recent figures produced by the Office for National Statistics on local labour markets show that in three of England's regions, coastal towns have the highest take-up rates of jobseeker's allowance: my constituency in the south-west, Thanet in the south-east and Great Yarmouth in the east England region. I am glad to see that the hon. Member for Great Yarmouth (Mr. Wright) has taken an interest in the debate. The Government fail to acknowledge that the majority of tourism sector jobs are of a low value and tend to be minimum wage, service sector employment.

High employment figures mask the cruel reality of low-value employment for both the individual minimum wage employee and the local economy that has less disposable income in circulation to help other businesses to grow. The employment figures that the Government use do not reflect the nature of the employment situation. Low-skilled jobs do not prevent young people from leaving the area, provide enough income to allow people to compete in the local housing market or provide stability within communities that already have an above average transient population. No progress will be made until the Government acknowledge that that is a problem.

Housing has been mentioned this afternoon, and although I appreciate that the issue of affordable housing affects many parts of the country, unaffordability is exacerbated in coastal towns. I welcome the Committee's acknowledgment that greater provision of affordable housing is a key priority in coastal areas. Too many grotty bedsits and flats hide behind the affluent image of the Victorian seaside hotels and villas. That is a consequence of changes in the tourism market and of the Government's failure to recognise that special change. The housing that has been built is out of reach to the two thirds of would-be movers who earn less than

[Mr. Adrian Sanders]

£17,500 a year, which is not enough to get a first-time buyers' mortgage on a terraced house in my constituency, let alone on certain housing in areas of higher house prices in the constituencies of other hon. Members.

The Government must consider giving local authorities more power to require developers to build properties that match local needs. Part of the problem could lie in the fact that VAT is levied on renovations but not on new build. The renovation of a great deal of old, crumbling infrastructure, often built in the Victorian era, in our seaside resort areas could be encouraged if that VAT were lowered. Planning law also needs major reform: local authorities must have greater power to determine what can occur in their area. Following pressure led largely by Members of Parliament from coastal resorts, the Government changed the rules on second home council tax discounts. Although that change is welcome, however, it is only a tiny step in the desired direction.

The decline in business for both hotel and bed-and-breakfast owners and the consequential pressure from their lenders have led many into a tariff war with their competitors in which they have been charging rates that minimise profit margins. Where I grew up, I had friends whose parents made money as bed-and-breakfast proprietors—that was all that they did, yet it provided an income for a family. They were able to sit on the income during the winter months and spend the winter renovating for the next season. I do not know any guest house proprietor today who does not need a second job or income, because they cannot now sustain a living through tourism alone. Others have sought new custom from the growing numbers of people who are looking for accommodation to rent—many of them on long-term benefits. Changing accommodation use from tourism to long-term tenancies has an impact on the streets and neighbourhoods in which that accommodation is located.

Reference has already been made to the number of housing benefit claimants, which increased nationally by 5 per cent. between 2001 and 2006. In my own constituency, the number of claimants has increased by 16 per cent. Government ought to be asking why that is and addressing the consequences of that trend. In their response to the report, the Government have stated that they are on track to deliver 30,000 new social rented homes nationally in 2007 and 2008. I acknowledge that that is a 50 per cent. increase on 2004-05, but it is really not good enough. In my constituency alone about 6,000 applicants are waiting to be housed, with only about 600 properties being allocated each year. If the Government are serious about tackling the shortage of affordable housing, they need to provide serious funding, but currently they are not.

The Committee noted the impact that a coastal town's demography can have on its economy. Inward migration of older or economically inactive individuals, coupled with outward migration of the young, perpetuates many of the problems that coastal towns face. The large, elderly populations are in many ways an asset—elderly people contribute to voluntary organisations, clubs and societies that would collapse without them. However, the numbers have effects for which local authorities, businesses, and health and social services cannot compensate. A large proportion of the elderly population are on fixed incomes, which in real terms are declining incomes, so the amount of money circulating in the local economy is suppressed. The extra pressures on local health and social services are not fully compensated for by Government grants. As the number of retired people is expected to increase over the next decade, the Government must deal with those issues.

On regeneration, I welcome the Committee's recommendation that the Government should support a permanent network to facilitate the spread of best practice in coastal town regeneration. Although they have held a Department of Trade and Industry conference on coastal towns, the Government refuse to take responsibility for the regeneration of such towns, stating that it is the role of the regional development agencies. Yet the South West of England Regional Development Agency, for example, with the support of the Government, is using taxpayers' money to help relocate Dartington College of Arts—a higher education establishment—to another part of the south-west region. That is taking business and jobs away from the coastal resorts and towns of south Devon, despite the fact less taxpayers' money could be used to secure the college's future where it is currently based. I have much sympathy with the hon. Member for Southend, West (Mr. Amess) in wondering what the point of RDAs is if they can, in my terms, misuse or abuse taxpayers' money in that way.

Governments have recognised declining and restructuring traditional industries, and have funded inner cities and rural areas to assist their economic regeneration. New tourism markets have developed, which in most cases have won some of the business that traditionally came to resorts. Traditional seaside resorts have suffered a double whammy: their economies have been in decline because of overseas competition, while Europe and the UK Government have funded other areas and made them into competitors for tourists.

Why, given that single pot funding was allocated to the old coal-mining towns, are the Government so quick to dismiss a similar approach to tackle the problems faced by coastal towns? At the same time they seem perfectly happy to see European funding wasted on pointless relocations of higher education establishments that add no value to the economy of the far south-west. Is the answer that the decline of the mining towns occurred almost overnight, whereas the decline in coastal towns has been happening gradually for the past 25 years? Is it also that those who approve European and other funding lack any real accountability to the areas that they serve and to those whose taxes fund them in their work and largesse? Both those issues need addressing—and quickly.

In conclusion, it saddens me that the Government have disagreed with every single recommendation by the Committee that requires them to carry out any action or change any resource priority. The Government are supporting only those recommendations that require them to do nothing. Their response to the Committee's report shows a blatant disregard for the people who live in coastal towns.

5.06 pm

Mr. Robert Syms (Poole) (Con): It is a pleasure to speak in the debate, because both it and the report are very worth while. Those of us who represent coastal towns realise that there are some serious issues to deal with, because the problems of coastal towns have not been under the spotlight in the same way as those of many older industrial areas in the nation. I, too, am disappointed by the Government response, but I hope that the debate will prompt both the Minister and the civil servants to go back and think more carefully about what can be done to try to address some of the difficulties.

It is clear that there is a range of challenges and problems and that there is no uniform solution. However, one's impression from today's debate is that the problems of larger towns that have proud borough councils with universities and conference business are little different from the problems of Skegness or Cleethorpes. Nevertheless a range of actions is needed. There are certain common themes. One is that all of us in seaside towns have wards that are generally speaking very prosperous and in which property prices are beyond the means of most of us, yet those towns still have areas of deprivation. That is not picked up by the grant formula or European funding, which means that when the average comes out we miss out on most of the grant funding. In the computer age, we should be able to refine the grant system to deal with some of those areas of deprivation.

In my constituency is Sandbanks, where people buy houses for multi-million pound figures, knock them down and build even bigger, Dallas-type houses. However, the constituency also has areas of great deprivation that can be as little as a mile and a half away. Dealing with the problems of that deprivation is terribly difficult. People go to the seaside and see nice beaches and attractive scenery, but sometimes that masks the social and economic problems. The report mentions many such problems, of which housing is one. People born in Poole and Bournemouth and in many other coastal communities are often the very people who cannot afford local housing and who are therefore sometimes forced to leave the area against their will.

A common theme has been the number of older residents that coastal areas attract, and the loss of young, enterprising people, partly because of house prices and partly because people with degrees can perhaps find better-paid jobs in London. South-east Dorset, which I know a little better than many other areas, has a real problem in retaining the knowledge base in the local economy to create jobs and wealth.

One of the most telling points in this debate was one made by my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton). The issue is not only the number of pensioners—we can debate the statistics, but I believe that Worthing probably has the highest number of pensioners—but the fact that people live to their 70s, 80s or 90s. The dependency of people in their 80s and 90s—the number of visits from doctors, the visits to hospitals and the care support that they need—means that the real costs get driven up substantially. Quite often when I have a pensioner with difficulties or with problems with care, the relative who writes to me and asks whether I can help Mrs. So-and-So lives in Cleethorpes, London, Bristol or somewhere else. People do not have extended family to give support.

We heard in this debate about the real problem of care homes in coastal communities, but, as we all know, dealing with some problem children in our boroughs and constituencies can cost an awful lot of money. Legislation makes much of that spending mandatory, which means that money allocated for social services does not get spent on the elderly, who need it and who have very real demands. There is certainly a good argument for reviewing the grant funding formula to determine whether it needs to be rejigged.

I believe that the report mentions the national health service once—it does not say much about the NHS because it is, of course, the preserve of another Select Committee—but the NHS and the impact that it has on our local citizens is a major and real problem in coastal towns, and it needs to be taken into account.

There are major problems. Another theme that comes up, particularly in Transport questions, is the ability of people to get in and out of coastal communities—some coastal communities have better links than others—but that is not only because the towns want tourists to come in, but because they want goods to be exported.

My constituency still has quite a lot of manufacturing. One of the enduring themes of local business men whom I meet is how to access the motorway network and how to get goods to market. The fact that we do not have very good transport links is a negative, and they are starting to take decisions for investment. The area can ill afford to lose companies, but we lose them because there are better transport links elsewhere. Where do Tesco and Sainsbury site their giant centres for distributing stuff to their various supermarkets? It is not usually anywhere near coastal towns. They usually pick a site on the motorway network, which does not serve coastal towns particularly well.

We also heard in the debate about the problems with day visitors and transients. There is a range of problems that are not always recognised in the Government's grant calculations.

What are the solutions? The idea of the hon. Member for Blackpool, South (Mr. Marsden) for a taskforce approach is worth considering. There is a need for much more cross-governmental working, as the policies of some Departments can be offset by the policies of others. I agree with the Select Committee Chairman's comments about the Department for Work and Pensions, which raised a real issue that needs to be focused on. I am not sure whether there is a solution to that problem, but I got the impression from her contribution and from one or two others that the DWP people had not focused on the issues and that that has implications for the coastal communities that many of us represent.

Many of the towns on the coast grew up not only because of Victorian entrepreneurs and the building of railways but because of strong and effective local leadership—borough councils and the people who built the piers, winter gardens and facilities combined with local entrepreneurs to attract people to the towns.

[Mr. Robert Syms]

Another thing that came out of the debate is that the future will not necessarily be Government-led; it will be led by business, local authorities and people in the towns who have a vision of what they want to do with their communities. To reinforce that, my party would like more power to be devolved to local authorities rather than to regions, because decisions that are made at the lowest possible level by the people who live in the town and who realise what the problems are, and perhaps have some of the solutions, are better than those made by people in Whitehall. That would be an effective way to proceed in the longer term.

My hon. Friend the Member for Boston and Skegness (Mark Simmonds) mentioned tourism. Perhaps a bit more thought could be given to how we promote tourism nationally and internationally to get people to come to our coastal resorts.

There are many problems, and the Select Committee has been good at focusing on them. I am not sure that we will get much progress in the short term, but we have started a debate that many of us who represent coastal towns realise we must have, and perhaps we will start to come up with some solutions for dealing with the issues. The focus must be on the towns and on looking at the real problems behind the palm trees, as the hon. Member for Torbay (Mr. Sanders) said.

We must determine whether we can deliver, sustain and reinforce the good things that are happening—and good things are happening in coastal towns. I was in Brighton recently, and I often go to Bournemouth. There is a vibrancy in some of the towns—sometimes they are a bit too vibrant late at night—but there are also problems a little bit back from the seafront that do not always get attention, money or investment. My party, which is reviewing its policies and looking ahead to its future manifesto, will focus on that problem, because it is important that we deal with the citizens of our country equitably. Coastal resorts have not had the attention or investment that they need. If we do not focus on and invest in them, we will have much bigger social problems and higher costs in the long term.

5.16 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Angela E. Smith): I am grateful to the hon. Member for Poole (Mr. Syms) for truncating his comments. It is most frustrating after three hours of debate to have only 10 minutes to respond. I shall do my best to respond to the comments that have been made in the time available.

I thank the Chairman of the Select Committee, my hon. Friend the Member for Milton Keynes, South-West (Dr. Starkey), for bringing this subject forward for debate, and I thank hon. Members for their good and interesting contributions. I noticed that in an intervention my hon. Friend described her own speech as brilliant. That was backed up by several other hon. Members who thought that it was excellent, passionate, comprehensive and cohesive. Clearly, it was a good presentation of the issues that were raised in the report.

I have learned a great deal from the debate. From the hon. Member for Bournemouth, West (Sir John Butterfill), I learned that Bournemouth is an ideal dating agency, and that it is a centre for foreign students who are learning English. I learned that the best fish and chips are to be found in Cleethorpes, and we had a competition over who went to the oldest person's birthday party. I can claim only to have attended a 101st birthday party.

I have a great affection for seaside towns, having spent several years in Westcliff-on-Sea in the Southend, West constituency. It is important that coastal towns are included in any Government objective to ensure that towns are vibrant, thriving places in which people want to live. They must not be forgotten; they must be included in policy. The report raises a wide range of issues that cut across Government Departments. That shows the depth and breadth of the issues that face coastal towns.

The debate goes back several years, and we can all think of Adjournment debates and conferences on the subject. Most recently, on 8 May, officials of my Department took part in a conference on coastal towns hosted by the Department of Trade and Industry. It examined whether there are problems common to coastal towns that need to be addressed, and the best policy approach for doing that. As my hon. Friend the Member for Milton Keynes, South-West indicated, the diversity of seaside towns—and, in other cases, the similarities—brings challenges. In the light of the conference, which was valuable, the Government have to consider how to examine the evidence further to inform policy making.

I appreciate that in many cases hon. Members are making bids for additional funding for their areas. Indeed, I hope that they will vote for, not against, additional funding when that matter comes before the House. When we make such bids, we perhaps concentrate on some of the negatives and difficulties, but we should also keep at the forefront of our minds the fact that seaside towns have a strong appeal to the public and great potential for the future. Our seaside towns are changing, and there are strong grounds for optimism, but we cannot at any stage be complacent about the problems. I believe that that is recognised in the Government's response to the report.

I would like to make some general points and, if I have time, deal with specific points that hon. Members made. Cross-Government working was raised by several hon. Members, particularly the hon. Member for Boston and Skegness (Mark Simmonds), and my hon. Friends the Members for Blackpool, South (Mr. Marsden) and for Cleethorpes (Shona McIsaac). My hon. Friend the Member for Milton Keynes, South-West spoke about having one Department responsible—she said that there was no one Department to deal with these matters. Unlike the hon. Member for Southend, West (Mr. Amess), who I believe was at odds with the Committee on the issue, she did not want a national strategy, but she made the point that there should be a permanent cross-Government working group. The Government are convinced that that is the best way forward. It is crucial that there is a far greater degree of working together across Departments hoping to achieve that objective. The report and the debate on it have accelerated progress in that respect.

The Government's approach to coastal towns is to promote the benefits of a local and regional approach to ensure that plans are based on a detailed knowledge of the specific needs of the places. That emphasises the

value of taking an integrated and strategic approach and of looking at the economic, social and environmental issues together, as my hon. Friend the Member for Blackpool, South said. The report mentioned that local, central and regional government should be co-ordinated with business and the voluntary sector so that we are all pulling in the same direction.

Mr. Anthony Wright (Great Yarmouth) (Lab): I apologise for having to be absent from the debate for an hour. I had another meeting to go to and I did not think it was appropriate for me to intervene on other hon. Members who had sat through the debate. One of the points that has been raised today is that where there are pockets of deprivation in seaside resorts, such as in Great Yarmouth, we need to take the regional perspective. The area may well be affluent, but we tend to forget the problems, such as transport and infrastructure links.

Angela E. Smith: We should be able better to address infrastructure issues through a regional approach. My concern and that of hon. Members is that in doing so, those pockets of deprivation—whether they are in coastal, city or rural areas—can sometimes not be dealt with in the way that hon. Members want. We must ensure that we have that relationship and deal with issues at the appropriate level. Infrastructure must be dealt with at a more regional level. At the same time, we must ensure that local councillors, businesses and the voluntary sector are involved at local level.

The best way to strengthen cross-government engagement is through the Government offices that are supposed to represent the 10 Whitehall Departments. They could play a more strategic role, and particular issues that they could look at and work on with local councils on are transport connectivity, employment and skills training, which are crucial. They could also consider housing issues, which were mentioned by a number of hon. Members.

My hon. Friend the Member for Blackpool, South paid tribute to his regional development agency and the way that it deals with coastal towns and their issues. He also highlighted several problems. My hon. Friend the Member for Cleethorpes made a serious allegation, about which I hope she will give me further information, regarding the misuse of funds by the RDA. I am not aware of the matter, but I will look into it because allegations of the misuse of funds are obviously a serious matter.

Shona McIsaac *rose—*

Angela E. Smith: Before I give way, I want to finish making this point. My hon. Friend the Member for Blackpool, South mentioned the sharing of best practice and I think that RDAs are best placed to share best practice information in the context of regional economic strategies. The decision of the South East England Development Agency to lead an RDA network is important and the Government will give as much support to it as possible. That is a way that we can recognise RDAs and bring them together.

Sir Paul Beresford: Will the hon. Lady give way?

Angela E. Smith: I hope that the hon. Gentleman will forgive me if I do not give way. I only have seven minutes left and I do want to respond to all hon. Members who have spoken.

Additional funding was mentioned. I have difficulty with that because funding is going to coastal areas. Hon. Members may think that it is not enough or want different allocations, but under the local enterprise growth initiative, Great Yarmouth got £8.6 million over three years; Hastings, which includes Bexhill, got £3.9 million over three years; in the second round, Blackpool got £10.8 million over three years; and North Lincolnshire got £18.7 million over three years. Those are important contributions to encouraging enterprise and growth. The new deal for communities—*[Interruption.]* If my hon. Friend the Member for Cleethorpes had listened, she would know that I was careful to say that I want to respond to all the points made.

Because of time constraints, I cannot name all the areas involved in the new deal for communities funding and the neighbourhood management pathfinders, but a number of coastal areas—Brighton, Plymouth and Southampton—have benefited from significant amounts of money through the new deal for communities. In Brighton some £43 million has been spent to date, and there is a £48 million potential 10-year allocation for Brighton. The amounts are similar in relation to Southampton and Plymouth—*[Interruption.]* Hon. Members may not like the figures, but they cannot deny the amount of money—

Janet Anderson (in the Chair): Order. I ask hon. Members to let the Minister respond.

Angela E. Smith: It is important to recognise the degree of funding that the current structures allow. I entirely accept the need to co-ordinate better between different agencies and Departments; we certainly take that on board.

Problems of transport and physical isolation were raised. It is impossible to divide transport issues and economic development, because one without the other does not make a whole package and does not enable an area to develop economically. The draft Local Transport Bill, published on 22 May, is a key part of the Government strategy to give local authorities stronger powers to meet local transport needs. I hope that hon. Members will discuss that with their local authorities. It will help to provide a more coherent approach across local authority boundaries, which will help the economic regeneration of areas.

Older people's social services and the grant funding were raised repeatedly by hon. Members. Within the calculation of formula grant, there is a relative needs formula for older people's social services at present. The resident population is the main driver of the formula and additional elements take into account other factors related to need, including the number of very elderly people in the area. Currently, that is calculated using data on the number of people aged 65 and over who are resident in each area, the number of pensioners who live alone, the over-65s who are in receipt of pension credit and attendance allowance, pensioners who live in rented accommodation and those who are over 90. We expect to update the data that we use in the relative needs formula for the 2008-09

[Angela E. Smith]

settlement. That will ensure that the calculations reflect the demographic changes and other trends in local authorities, which hon. Members suggested.

Several hon. Members mentioned housing. All of us know that our communities need additional affordable housing. That has been taken on board by government at all levels. There are powers in the Housing Act 2004 relating to houses in multiple occupation. The local authority is the licensing authority, which will help to ensure good management standards in HMOs. However, the Government are keeping the effectiveness of that legislation under review and we are open-minded on the need to give additional powers in that respect.

The point was made quite effectively that many coastal economies are characterised by tourism, which has seen some increase and some additional benefits, but more still needs to be done. Hon. Members also referred to low skills, low pay and seasonal employment. There is an urgent need to tackle those problems and diversify into other growth areas of employment. Local authorities will have an important role to play in that. Coastal towns have benefited from a strong national economy and a buoyant labour market, with a rise in employment. The key for economies in coastal areas is to diversify.

I was in Southend just over a week ago and visited a very good, high-value company—KeyMed. That company has a social conscience. It is a good employer and has attracted new investment into the area. The mayor of Southend, the Japanese ambassador and I attended the opening. There are opportunities—Southend benefits from the Thames Gateway development—to draw investment into the area.

I think that the hon. Member for Southend, West had his tongue in his cheek when he said that Southend's problems were worse than those anywhere else. I made the point that we should celebrate our coastal towns, and the hon. Gentleman said that he was very proud to be the MP for Southend, West. Southend is one of the designated areas of change in the Thames Gateway. It is important that we recognise the other regeneration issues that we can use to benefit coastal areas. Southend has benefited from Southend university, through an investment of £14 million and the creation of a new university right in the heart of the town. Education opportunities are extremely important in coastal towns, as several hon. Members said. I do not know the details of the project to which the hon. Member for Torbay (Mr. Sanders) referred, but certainly I will look at that. Where we can drive up skills, create employment—*[Interruption.]* I would like to respond to the hon. Gentleman. Where we can drive up employment, it is important to do so.

I acknowledge the comments made in particular by my hon. Friend the Member for Milton Keynes, South-West and the hon. Members for East Worthing and Shoreham (Tim Loughton) and for Torbay about looked-after children. That is a very serious issue. It is ludicrous that several social services departments have to co-ordinate with one school. The "Every Child Matters" consultation paper that the Department for Education and Skills is examining now will be crucial to trying to address that extremely serious issue.

I cannot do justice to all the comments made. I thank hon. Members for their comments. I hope that some of the measures that we are taking to ensure that we work better together across Government and at all levels of government—local, regional and national—will ensure that we can address the issues that affect coastal areas.

It being half-past Five o'clock, the motion for the Adjournment of the sitting lapsed, without Question put.

Westminster Hall

Tuesday 12 June 2007

[MRS. JOAN HUMBLE *in the Chair*]

Packaging Manufacturing Industry

Motion made, and Question proposed, That the sitting be now adjourned.—*[Huw Irranca-Davies.]*

9.30 am

Mr. Eric Illsley (Barnsley, Central) (Lab): It is a pleasure to introduce this debate. First, I declare an interest as chairman of the all-party packaging manufacturing industry group, and express my thanks to the industry for some of the information that it has provided for this debate, not least the document, "Packaging's place in society". I have a number of copies, and if any hon. Member would like one, I would be only too happy to provide it, hopefully before the end of the debate.

I and several of my colleagues applied for this debate because of the bad press that packaging has received during the past year or so. In November 2006, *The Guardian* had an article on excess packaging, and in January this year, *The Independent* ran a series of front-page articles for a week condemning the mountain of waste, and also referred to excess packaging. As recently as yesterday, *The Guardian* ran an article headed "What a load of rubbish". I want to bring some balance into the debate and to counter the allegation of excess packaging.

Bob Spink (Castle Point) (Con): The hon. Gentleman is gracious, as always, to give way so early in his speech. I congratulate him on securing this important debate. The subject concerns all our constituents, and we receive many letters about it.

Does the hon. Gentleman marvel that the newspapers that criticise others for packaging inundate us day after day, particularly at weekends, with masses of bulk material, most of which we do not need and do not want, and they often package it themselves in inappropriate polythene wrappers?

Mr. Illsley: I was going to make that point a little later. I agree that it seems a little hypocritical when newspapers, especially at weekends, are packaged in polythene bags. That hypocrisy is one reason for this debate, because I want to introduce some balance into our view of packaging, to examine what is excessive packaging, and to see how it can be reduced.

For some people, packaging is excessive and unnecessary—that is often said of food packaging—and I shall give some examples later; but for other people, who want to shop conveniently at supermarkets and who want produce that will remain fresh for longer, packaging is essential. The question is where the balance lies between excessive and essential packaging.

There is too much ignorance about packaging. The hon. Gentleman said that a newspaper criticised the packaging industry, retailers and supermarkets for a week when it was using polythene bag packaging for its own product. The purpose of this debate is to reduce that ignorance, and I hope that it will be one of several as the Government develop their waste strategy, as we talk about more and more recycling, and as we tackle climate change.

The packaging industry responds to consumer demand and customers' requirements. It is not in companies' interests to produce excessive packaging. There is no benefit for manufacturers of glass, tin, paper, board and so on in wasting energy and resources on excessive and unwanted packaging. They provide the materials for retailers to package their products, and they respond to retailers' orders.

Jo Swinson (East Dunbartonshire) (LD): I congratulate the hon. Gentleman on securing this debate. Does he agree that although it might not be in the interests of packaging manufacturers to produce excess packaging, it is sometimes in the interest of company marketing departments to have excessive packaging so that products take up more shelf space and are more likely to catch a consumer's eye? That is what we must tackle, perhaps via standards throughout the industry so that no one brand is at a disadvantage. We must reduce the overall amount of packaging.

Mr. Illsley: Exactly—no one would disagree with that. Examples of such packaging include giftware. The example that is quoted ad nauseam is Easter eggs, where the intention is to attract young children's attention. Manufacturers want to attract people's attention to their products to sell them, and advertising plays a role. The packaging on some products—for example, cosmetics—is worth more than what is in the bottle. I could quote several examples from the drinks industry in which the cost of making the bottle is around 30p, which is expensive, and the bottle is worth more than what is inside it; but if a drink is trendy, people want to drink it. We must address that problem and work towards minimising it.

The hon. Lady hit on an important point: branding. There has been an increase in branded products that can be sold only with further advertising and packaging to differentiate brands. It is difficult to address that. Do we tell consumers that when they go into a supermarket, instead of having 15 toothpastes to choose from, they will have only one? It is not clear whether consumers would accept that.

I shall give a few facts about the packaging manufacturing industry. It has sales of more than £10 billion and 85,000 employees. The primary role of packaging is to contain, protect and preserve products.

Mr. Russell Brown (Dumfries and Galloway) (Lab): I congratulate my hon. Friend on securing this debate. He mentioned 85,000 employees in the industry. Can he tell the House how that figure has changed in recent years?

Mr. Illsley: I would struggle to give precise figures, but the number has fallen over the years. Even my constituency has lost some 600 jobs in the glass industry in the past 12 months as packaging has been reduced, with lighter products. The industry is not expanding; it is contracting.

[Mr. Illsley]

The amount of food in the UK supply chain that is lost between it growing in a field and appearing in a supermarket is less than 3 per cent., mainly because it is packaged and looked after from when it is grown or created to when it is sold. A problem in India is that 40 per cent. of the food produced there is lost as it goes from the fields of the agricultural sector to shops and markets. If India could solve that problem, some of its problems with food and poverty could be alleviated.

Just 3 per cent. of landfill is packaging waste, whereas 18 per cent. is household waste. The environmental impact of avoidable food waste in household waste is at least eight times greater than the impact of total packaging waste going to landfill. In other words, the food that we throw away and waste has a greater impact on landfill and our waste strategy than the packaging that it was in. The energy content of one day's packaging throughout the country is equivalent to 1 mile driven in everyone's car. Those are the comparisons. The industry has tried, and has largely succeeded, in minimising packaging waste's impact on society.

A major reason for the development of packaging during the past few years is the change in our lifestyles. It is obvious that we shop differently from how we shopped in the 1950s and 1960s. We have more shops and more choice, and we want convenience shopping, and so on. There has been growth in supermarkets, which exist because people want convenience shopping. If we did not have convenience shopping, we would not have supermarkets and everyone would go to the corner shop daily, as we did in the 1950s, to buy fresh produce and cook it that day, and return to the shop the following day. We have more disposable income, we demand more convenience and we have more leisure time in which we can pursue leisure activities rather than do the shopping.

In the very late '50s—if I can use that example without giving my age away—we did not have cars to make trips to supermarkets in order to fill them up with a bulk-buying shop to bring back home. We did not have telephones to ring up our orders to Pizza Hut to bring the pizza round on a Saturday night while watching the TV. We did not have central heating or as many TVs. We did not have washing machines, funnily enough, and if we consider the history of the way in which detergent has developed over the past 40 years and the amount that is now used in washing compared with 40 years ago, we see a dramatic difference—something like a 40 per cent. drop. We did not have fridges to such an extent, so we could not preserve food in a fridge, and we did not have freezers, so we could not freeze food. We could not buy frozen food; it was a thing of the future. We did not have computers or the internet, so we could not do our shopping online for Tesco to deliver it the following day.

Those are some of the things that we did not have, but which we now have, and they have led to our different lifestyles. The other big wonder that we did not have until fairly recently is the microwave oven. We wait for the two-minute ping and our meals are cooked and ready. If other hon. Members' kids are anything like mine, they will know that they do not have to wait for the shout of, "Dinner's ready!" My children just listen for the ping and that is it; it is the only way they know how to cook.

Other aspects of our lives have changed. In the old days, there were mainly two-parent households, divorce was rare, there were fewer working mothers, the pace of life was slower and people ate meals together around a table at a particular meal time. These days, however, we are all in front of the TV, eating at different times of day, and the household probably has one or two meals a week when its members are all together. All our habits have changed.

What about shopping habits? In the '50s, shopping was a daily exercise, we had corner shops—there were no supermarkets—and articles were sold loose in brown paper bags. We also had home deliveries. Milk deliveries first thing in the morning are becoming a thing of the past; we buy at the supermarket two-litre containers that will last us several days. The range of food was limited in the '50s, and we had far less choice in the food that we bought and ate. It is obvious that our lifestyles have changed dramatically.

There are other reasons for the way in which packaging operates these days. My first example is labelling. Sometimes, products that otherwise would not need to be packaged are required to carry nutritional information or warnings—the fact that a certain food might be dangerous if not cooked in a certain way. How do we put that information on a product if there is no label, box or packaging? Sometimes, a label is required simply to impart information to a customer.

Another reason is hygiene. We all demand hygienic food, we all want our food properly packaged, and we all want to ensure that by the time it arrives in our homes, it is not contaminated with something rather nasty. The worst source of food poisoning that the world knows is, I believe, E. coli 152—

Mr. Brown: E. coli 0157.

Mr. Illsley: My hon. Friend corrects me. The worst place in the world for E. coli 0157 is Scotland, which is surprising. Why should an area such as Scotland be the worst place in the world for E. coli 0157? We cannot be too careful about such matters, and packaging is required to maintain our levels of hygiene.

Another reason is preservation. Again, we come back to convenience: we want food to last longer. A few weeks ago in Parliament, there was a speech by a gentleman from Marks and Spencer, who brought a very good visual aid with him: two turnips, both bought on the same day in supermarkets. One had a coating of polythene cling film to protect it, the other did not. They were bought at the same time, and by the time he got them to Parliament, the first, uncovered turnip was going soft and pulpy, while the other had remained fresh and firm. It goes to show that within a few days, food can go off or deteriorate, and that something like a piece of cling film can preserve food dramatically.

A further reason to have packaging is security. Sometimes we need our food and products to be secure, so that we can prevent people from tampering with them, trying to poison us or committing crimes related

to products, particularly food products. There have been cases over the years of companies being blackmailed with the threat to inject liquids and stuff into our food products. Another reason for packaging products is freshness, which we take for granted. Again, the example of the turnips is relevant.

We need to transport liquids, which need to have packaging and containers, so we need to design packaging to accommodate liquid products. Sometimes it is difficult to transport a product without having a package for it. A classic example of excess packaging is the toothpaste tube. Why does it come in a cardboard box? Because it is easier to stack and transport around the country. However, we can design newer, pump-action toothpaste tubes. Society moves on.

Mr. Philip Hollobone (Kettering) (Con): The hon. Gentleman mentions cardboard boxes. Perhaps I could mention Rigid Containers, a firm in Desborough in my constituency, which is 100 years old this year. It is a leading maker of boxes made of corrugated cardboard, which is one of the greenest materials around. Typically, a corrugated cardboard box comprises 76 per cent. to 100 per cent. recycled cardboard, and something like 84 per cent. of all corrugated boxes in this country are recycled. Packaging can be a green item—a subject that is often overlooked.

Mr. Illsley: I am grateful to the hon. Gentleman, who is absolutely right. I shall refer to another example of a recyclable material when I conclude my remarks, as I shall in a couple of minutes because I want to ensure that everyone has the opportunity to speak. Many packaging materials are green, and there are misconceptions among the public about what can and cannot be recycled. We must tackle those misconceptions.

Packaging is sometimes necessary for compliance with certain rules and regulations about the transport of certain goods. Another reason why packing may be necessary is cross-contamination. If one had an allergy to a certain food, one would not want that food, unprotected, on the same counter or shelf as another food that one might want to purchase; one would want the food to which one is allergic to be protected and packaged.

Some products are excessively packaged. I have quoted the example of Easter eggs, and another classic example often cited is cling film wrapped around a coconut. However, it is used to stop fibres dropping off the coconut into other foods, getting into baby food, choking babies and so on. That is why we wrap up a coconut. There will always be a reason why products are packaged, but I admit that we can reduce packaging in some areas.

I shall turn to recycling. Last Wednesday was the 30th anniversary of the bottle bank. The first was situated in Barnsley, and later the same day, another was situated in Oxford. I pay tribute to my friends Stanley Race and Ron England, who were the two guys behind the initiative from Europe to increase recycling. Despite the presence of bottle banks, we still have contaminated glass collected for recycling. The problem with many recyclable materials is that the targets placed on local authorities relate simply to weight. They are simply required to collect a certain material by weight. It does not matter in what condition it arrives at the recycling facility. Provided the local authority meets its target for weight, its responsibility ends, but sadly, some materials are so contaminated and cross-contaminated, they simply cannot be used.

The hon. Gentleman mentioned paper and board. I shall use the example of glass, which is 100 per cent. recyclable. Glass can be melted time after time, and it constitutes back to the same product, yet if we mix clear or amber glass with green glass, we get green glass. In order to produce clear or amber glass, the reusable glass must be separated into its constituent colours. It cannot simply be mixed because once mixed, it turns into green glass. Given that in this country we import most of our wine, we are not short of green glass. The other thing that contaminates bottles going into bottle banks is the metal tops, which melt in the furnace and destroy the bottom, causing all manner of problems.

We need some joined-up thinking to ensure that local authorities have meaningful targets that allow them to collect and separate products for recycling, so that by the time they get to the recycler, he can reuse and recycle them. If we do not do that, people will complain bitterly—we have seen this in the *Daily Mail*—about having to have fortnightly bin collections, because they are required to separate for recycling. They are going through the exercise, albeit complainingly, yet when that stuff is collected it is unusable because it has been badly contaminated. We need to address that within the waste strategy and within our recycling targets.

Mr. Russell Brown: I firmly believe that if we as a nation are given the appropriate receptacles for recycling, we will recycle much more. Although I understand that there has been great concern about fortnightly collections of household waste, such a system has existed in Northern Ireland for many years without any real problem. I hope that my hon. Friend agrees that it is the change to how we conduct our daily household business that makes it difficult for people to adjust.

Mr. Illsley: I am grateful to my hon. Friend, who makes a substantial point.

I am coming to end of my remarks, so to sum up I shall talk about what the packaging industry has done. It has developed new products and tried to limit the amount of packaging that we use. It has reduced food waste within the supply chain to 3 per cent., introduced lightweight packaging and decoupled growth in gross domestic product from the increase in packaging used. The industry has also given consumers product protection.

I will not bore hon. Members by reading out everything in the list of packaging types that I have—mainly because there are one or two things in it that I do not even understand—but it includes ovenable packaging, modified atmosphere packaging, frozen food packaging, microwaveable packaging, chilled food packaging, multiple packaging, shelf-ready packaging and something called aseptic packaging, although I am not entirely sure what that is. To answer the question

[Mr. Illsley]

asked earlier by my hon. Friend in 1990 there were 120,000 employees in the industry, whereas today there are 85,000.

In conclusion, the packaging manufacturing industry, as a service industry to supply chains, will respond to customers' requirements. It will produce the packaging that they request with the maximum efficiency of resource, which it has done for decades. By protecting and preserving products and minimising waste, packaging continues to make a massive net contribution to resource efficiency and the minimisation of collateral environmental damage. The overall environmental impact of packaging is minuscule by comparison with the impacts of car use, home heating and even avoidable food waste. The industry would like proportionate attention to be paid to those much larger consumer-driven issues, instead of misdirected and sometimes ill-informed attacks on itself and its products through the constant reference to excess packaging.

9.54 am

Dr. John Pugh (Southport) (LD): I congratulate the hon. Member for Barnsley, Central (Mr. Illsley) on starting this important debate.

I declare a kind of interest, in that my father recently retired at the age of 80 from the packaging industry after a distinguished and representative career in the business. From adolescence onwards, I was given a barrage of talks on the virtues of packaging. However, despite that—or possibly because of it—I share most people's annoyance at the amount of litter and waste that the packaging industry produces and their frustration at the occasional struggle in opening certain packages. I have found no way of getting at small electrical goods, packaged as they are, other than by attacking them vigorously with a pair of scissors, which is clearly not how they are intended to be opened. I have also shared from childhood the disappointment that all people have about the deceit of packaging, particularly at Easter time, when I unpack my egg and find that there is far less chocolate than I thought. I subscribe to the conventional wisdom that there is probably too much packaging, that much is unnecessary and that it ought to be recycled, if not made of recyclable materials.

I recognise much of what the hon. Gentleman said, too. I realise that we cannot return to the old days, when eggs came in a brown paper bag and frequently got broken, when milk was collected in jugs and when potatoes were tipped into shopping bags. Some of us can remember those days, which, to be frank, were not ideal. We also recognise that current packaging performs key tasks. It keeps food fresh and carries lots of information, such as bar codes and the traffic light information that is to come to tell us whether food will make us fat, thin or whatever. Packaging is also necessary to attract clients and identify products. We would be completely lost in a supermarket if there was not a variegated packaging environment—we simply would not know where to find the products that we sought. Packaging also prevents breakage in transit, which is another good thing.

I also accept, as the hon. Gentleman said, that there is not an automatic drive to over-package. There cannot be one, because every additional bit of packaging obviously costs somebody something. The public prefer to buy things that are produced in attractive packages and they want things from far afield, which requires an element of packaging so that they can be delivered safely and securely.

I suppose that I am symptomatic of the general dilemma in which most of the public find themselves with regard to packaging. We all agree forcefully with the general claim that there should be less packaging, but we are less clear about which items—Easter eggs and perfume aside—should be unpackaged. Chris Davies, a north-west MEP and political acquaintance of mine, has an obsession with cucumbers and whether they should have cling film around them. I do not know the case for or against, but I have an inkling of what it might be, judging from the hon. Gentleman's remarks. We are confronted with a clear conceptual distinction between necessary and unnecessary packaging, but, in practice, not everyone clarifies it in the same way.

One can therefore understand some of the packaging industry's grievances. It will claim quite legitimately that it is a major manufacturer—indeed it is—because it contributes to the economy. It will claim quite accurately that it is not responsible for the antisocial disposal of packaging because that is what people do, not what packaging does. The industry also has perfectly valid gripes about how the press treats it.

That said, we should all recognise that disposal is an issue for the industry as well as the community. Disposal contributes to landfill and litter and represents a relatively wasteful use of resources. The solution is to make products' packaging more reusable and recyclable, and smaller in terms of bulk and volume. Various bits of quite laudable legislation have that as an objective, although it is not necessarily their effect. There is a debate about the plastic bag tax, which would have beneficial effects, such as reducing the demand for plastic bags, but might increase the demand for paper packaging. Paper packaging is heavier, and as it is made from a biodegradable product, it can produce greenhouse gases when in landfill, unlike plastic, which is chemically inert.

Mr. Illsley: I have a figure somewhere showing that given the amount of moisture in cucumbers, they can in fact benefit from being packaged. On the hon. Gentleman's point about plastic bags, which I know a little bit about, when the tax on plastic carrier bags was imposed in Ireland, the demand for other types of plastic bag increased. The plastic manufacturers therefore produced more product, but not in the form of carrier bags. Instead, they produced black bin liners, which people used as a way of circumventing the loss of carrier bags

Dr. Pugh: The hon. Gentleman reinforces my point. For the moment, I shall have to remain agnostic on the cucumber issue, about which I am genuinely uncertain. Other Members might be able to enlighten me.

Bob Spink: Does the hon. Gentleman acknowledge the initiative of the British Retail Consortium to cut the environmental impact of plastic bags by 25 per cent. by the end of 2008, which is only 18 months

away? We have a long way to go on the issue, but that is a jolly good start on which we can build. The industry is addressing the situation. Our constituents choose to use plastic bags. That is a lifestyle choice now, so let us make sure that plastic bags are used and disposed of in an environmentally responsible manner.

Dr. Pugh: The hon. Gentleman is right. One of the gripes about plastic bags is precisely that they are chemically inert and therefore remain around for a very long time. I remember going to a presentation by the packaging industry a few weeks after I had been on holiday in Anglesey, when I had seen various plastic products in some remote and beautiful parts of the island. I assumed that a refuse collector would not come by soon and that those products might well be there for decades. While there can be certain advantages and pluses, that example shows that environmental objectives can at times be confused and that there can be conflicts among them.

The question is about whether we want less biodegradable packaging, less packaging that contributes to the waste stream—plastic contributes very little to that—or less packaging that contributes to the production of CO_2 and greenhouse gases. One could argue that the whole contribution of packaging to global warming is relatively small. Packaging, particularly paper packaging, requires forests to be maintained, and presumably they are beneficial. I suppose that one could argue that plastic reduces biodegradable waste, although of course all packaging lengthens food miles because it enables products that otherwise would not get to us at all to reach us in a stable condition.

Arguably, the contribution of packaging to the waste stream has to be evaluated objectively. I do not know the figures—someone might enlighten me—but that contribution might stand comparison, as the hon. Member for Barnsley, Central suggested, with the amount of waste generated by people throwing out newspapers, brochures and advertising materials. This week, hon. Members could reflect on how much of what they bin would be called packaging and how much would be called newsprint, brochures or whatever.

However, there are genuinely desirable environmental objectives to be achieved, and that will not happen through a free market and expecting things simply to sort themselves out. The industry will have no particular motive to use recyclable materials unless that is provided externally and retailers will have no motive to avoid over-packaging if it pays. Although from time to time consumers will revolt and try to hand their packaging back to Sainsbury's, Tesco or wherever, the vast bulk of us simply put up with the packaging and throw it out.

I do not think that environmental objectives will be secured by bouts of environmental virtue, either from us as individuals, or from various corporate enterprises. At the moment, retailers have a number of desirable initiatives on the go, but I wonder whether they will be sustained if certain environmental objectives become less fashionable. I favour—like most in the Chamber, I think—the model of a European directive coupled with a bit of national tuning and implementation. That model is not too bad, given the lack of availability of others. The presence of a stick being brandished prompts a plethora of voluntary agreements in the retail and producer sectors. However, I am sure that the Minister will agree that to be really successful, we require a mature dialogue with the industry and a recognition that the growth in packaging is locked into other sorts of social changes about which we are more comfortable, such as diversity of supply, prevention of theft and improved food hygiene. We will not row back from such things. Given such mature dialogue, there is no reason to believe that regulation cannot lead to environmentally sustainable packaging, just as it has led to safer packaging. I hope that the hon. Member for Barnsley, Central has succeeded in making a substantial contribution to that mature dialogue.

Several hon. Members *rose—*

Mrs. Joan Humble (in the Chair): Order. I advise the three remaining speakers to keep their comments brief as I wish to call the Front-Bench spokespeople at half-past 10.

10.5 am

Bob Spink (Castle Point) (Con): I am pleased to follow the hon. Member for Southport (Dr. Pugh), who spoke wisely—I agreed with much of what he said—and it is a particular pleasure to follow the hon. Member for Barnsley, Central (Mr. Illsley). He has championed the packaging industry extremely well in the House for a number of years. He made several excellent points, but we need a little more focus on, and understanding of, one issue: the contribution that packaging makes to climate change, which was also raised by the hon. Member for Southport.

Does packaging accelerate climate change, or can intelligent packaging make a contribution towards reducing the carbon footprint and helping to control climate change? I believe that it can; intelligent packaging design keeps food and other products in good condition and delivers them in a safe condition, thus reducing the wastage of food and the need to produce it, fertilise it when it is growing, transport it to the user and dispose of what the user wastes.

Mr. Illsley: I should say briefly to the hon. Gentleman that the global carbon footprint of packaging, including its disposal, is 0.2 per cent. of the total.

Bob Spink: The hon. Gentleman makes a good point, but if the figure were minus 0.2 per cent.—if good packaging actually reduced the carbon footprint—that would be excellent. I think that it can achieve that, as the industry grows more mature and design gets more intelligent. The hon. Gentleman told us that about 40 per cent. of food in India is wasted, yet in this country, only a few per cent. is.

Lorely Burt (Solihull) (LD): According to the figures that I have read, we throw away 30 per cent. of the food that we buy. Does that not make the hon. Gentleman wonder about the effect of packaging? If we did not package food, would we have a more immediate sense of which food was about to go off and thus perhaps not need as much food as we buy at the moment?

Bob Spink: The hon. Lady makes an interesting point, and clearly we need a lot more research on, and understanding of, the issue. However, she is going further down the supply chain than the hon. Member

[Bob Spink]

for Barnsley, Central and I. In some countries, up to half the food is wasted between production and the point of sale; in this country the percentage is very small because we have sensible packaging practices that get better by the day. Good packaging can also promote and enable good recycling practices, which are essential. All that can help to reduce the carbon footprint and the energy required to deliver food through the supply chain to our houses.

I want to make one further point, which has not been raised—perhaps it is slightly out of order, but I hope not. In a marketing sense, suppliers promote their goods phenomenally well in this country. However, they forget the customer after they have sold them—they leave us high and dry. Partially sighted or elderly people, such as me and the hon. Gentleman, who remember the late 50s, cannot read instructions on what to do with the products when we get them home. That is absolutely atrocious for someone who is living alone and cooking for himself. The problem is serious, so we need to ensure that instructions on packaging are delivered in a way that is friendly to elderly people and the partially sighted. The hon. Gentleman made all the points that I would have liked to make and put forward his case extremely well, so I shall sit down and let others speak.

10.10 am

Jo Swinson (East Dunbartonshire) (LD): I welcome the debate and hope that it will be one of a series of many on the issue. We need to have such debates. I appreciate the desire of the hon. Member for Barnsley, Central (Mr. Illsley) to introduce balance, and I hope that I will be able to do that.

The packaging manufacturing industry is an important part of the UK manufacturing industry. In my constituency, SCA Packaging provides 150 jobs and clearly makes a big contribution to the local economy. I accept that many parts of the industry are making great progress towards reducing packaging. As has been mentioned, it is in no manufacturer's economic interest to make packaging with more materials than they need.

I caution against the view that the issue is not important because packaging makes up only 3 per cent. of landfill, which might be less than the food waste that we throw away. It is still an important problem, and I draw hon. Members' attention to early day motion 814, which is tabled in my name and has now been signed by 168 Members. There is clearly a feeling that the problem needs to be addressed.

Consumers at least have some choice about whether to waste food and throw it in the bin, and about whether to buy enough food or whether it will go to waste. The problem with some of the packaging that our products come in today is that consumers are frustrated that they do not necessarily have a choice. They end up with packaging that they do not need, and in many cases they cannot even recycle it.

That has been a particular issue in areas that have moved to fortnightly collections of landfill waste, which has happened up and down the country and in my area. At that point, consumers started to worry about what was going into their bins. That was when people started to complain to me. They could see what they could put in their recycling bins and they were frustrated that a lot of the things that they bought in the supermarket were bulking up the things that they could put in their landfill bin, which had to last for two weeks rather than one. That was one factor that heightened the salience of the issue in the minds of our constituents, who had to deal with that impact.

Of course, it makes good economic sense to minimise packaging. A huge amount of progress has been made by manufacturers, particularly on making products more lightweight. Part of the problem lies not necessarily with the manufacturers of the packaging, but with the brands and the producers of the products, who let the marketing men and women and advertisers into the decisions about how things are packaged. I speak as a former marketing manager, although as I marketed a radio station there thankfully was not such an issue about packaging. That is one of the major problems.

The hon. Gentleman mentioned toothpaste; we would not want just to have one brand of toothpaste, and packaging is obviously one way in which brands can differentiate themselves on the supermarket shelves. That is true, but as someone who used to work in marketing I might suggest that the way in which brands might want to differentiate themselves would be through the strength and quality of the product, rather than what it came in. We have had the examples of perfume bottles and so on, which add a huge amount of apparent value to a product. However, I would have thought that the consumer would be interested in whether the product works.

Dr. Pugh: I hate to play devil's advocate, but the possible counter-argument would be to say that packaging allows manufacturers to state the merits of their product on the packaging rather than inviting customers to try each one individually.

Jo Swinson: My hon. Friend makes a good point. I do not argue for a second that we should have no packaging and should go back to taking products in one big bag without any protective coatings or boxes. However, I recall the days when one could take back to the Body Shop the bottle that formerly held a favourite body lotion or shampoo and get it refilled. It is a shame that that seems to have gone by the bye, because although we try to recycle, we need to remember the waste hierarchy—reusing is the best thing that we can do with packaging.

Work still has to be done on marketing. I suggest that the Government play some role, because if products benefit by being in bigger and apparently better packages than those around them there will be an economic incentive to have more packaging. If a level playing field is created through Government regulation—optimal packaging requirements are being considered as part of the waste strategy—companies can act in an environmentally responsible way and will not be penalised by the fact that their competitors would be less likely to do so.

Consumers want minimal and green packaging. A recent survey by the Industry Council for Packaging and the Environment—INCPEN—said that 66 per

cent. of people thought that, overall, products are overpackaged, with too many layers of packaging, or packaging that is too large for the goods inside. In April, the Institute of Grocery Distribution found that 19 per cent. of shoppers said that they specifically purchased products with recyclable packaging. That is starting to be a driver through the marketplace, and it will obviously grow.

Let me pick up on a point made by the hon. Member for Castle Point (Bob Spink). The packaging industry should see this as an opportunity, and if the Government can provide support through research and development to enable companies to innovate, there is no reason why it should not be seen as good for the industry to become a market leader for the rest of the world in new, innovative ideas for environmentally friendly, minimal packaging, which will obviously provide economic opportunities. The packaging industry should embrace that idea, and parts of it are doing so, but we need to ensure that the Government support is there. Although it might always be economically sensible to produce minimal packaging, the risk involved in innovating new, environmentally friendly packaging means that there might not be an economic case up front. Something might need to be developed and researched first, so that support would be needed.

My hon. Friend the Member for Solihull (Lorely Burt) made a point about waste and shrink-wrapped cucumbers and turnips—my hon. Friend the Member for Southport (Dr. Pugh) raised it as well—and whether that is better. I am unsure whether I am agnostic on the issue, and I have no definitive answer. However, although packaging such goods can prolong their shelf life, pre-packaged goods can mean that we buy more of something than we need, which is why 30 per cent. of the food that we buy is thrown away. It is hard to justify such a huge waste of resources. There are two sides to the argument, and I shall leave hon. Members to their thoughts on that matter.

I mentioned SCA Packaging, which employs 150 people in my constituency. It manufactures corrugated cardboard packaging, primarily for the whisky industry—whisky is obviously one of Scotland's great exports. That company is a good example of how companies can work in an environmentally friendly way, as 75 per cent. of its cardboard is made from recycled material, and 100 per cent. of its internal card waste is recycled, as it has an onsite paper mill to recycle it.

The cardboard industry is starting to get things right, as 84 per cent. of the corrugated board used was recycled in 2005. In order to raise that figure, we need consumers to recycle cardboard more. Although the industry can be good at recycling the packaging that is used in transit, which is the majority of packaging—the stuff that the consumers see is a small amount—it is harder to get consumer recycling done, because we are talking about smaller quantities in individual homes. It is obviously important for consumers and for us that we get the rates even higher.

It is slightly depressing that in England and Wales only a third of local authorities, or 125 out of 374, collect cardboard on the doorstep, while in Scotland things are a little better, because 37 per cent. of councils, or 12 out of 32, do so. That means that there are huge parts of the country where consumers are not easily able to recycle cardboard, which, given its bulk, is not handy to take down to recycling banks, even if they are provided. I can say from personal experience that cardboard recycling on the doorsteps of East Dunbartonshire, which was introduced more than a year ago, made a huge difference to what ended up going in the black landfill bin. Cardboard was taken out of the waste stream. We really ought to put pressure on local authorities and make it easier for them to recycle more cardboard.

The Government have brought forward some interesting developments in the waste strategy published recently and in trying to enforce properly the Packaging (Essential Requirements) Regulations 2003. I am intrigued that they are talking about having more effective enforcement action, but there is not yet a lot of detail about what that will actually mean. One problem is that it is up to trading standards officers to prosecute and enforce the regulations, and they are over-stretched. As we all know, there have been very few prosecutions. It might be time to consider having a national body, such as used to exist, to consider the issue of packaging and make prosecutions when companies flout the regulations.

The debate has been welcome and I hope that it is the first of many. Many parts of the industry are making great progress towards reducing packaging, but there is much more to do and the Government must take a lead in further reducing packaging waste, with tough targets and effective enforcement. Green, minimal packaging makes good economic sense, and it makes sense for manufacturers, consumers and the environment.

10.21 am

Mr. Philip Hollobone (Kettering) (Con): I congratulate the hon. Member for Barnsley, Central (Mr. Illsley) on securing the debate and leading it off so ably. It provides a welcome opportunity to rebalance the national debate about packaging, and I congratulate all those who have contributed on their wise words.

I wish to follow the comments of the hon. Member for East Dunbartonshire (Jo Swinson) on my favourite subject this morning, corrugated cardboard. There are a number of packaging firms in my constituency, and I am delighted to be a member of the all-party group on the packaging manufacturing industry, so ably led by the hon. Member for Barnsley, Central. Those firms include Rigid Containers and DS Smith, which has a company called Abbey Board based in Burton Latimer. There are others as well.

The figures given by the hon. Member for East Dunbartonshire on the proportion of corrugated cardboard that is recycled were absolutely spot-on. An interesting statistic is that as a result of that recycling rate, an area of corrugated cardboard the size of Greater London avoids going to landfill every four months. That is the scale of the recycling contribution made by this wonderful product. If we stop and think about corrugated cardboard for a while, we find that it is wonderful. From cardboard can be made rigid containers that protect their contents, and when the box is no longer required it can be recycled. There cannot really be a greener and more environmentally friendly product than corrugated cardboard.

[Mr. Philip Hollobone]

DS Smith, which has a firm called Abbey Board in Burton Latimer, specialises in clay-coated, pre-print, barrier and performance liners on both single and double-faced corrugated materials. I looked up its environmental statement this morning, and it is extremely impressive on its corporate social responsibility. As a firm it uses waste or recycled material in any given process whenever it can, and it makes environmental performance an integral part of its business. It also seeks to minimise the use of energy and natural resources in its manufacturing process and always tries to ensure that packaging products are designed to minimise total waste and the use of energy throughout the supply chain.

Rigid Containers, which is based in Desborough, is 100 years old this year. It was founded by a war hero, Colonel Howard Burditt, in 1907, and stems from Northamptonshire's history as a shoe manufacturing location, because shoes go into boxes. Colonel Burditt developed the process of corrugated cardboard, and 100 years later, I am pleased to report, unlike some other parts of the packaging industry, Rigid Containers is doing extremely well. In 2005 the third phase of its recent investment programme was completed with the opening of a warehouse and logistics facility at Desborough, which added storage capacity of 8,000 pallets to its existing 6,000-pallet capacity.

It is easy to bash the packaging industry, but in corrugated cardboard there is an extremely green product that does what it says on the tin, if you like. It is a rigid container that protects the contents of a box, and hundreds of people are employed in my constituency in making that environmentally friendly packaging. I welcome the opportunity presented by the hon. Member for Barnsley, Central, to highlight the good that the packaging industry does.

I wish to echo the words of the hon. Member for East Dunbartonshire about the recycling of cardboard by local residents. In Kettering borough, which has one of the best household recycling rates in the whole country—it has increased from 4 per cent. in 2003 to 46 per cent. and climbing today—cardboard goes in the green bin and is therefore sent off for composting. A point that the packaging industry would like to make is that it would be far better if the Government, through their guidance and funding mechanisms, could encourage local authorities to collect cardboard separately rather than include it in composting. Recycling cardboard to make new cardboard is the most environmentally friendly thing to do. If cardboard is added to general green waste and composted, fibres are lost to the cardboard industry. It would be worth the Minister's addressing that point in her conversations with her colleagues at the Department for Environment, Food and Rural Affairs.

10.26 am

Lorely Burt (Solihull) (LD): I add my congratulations to those of other hon. Members to the hon. Member for Barnsley, Central (Mr. Illsley), on highlighting this important subject and trying to redress the balance. Some of the press that we see, as he said, almost implies that members of the packaging industry act against the interests of people in our society.

The manufacturing industry is an industry just like any other, and should not be demonised. Its job, like that of any other industry, is to respond to market demands. The job of manufacturers and food producers is to sell their products and maximise profit, and packaging is an important aspect in making a product attractive to the consumer, but it does need effective regulation. Will the Minister address some of the criticisms that have been levelled at the Packaging (Essential Requirements) Regulations 2003? Loopholes in the regulations allow excess waste if there is, as the guidance notes state, "consumer acceptance", or if it is needed to provide identification or stimulate purchase. I am struggling to think of any other reason why companies would want to produce packaging, except to hold the contents being sold.

The hon. Member for Barnsley, Central, talked about the reduction in packaging. The natural concomitant of that is that jobs are reduced—it is a simple equation. On the other hand, we as consumers each spend £470 a year on packaging, and Britain has been described as the "dustbin of Europe". There is a trading scheme called the landfill allowance trading scheme, and I would be grateful if the Minister could comment on some of the loopholes in it. Under the scheme, private sector trade waste can be separately collected by private subcontractors and therefore go off the books. In many areas, the Government have a responsibility to ensure that there is proper regulation and proper measurement of exactly how much waste is going to landfill.

We want packaging to be recycled, and we have a target of 40 per cent. by 2010 and 50 per cent. by 2020. Compared with some of our European neighbours, that is pathetic. Germany already achieves 58 per cent., and the Netherlands already achieves 65 per cent. We must raise our sights considerably to ensure that the packaging that we produce has a recyclable element to it.

Recycling could be regarded as an admission of failure, in that we have acquired more material than we actually need. My hon. Friend the Member for East Dunbartonshire (Jo Swinson) referred to the halcyon days of the Body Shop, when one could get the little pots refilled. The optimum strategy for dealing with packaging must be refilling and reusing whenever possible.

Consumer demand drives the industry, and it is encouraging just how much of a move there has been recently in consumer attitudes towards packaging. In my constituency, three little recycling bins to which people could bring their plastic for recycling were introduced for the whole borough. By the end of the first weekend, those little plastic recycling bins were completely covered in plastic materials—people were so keen to do plastic recycling. To its credit, the Conservative-run council has responded by ensuring that we now have sufficient capacity in the three areas, but the provision is a far cry from the sort of recycling service that is offered by more progressive councils.

Supermarket bags have been mentioned. I was interested and amused to read recently about Sainsbury's Anya Hindmarch bags, which were made

of cotton. People were queuing from 2 am to acquire those hugely desirable objects. That just shows that public perceptions and attitudes can shape the manufacturing and packaging industries' response to demand.

The British Retail Consortium has agreed to a target of up to 25 per cent. for reducing the use of plastic bags, but this country really should be working towards the end of single-use bags. That is contrary to what several hon. Members said this morning, but I see no reason why re-education could not end the need to produce a one-use piece of plastic for taking consumables home.

Mr. Illsley: I am listening to what the hon. Lady is saying, but there is an argument that plastic carrier bags are used several times. People will use them when they go to the supermarket; then they may use them again to go to the supermarket; they may use them for taking gym kit to the gym; and then the bags end up as makeshift bin liners in pedal bins. There is an argument that plastic bags are reused.

Lorely Burt: I am grateful for the intervention and I take the hon. Gentleman's point, but the vast majority of people will reuse only a small proportion of the bags. If people take home brand-new bags every time they go to the supermarket, the vast majority of the bags will not be reused. Several supermarket initiatives involve charging a small amount for good-quality plastic bags that can be exchanged once their useful life is over. That has proved extremely popular with consumers, and with a little more education we could move in that direction.

My hon. Friend the Member for Hazel Grove (Andrew Stunell) made an interesting contribution to the debate on the disposal of packaging. His ten-minute Bill was about supermarkets taking back packaging from consumers. He said that responsibility for receiving the packaging should rest with the supermarket. That would certainly direct minds down the supply chain to think about the type and amount of packaging that would be used by the supermarkets.

I should be fair to the supermarkets. They are responding to the challenge of consumer demands to reduce packaging, although one could certainly argue that they could go a great deal further.

Finally, I would like to discuss opportunities for the packaging industry. Every change in consumer demand presents an opportunity to the industry. I would like to mention Re:tie fasteners, the eco-clips that are an award-winning British invention. They could replace conventional closures on many plastic bottles and jars, and they are a fantastic example of British ingenuity in responding to a problem or demand.

Then there is the concept of de-manufacturing, which is breaking down a piece of plastic, or whatever, into its component parts. Esterform Packaging Ltd is a successful, growing company that produces environment-friendly packaging. The hon. Members for Kettering (Mr. Hollobone) and for Castle Point (Bob Spink) spoke about the environmental friendliness of simple packaging products such as corrugated cardboard. Many of the solutions that we need are on our doorsteps, literally. If we were able effectively to recycle and reuse them, that clearly would make a big contribution.

My hon. Friend the Member for East Dunbartonshire spoke about Government sponsorship for research. When drawing up our science budget, we must consider carefully how we can respond to ecological and customer demands, and how we can maximise our ability to design innovative responses to the requirements. This country is good at innovation. The packaging industry has many challenges, but I am sure that it is up to it.

10.38 am

Mr. Tobias Ellwood (Bournemouth, East) (Con): I begin by congratulating the hon. Member for Barnsley, Central (Mr. Illsley) on bringing this major issue to our attention, and on securing an opportunity for us to debate it. He spoke with great passion and, indeed, expertise on the subject. We have yet to hear from the Minister, but I hope that he will agree that there is a good deal of cross-party consensus on the way forward.

The hon. Gentleman takes a measured view. He said that we must have a balanced approach. The world, Britain, our communities and individuals are becoming ever more conscious of environment, climate change and recycling issues, so it is only appropriate that we focus on what packaging can achieve in meeting our objectives. The hon. Gentleman placed in perspective what is, perhaps, the lowest common denominator that we should bear in mind. Packaging is of paramount importance in dealing with problems such as the E. coli scare in Scotland and other places in the world. That must be the benchmark from which we move forward. We need a safe and secure means of transporting our products, and at the same time, we need to be able to market them.

The hon. Member for Southport (Dr. Pugh) talked about excessive packaging and I agree with the points he made. I recently purchased a spirit level from B&Q and it took some time to get into the packaging. I eventually tore it apart with such vigour that I ended up breaking the spirit level because there was something at the back that I was unaware of.

My hon. Friend the Member for Castle Point (Bob Spink) mentioned intelligent packaging and I endorse his sentiments. There are clever ways in which we can reduce the amount of bulky packaging that we see now, and I hope that the industry will listen to ideas about how goods can be better packaged not only for transport to the market, but for display.

The hon. Member for East Dunbartonshire (Jo Swinson) spoke about landfill. It was interesting to hear that the carbon footprint from packaging is declining, which places the issue in perspective. However, we must be conscious of what we are doing to our environment. Last year, the National Audit Office concluded that the

> "Reductions in the proportion of biodegradable waste sent to the landfill have, however, been offset by growth in the amount of waste produced."

We, as households, are producing more waste and packaging is part of that.

Packaging is an essential part of modern life and I do not wish to demonise the industry in any way. It plays a valuable part in the economy, employing 850,000 people. Clearly, packaging not only protects

[Mr. Tobias Ellwood]

goods, but maintains the condition of foodstuffs for much longer. As the hon. Member for Barnsley, Central said in his opening remarks, as consumers, our demands have changed during the past 50 years and we now ask for more convenience. However, examples of excessive packaging have been mentioned today, including oranges in plastic boxes, courgettes in plastic trays, and shrink-wrapped coconuts. The hon. Gentleman referred to abuses where financial gain is made through packaging—for example, six pieces of fruit in a polystyrene tray being sold for more than if someone plucked the individual pieces off the shelf. That should not be happening and it is appropriate that we highlight our concerns about that.

Some stores are heading in the right direction and we support the use of recycled bags, bag-for-life schemes, packaging take-back initiatives and biodegradable packaging. My hon. Friend the Member for Kettering (Mr. Hollobone) is clearly an expert on corrugated boxes and I was pleased that he added his thoughts to the debate; we can learn an awful lot from him. By using more corrugated boxes that can be recycled we can link the emphasis on recycling with the issue of packaging.

However, we need to go further. Concerns were raised about using the bag-for-life for bottles and other items that need to be packaged. We should change the bag-for-life so that it is compartmentalised and has different places to put different products. In that way it would itself become a package to protect goods. Those are the types of initiatives that we need to encourage as we move the debate forward. Education, not regulation, is important. I would hate to see the industry forced to go down a particular road. I would prefer it to engage in the issue and consider where the market wants to go. Consumers are certainly becoming more aware of the matter and are demanding less and better packaging.

To place the issue in context, we create about 4.6 million tonnes of packaging waste every year, which equates to 6,000 London buses. I am not sure if that figure relates to the old Routemaster or to the bendy bus, but either way that is a significant amount and a significant hole in the ground is required to accommodate it. The hon. Gentleman said that the carbon footprint of packaging may be small, but the hole in the ground needed to dispose of packaging is large, which must be of concern to all of us. To put the issue in perspective, for every £50 spent on food, an additional £8 is spent on packaging, so the average family is spending about £470 a year purely on packaging. It does not end there because people must then get rid of packaging and pay the council to come and take their waste away. That means that people are paying a second time for disposal of the packaging once it has been used.

In conclusion, the public are becoming attuned to the impact that we all have on the environment. The packaging industry must be challenged to play its role and introduce less bulky, more biodegradable, more recyclable and more reusable types of packaging. I hope that the industry will heed those views to avoid the necessity for any new regulation.

10.45 am

The Minister for Industry and the Regions (Margaret Hodge): I am delighted, Mrs. Humble, to speak in a debate that you are chairing. I welcome the hon. Member for Bournemouth, East (Mr. Ellwood) and congratulate him on his speech—it is the first time that I have sat opposite him when he has spoken from the Front Bench.

Most importantly, I congratulate my hon. Friend the Member for Barnsley, Central (Mr. Illsley) on securing the debate. I have worked with him before on the issue of packaging and I know that he puts a lot of effort into supporting the packaging industry by raising issues of concern in the House. I am delighted that he has had the opportunity to put on the record a properly balanced debate. Given the image of the industry, as demonstrated by the latest campaign by *The Independent*, I would be interested to know whether those who have tabled the early-day motion supported the amendment proposed by my hon. Friend. In initiating the debate, he has succeeded in getting the balance right between promoting an important industry, which has a crucial role to play in our economy, and ensuring that the industry moves with the times and deals with questions such as whether packaging is excessive and what is essential packaging.

A number of hon. Members made good points about how packaging can help sustainability. For example, food loss is minimised, which was mentioned by my hon. Friend and the hon. Member for Castle Point (Bob Spink). We know that the industry is attempting to minimise the impact of packaging on the environment, and I will come back to that point. Much very good innovative work has been done throughout the industry and in collaboration with higher education institutions. The industry has also taken advantage of resources that the Government have set aside for innovation and research. As a number of hon. Members have said, we need to do more of that.

I listened with interest to the comments on packaging and marketing. At best it is a bit naïve to assume that, in our consumerist society, we can reduce the importance of packaging as a marketing tool, whether for Easter eggs or any other product. As we become increasingly wealthier, we become what some people describe as apex consumers and we seek to discriminate between products that are the same. Unfortunately, it is a fact of life that packaging is a key part of marketing.

Jo Swinson: Does the Minister not think that the Packaging (Essential Requirements) Regulations 2003 were an attempt to do exactly that: reduce the excessive packaging that might be introduced through branding and the use of packaging in extreme ways as a marketing tool? The regulations mean that packaging has to be reduced to the essentials of protecting products and ensuring that they reach their destination in a safe and hygienic condition.

Margaret Hodge: It depends on how one defines those terms. No doubt if the hon. Lady has examples of what she believes is excessive packaging, she will refer those to trading standards officers. However, one can take a whole range of examples. In my early life, I

worked for Unilever. All washing powders are basically the same and the only way to differentiate them is through the packaging and marketing.

Mr. Ellwood: The Minister is on record as saying that.

Margaret Hodge: It is dependent on the competition and, of course, neither Unilever nor P&G would say that. However, it is naïve to speak in a debate in the House and pretend that packaging does not have a key role to play in the marketing of products—particularly because we, as consumers, want that choice. If the hon. Lady thinks that she can influence consumers into not wanting a selection on their shelves or in their shops, I wish her luck, but I do not think that she will get very far.

Packaging materials can be green, however, as a number of hon. Members have said. I think that recycling is very important, and I take the point made by my hon. Friend about the need for green bottles to be separated from clear bottles so that they can be recycled. I shall take that point away and discuss it further with my colleagues in DEFRA and the Corporate Responsibility Group. I shall take away also the point about cardboard and discuss it with colleagues in other Departments to see if we can be more sophisticated in the way in which we discriminate between objects that we recycle in order to support re-use, rather than simply recycling materials.

The hon. Member for Southport (Dr. Pugh) raised a number of issues and talked about mature dialogue, as well as regulation, to ensure environmental sustainability. I think that he admitted that it is difficult to decide what should be packaged. I expect that we all have personal experience of poor and excessive packaging. The hon. Member for Castle Point made a very good point about packaging reflecting the needs of disadvantaged groups in society—for example, those with disabilities or the elderly. We all have endless examples of appalling packaging that, for example, someone with arthritic hands could not open, or where the typeface of the written directions or information on the contents is so small that even a younger person could not decipher it—but perhaps that is part of the reason why it is so small.

The hon. Lady took a very different approach to the debate. Her main emphasis was on the need to reduce packaging as much as possible. I agree with her about green packaging and the need to minimise packaging. Innovation is vital, and the Government have a role in setting targets for reducing waste, which I believe that we are doing effectively. We have made good progress. However, we need partnerships between all, rather than regulation. The industry needs to work with consumers and other stakeholders to make the changes that we want.

In the last few minutes left to us, I shall make some general points. Packaging is part of everyday life, as my hon. Friend demonstrated well, and it feeds into a massive range of supply chains. I have responsibilities for the whole of the manufacturing industry and a range of other sectors. Packaging probably impacts on most of the sectors that are part of our everyday life. The packaging industry is a sophisticated and highly competitive sector and is adapting effectively to changing consumer demands and fashions, and now to the challenges that we face to sustain our environment.

The packaging industry also has to ensure that it can survive in the increasingly globalised market in which we now operate. I often use three statistics on China in this context. China now produces nearly 70 per cent.—two thirds—of all mobile telephones; it produces half of all our televisions; and last Christmas it produced three out of every four toys bought for children. Our packaging industry must ensure its future in that context. The industry employs 85,000 people and accounts for 1 per cent. of GDP, I believe—my hon. Friend will know.

Mr. Illsley *indicated assent.*

Margaret Hodge: The industry therefore makes an important contribution.

Given the statistics, globalisation could be seen as a threat, but it is an opportunity as well, providing new markets in which we can compete. The real challenge for us, which is reflected in our manufacturing strategy, is to provide the conditions in which the packaging industry can modernise, be appropriate in the modern context, continue to grow, and provide added value to the economy and jobs for British people. The packaging industry has faced other challenges owing to the high energy costs of the last few years and of raw materials—those two factors have not been brought up in the debate today—but despite that there has been growth, which is to be welcomed.

Why has that happened? One of the strengths of the packaging industry in the UK is design, which has been talked about by a lot of people. It is crucial that we keep innovating in order to reduce quantities of packaging and to maintain the industry and ensure that its products become more sustainable and re-usable. The incentives that the Government have put in place to support the industry deal largely with innovation. They include tax credits, which are, I hope, increasingly supporting the packaging industry; the science and research budget, which has almost trebled; and the technology programme, under which we have invested £370 million over the last four years to enable manufacturers to capitalise on emerging technologies and to turn ideas into products. For example, in the £40 million spring competition, which we are in the middle of, £15 million was allocated specifically to the development of lightweight materials and structures. We hope that some of those resources will go into packaging to enable further innovation.

We work also through the manufacturing advisory service to ensure that the packaging industry remains competitive. MAS has worked with and helped more than 30 packaging companies such as Amcor, Chevler and Rosewood to increase turnover by £300 million. In 1997, we set up the Faraday packaging partnership, which has now been subsumed into the materials knowledge transfer network launched by Lord Sainsbury in 2006. That partnership provides an interface between packaging producers, users and academic research. Again, about 35 successful, relevant products have come out of that.

I shall say a little bit about what we are doing through the waste and resources action programme, which is important in funding good new products to ensure the long-term sustainability and liability of the packaging industry. There have been trials of

[Margaret Hodge]

lightweight glass bottles and jars and lightweight easy-open steel food cans, which Heinz and Impress Group BV have used. It has developed a packaging minimisation standard for organic products, which has included partners such as Green and Black's and Duchy Originals, as well as a new benchmark for lightweight PET drinks bottles. We have also held trials of re-usable packaging systems for companies such as Argos. Good things are going on within the packaging industry that we can help to ensure continued sustainability.

Finally, we value the contribution that the packaging industry makes to the UK economy and to reducing packaging waste, and the importance that it attaches to research into development and innovation, which is the means by which we can turn global change from a threat into an opportunity. The packaging industry has always embraced innovation and has long been aware that sustainable success comes through innovation, added value and being close to the supply chain.

Territorial Army

10.59 am

Mr. Julian Brazier (Canterbury) (Con): I am delighted to have secured the debate, which gives us an opportunity to discuss the report "Recognising the Opportunity", which was recently published by the new all-party group on reserve forces. I should start by passing on the apologies of the hon. Member for Portsmouth, North (Sarah McCarthy-Fry), who has had to pull out of the debate at the last moment because of another defence engagement of which the Minister will be well aware.

In the course of putting the report together, we took testimony from sources ranging from the commander of regional forces, Lieutenant General John McColl, to some Toms in 4 Para. I thank the Ministry of Defence and most particularly the Minister of State, the right hon. Member for East Kilbride, Strathaven and Lesmahagow (Mr. Ingram), for all the help and support that we received from the MOD and, indeed, individual units. We were delighted to have the Minister of State address the group and that we had such a frank discussion with him.

We also took evidence from Richard Holmes, the first reservist to be director of reserves and cadets, from the chairman and chief executive of the reserve forces and cadets associations, and from Lord Glenarthur, the chairman of SaBRE—Supporting Britain's Reservists and Employers. Our visits to 4 Para and 256 field hospital, both of which are excellent units, provided valuable insights. Members of the group keep in touch with many units up and down the country on an individual basis.

Much has changed in the 10 years since the Government came to office and carried out the strategic defence review. On the downside, there has been a huge cut in establishment numbers—proportionately it is much larger than that for the Regular Army. On the positive side, the group welcomes the way in which reserve forces have been used on active duty. Starting with the Kosovo war, substantial numbers of troops from the Territorial Army and its sister bodies have been deployed to war zones, and they have performed admirably. In Kosovo, almost 10 per cent. of those deployed were from the reserve forces, and reservists made up one fifth of the Army in Iraq and one eighth in Afghanistan at the peak in 2004. Lieutenant General McColl told us that the situation has now stabilised with about 1,200 being called up each year for duties in Iraq and Afghanistan. That is a very large continuing commitment for a very small force—barely 30,000 troops are deployable—with full-time civilian jobs.

Praise has come from all quarters. One REME—Royal Electrical and Mechanical Engineers—commanding officer from the Kosovo campaign commented:

"Thank goodness for the Territorial Army!"

The CO went on to say that TA personnel

"have been quite excellent. To a man, they are enthusiastic, cheerful and willing...the additional skills some of them have brought from their civilian occupations have already been an extra bonus."

That ability to provide value added has been seen in our more recent conflicts. We report on the experiences

in relation to Iraq of Major Andrew Alderson, a former director of the merchant bank Lazard and a long-serving TA officer. He was appointed at very short notice to take charge for a year of the entire economic planning and development brief for all four provinces of the British sector. I have been encouraged by reports that I have received from units that have sent soldiers—including, in April, from the Princess of Wales's Royal Regiment in Canterbury—about how quickly reservists were able to reach Regular standards. The reservist mobilisation centre at Chilwell played a pivotal role in that.

4 Para, which the group visited, has had two highly successful deployments. One involved sending a formed company to Iraq and the other, more recently, involved sending a large group of individual reinforcements to Afghanistan. Next year, despite the fact that almost all its trained soldiers have been on one deployment or more, it will once again manage to send a formed company to Helmand province, where I am sure that 4 Para will distinguish itself again. We were told on our visit to 256 field hospital that from next year TA medical reserves will be running our medical effort in Afghanistan, sending out two TA field hospitals at a time on three-month rotations for the whole year—a remarkable challenge.

However, that success story hides a deeply worrying fact: the TA is becoming smaller. In all but one of the past six years, recruitment numbers have fallen below those for resignation and retirement. The reserves are considerably below their official establishment; the TA is almost a quarter down on what it should be. The problem is even more acute in respect of junior officers, although the figures for them are masked by a tendency to promote much older people to fill the gaps. Without good officers and non-commissioned officers, the whole operation is in danger. They are needed to provide leadership for the men and women under their command.

The problem can be tackled, but to do so the TA needs to focus on a way of doing things that takes account of its inherent strengths and recognises the inherent difficulties in volunteer service. Throughout the report, we stress the advantage—the key factor—of the TA being local. That is its greatest strength. Indeed, at a time when fewer and fewer people have any uniformed experience, the TA and the cadet forces with which it works so closely are now the only active link to the Army in many parts of the country.

The advantages of the TA's diffused structure and links into the community are many. The reserve forces and cadets associations know best where to advertise and which employers are positive, which can make a huge difference to recruiting. That is why the group was concerned to hear that Regular brigade headquarters has just taken charge of recruiting. Such a move took place in Australia 10 years ago, when regular and reserve recruiting were regionalised and integrated. The recruitment rate of reservists halved almost overnight, and a Senate inquiry was set up, but the numbers have never recovered there.

The new system can be made to work, but only if brigade HQs work closely with the RFCAs and, crucially, with the units themselves. The signs so far are not encouraging. Let me take Kent as an example. The Kent county committee of the RFCAs meets in Maidstone in an office very close to the offices of the Kent Messenger Group—one of its longest-serving reporters, who still works with the group, was also a long-serving TA officer—and the studios of Meridian Television, with which it has links. Its membership has good links with local employers, but its recruiting task and budget have been moved to 2 Brigade headquarters and to 145 Brigade, which is on the other side. However, let us focus on the eastern side.

2 Brigade is based in Dover, and there is already a feeling in TA circles that the recruiting effort has gone off the boil and is now focused almost entirely on the Regular Army. Who can blame Regular recruiting teams, given the problems in the Regular Army, for focusing on the Regular Army? However, even if that were not the case, it is very difficult to see how a group of people who change posts every couple of years and are based in Dover, which is far away from all the media and centres of power, can possibly do as good a job as the local team.

Dr. Andrew Murrison (Westbury) (Con): I am very interested in my hon. Friend's comparison between the Regular Army and the Territorial Army and the treatment that they receive. Does he share my concern about the way in which the joint personnel administration scheme has been rolled out to the Territorial Army? That appears to be somewhat to its disadvantage; it has disadvantaged a number of Territorial soldiers, which, of course, is likely to annoy and upset them and cause them to leave. If we want a professional Territorial service, inevitably people will start relying on some of that income. In contradistinction to the weekend warrior, part-timer ethos that used to apply, the service is now very much professional. In turn, it requires professional services from the Regular Army, including the JPA, but that does not appear to be happening.

Mr. Brazier: Yes, I share the concern expressed by my hon. Friend, who, of course, has been a distinguished serving reservist in the past two years in Iraq with the Royal Naval Reserve, which the group hopes to consider in its next report. It is interesting that the measures that have been most successful in preparing reservists for operational service are those whereby they are handled separately. I am thinking particularly of the situation at Chilwell. The scheme to which my hon. Friend refers appears to be throwing up various problems because there is an attempt to consider reservists simply as part-time regulars.

That brings me neatly to the nature of a volunteer reservist. Unlike a Regular soldier, who has, of course, also volunteered, a member of the TA will have volunteered on top of his full-time civilian career. Like those who work in charities, youth groups, sports clubs and even, dare I say it, political parties, TA volunteers have full-time jobs and, in most cases, families, which take priority in their lives, except when they are mobilised. Given their outside interests and experiences, TA volunteers bring a huge amount to the services at a very low cost, but they are also prone to leave the TA if the service ceases to be challenging and fun. That is why some things work best for the TA when they are designed with the citizen soldier in mind—I have just mentioned Chilwell.

[Mr. Brazier]

The challenge of TA officer recruitment can be addressed, although it is not so much of a local issue in an era when such a high proportion of potential officers go to university outside their own area. Many serve in university officer training corps, which train personnel to a high standard, and setting up a central system to contact those people a year or so after they have left university and settled into their civilian jobs would make an enormous difference and would cost almost nothing. Similarly, like the Americans and Australians, we should co-ordinate officer development courses and university vocations so that students who are short of money but keen on officer training can accelerate their training programmes and do their special-to-arms training during their time at university. That would enable them to become first-class troop and platoon leaders when they leave.

Mr. Philip Hollobone (Kettering) (Con): I congratulate my hon. Friend on securing the debate and leading it so ably. I served in the Oxford university officer training corps and joined a unit near my place of work when I left university. Does my hon. Friend agree that the Ministry of Defence should also look at encouraging students to join a TA unit on a dedicated scheme during their gap year before going to university, perhaps in return for an enhanced student loan while they are studying?

Mr. Brazier: Yes. My hon. Friend points to one of the—dare I say it—rather imaginative proposals that the all-party group included in its list of recommendations. Of course, his suggestion would have a small cost attached to it, whereas the two things that I mentioned earlier would be virtually free—they are just a question of getting organised. None the less, such a proposal would provide an excellent return, as well as providing officers for the Regular Army, and I thank my hon. Friend for raising it.

The TA must be treated as an army that supports the Regular Army as a junior partner. It must always be more than an army reserve that is just there to fill the gaps when the regulars are short of numbers. It is interesting that the United States has two volunteer reserve armies—the national guard and the US army reserve. Their structure, in terms of units, and their pay and conditions are identical, but their philosophies are totally different. The reserve is used mainly as a pool for individuals to backfill the active army, while the guard has a distinct, local identity and is usually deployed as formed units. The difference in recruitment and wastage is startling. The wastage rate in the national guard is well below two thirds of that in the army reserve, and despite the fact that the guard has suffered heavy losses in Iraq—16 people from the Louisiana brigade, which I know well, were killed during its deployment there, which, coincidentally, happened at the same time as hurricane Katrina—its website proudly proclaimed last month that it had recruited fully up to strength. The active army and the army reserve are some way from that.

As with the national guard, TA soldiers should, as far as possible, be deployed together and, usually, as a formed sub-unit, thus giving their commanders the crucial opportunity to lead their men. However, as Regular commanders press for soldiers to fill their ranks and the operational work load makes it harder to get substantial groups of territorials to leave their civilian jobs again, there is a tendency towards deployment by individual reinforcement or so-called cohort. That often provides individuals in junior ranks, such as corporals and privates, with an excellent experience, but the danger is that such an approach will predominate, with officers having no opportunity to command in the field. It is no wonder that it is becoming so hard to recruit and retain junior officers as the demands of civilian life continue to grow.

One positive step, on which I congratulate the Government, was the introduction of a two-star, part-time general in the MOD in 2004. The general has access to Ministers and the Chiefs of Staff to ensure that the volunteer reservist voice is heard in the corridors of power, and the all-party group applauds the Government on that.

Nevertheless, there is considerable concern that last year's reorganisation of the TA, which was based on the future army strategy, threw up some serious problems. There are two dimensions to the strategy. The first related to the macro aspects, such as deciding the locations at which individual units would be based and the cap badges that they would wear. I have no problem with that, and things are, indeed, starting to settle down nicely. The big problem was with the other dimension, which related to the decision to design the TA structure on the basis of very occasional, large-scale, deliberate interventions—large-scale wars in which most of the TA would be called out, happening perhaps once in a generation—rather than of supporting enduring operations, which is what the TA actually does.

The problem was most acute in two areas: the infantry and yeomanry. The substructure of each company and yeomanry squadron, which determines what happens at each individual location, was rewritten in an unfortunate way, and that has seriously diminished TA infantry and yeomanry regiments' ability to train and develop officers and fulfil the operational requirements on them. To focus on the infantry, there is now only one rifle platoon in each company, plus an enormous support weapons set-up, which means that companies do not have the critical mass to provide interesting training. Providing an interesting exercise requires several sub-units, usually from many miles apart, to be consolidated through a mix-and-match approach, but that is no way to develop team spirit. Therefore, the most rewarding part of being a TA officer or NCO in peace time—taking one's troops through their paces—is, in effect, being denied to company and platoon commanders in the infantry and yeomanry. If the young professionals and managers who regularly give of their precious free time at the end of a hard working week are denied the most rewarding aspect of their job, they will soon vote with their feet, as will the men and women under them.

The macro side of the future army strategy must be allowed to settle in. I am not suggesting that a single location is reorganised, but the crucial substructure of the individual infantry company and yeomanry squadron must be rebalanced. In the case of the infantry, that means that there must be a big cut in the

number of support weapons to provide enough rifle platoons, given that riflemen are the overwhelming requirement for Iraq and Afghanistan.

The all-party group's report ends with 18 recommendations, most of which are based on the factors that I have set out. Just as we went to print, the Department for Transport announced an initiative on one of them—the problem of drivers' hours, which affects a small yet significant number of territorials. I hope that the MOD will look hard at the other 17 recommendations.

In summary, if bright young men and women are to be attracted to the TA, it must never become a mere adjunct to the regular Army. It should integrate with the Regular Army only in so far as that is compatible with the grain of civilian life. The TA is a precious, priceless asset to this country, but it will be so only as long as it attracts good-quality men and women into its ranks. To do that, each TA unit must remain part of its local community—that is, it must remain territorial.

11.19 am

John Hemming (Birmingham, Yardley) (LD): I congratulate the hon. Member for Canterbury (Mr. Brazier) on the quality of the report that he and his group have produced and on securing this Adjournment debate.

Birmingham, Yardley has a Territorial Army base in Sheldon, but Birmingham has others, and it is important, in such a diverse city, that we understand what is necessary for the citizen soldier.

I do not want to reiterate everything that the hon. Gentleman has said, but I think that it is crucial that if someone is balancing their family and work life—which is challenging enough at times—as well as the TA, it is no good running things for the convenience of the Ministry of Defence. It is necessary to take into account the needs of the individual citizen soldiers—officers and NCOs, as well as those in the ranks—as otherwise they will vote with their feet.

There has been much discussion about encouraging members of the ethnic minority communities to join the armed forces. The Territorial Army, being territorial, obviously recruits from the local area. It was perhaps a mistake, therefore, to aim to close down inner-city branches of the TA. Although there may be concerns affecting recruitment because of events in Iraq and Afghanistan, inner-city areas are the places from which ethnic minority members could be recruited, because there are often more ethnic minority people living in them. It is crucial that the MOD does not just treat the TA as something to fill in the gaps—a convenience. It must be treated as a territorial Army in itself.

It is also necessary to be aware of employers. There are employers who are sympathetic to the idea of staff being reservists, but some certainty is needed. Again, what is done should take into account the needs of the citizen soldier and the employer; it should not be a question of saying, "Let's move all these people where we need them, now, because it is a bit of a hassle for us to do things another way." If their needs are taken into account, and if respect is given to the citizen soldier, recruitment will grow.

I thank the hon. Gentleman for securing the debate. The TA is a crucial part of British cohesion and the British armed forces. If the attitude of the Ministry of Defence improves, recruitment to the TA should grow.

11.22 am

Dr. Julian Lewis (New Forest, East) (Con): It had not been my intention to contribute substantively to the debate, but as the opportunity has opened out I should like to take advantage of the Minister's presence by raising a specific point about what happens to members of the Territorial Army when they come back from their tours of duty.

The theme that we can expect to hear a great deal of in speeches on this subject is that, although the people who are volunteer reservists may be part-time in terms of their commitment of time, the dangers that they face and the standards that they reach make them entirely comparable with the most battle-hardened, seasoned, long-time Regular. However, there is one grave difference and great disadvantage that they face at the end of their tour of duty. Having experienced all the pressures and indeed horrors of conflict, when they come back to this country they do not have the support and infrastructure of their units permanently around them, to help them to adjust to the aftermath of their experience.

We all know from history the trauma that the civilians who became warriors in world war two went through when they had to readjust to ordinary life, particularly when they were moving back into communities that had little idea of the reality of what they had experienced. In a couple of atrocious cases recently, to which I hope the Minister will refer, although they did not necessarily involve reservists, people who were wounded in Iraq or Afghanistan were abused while recovering in hospital on civilian wards. I hope that the Minister will take the opportunity to send out a message that, however strongly people may disagree with a particular campaign, they should realise that abuse of our servicemen and women—particularly those who are wounded, and recovering in hospital—will not be tolerated.

A serious comparison can be made between the difficulties of servicemen and women who are recovering from physical wounds in hospital and those faced by people who must recover from the emotional trauma of seeing their comrades maimed or even killed in battle alongside them, and who are returning to civil society among people with little idea of what they went through. We owe a special duty to those people who volunteer, as reservists, to put themselves in harm's way; we have a duty to ensure that they have maximum support when they come back from ever-lengthening tours of duty and have to come to terms with their experience without the support of a regular unit of professional comrades around them.

I hope that the Minister—to whom I apologise, because I shall not be able to be present for his concluding remarks—will deal with that issue and say what extra support the Government are giving specifically to reservists, to help them to cope with something that is a greater task and heavier burden for them than for their regular comrades in the Army, and indeed all three services.

11.26 am

Mr. Don Touhig (Islwyn) (Lab/Co-op): I, too, had not intended to take part in the debate. I congratulate the hon. Member for Canterbury (Mr. Brazier) on securing it and on the excellent work that the all-party group on reserve forces has done in preparing its report. I am motivated to speak partly by the remarks of the hon. Member for New Forest, East (Dr. Lewis): I entirely agree with his point that many people who have served in our reserve forces come out and feel that they have been abandoned, with no one around them to give help, support and encouragement.

My second motivation for speaking is my horrendous rail journey from Wales yesterday with the railway company known as First Great Western, although I call it Late Western, because that is what it is, most of the time; it took me more than four hours to get to London. In the train I got into conversation with a young man who had served for six years in the Regular Army. He was very bright and felt that he owed everything to the armed forces, which had given him great opportunities. However, he had been injured, and I am sorry to relate that the story he told me of the lack of support available to him when he left the services was pretty horrendous. The hon. Gentleman alluded to one or two recent stories, and it seems to me that such cases are becoming more the norm than they should be. Those who have served in the reserve forces, in particular, need extra help.

I welcome the announcement that my hon. Friend the Minister made in November last year, offering continued support for people who have served in the reserve forces, who might now have psychological problems and so on. I welcome his announcement at St. Thomas' hospital yesterday, which I am sure he will mention, about extending our support and care to those who served in the forces, going back to 1982. However, it seems to me that some basic things could be done to support people who have left the reserve forces.

I spent a day as a fly on the wall with a volunteer from Combat Stress, meeting people whose lives are ruined, and who have huge difficulty in coming to terms with life since leaving the forces, perhaps having had some awful experience in combat. I was hugely impressed by Combat Stress and its work. In particular, when I sat in with a case worker and a couple of the guys I met that day, I was impressed by how subtly they introduced the ways in which Combat Stress could help, conversationally drawing out the client. The organisation does a fantastic job, but too many people do not know that it exists. The young man I talked to yesterday had not heard of Combat Stress.

All too often what we might call the obvious does not happen. For instance, let us consider what happens when someone goes to see a general practitioner. Yesterday's press statement by the Department referred to the fact that people suffering from a prolonged medical condition could go initially to their GP and then be directed to the appropriate MOD medical assessment process to get help, a diagnosis and so on. However, all too often, the GP does not understand or respond.

As an aside, I should mention a good group in my constituency called Shades, which comprises a group of ladies who suffer from depression. They have got together in a self-help group. One of them told me that when she was first ill, her doctor said, "There's nothing wrong with you, love. Go home and get your husband to buy you a new dress." The problems experienced by people, particularly those who have served in the forces, are too often not understood.

I cannot understand why GPs do not act as signposts. When someone has a problem, why do GPs not simply ask whether they have ever served in the armed forces, because if the answer is yes, they should be told that Combat Stress and the Veterans Agency provide support? So many people just do not know where to turn. When I was doing the job that the Minister is doing, it was my ambition—I am sure that he carries this on—to promote the work of the Veterans Agency as a first point of contact.

As the hon. Gentleman said, so many people are simply at a loss when they leave the services, and the reserve forces in particular. When there are difficulties, they do not know where to turn. The young man I met yesterday shared an idea with me. He asked why there is no system to ensure that, when somebody leaves the forces, a skills audit is done to help to place them in work. Many people find it difficult losing the family feel that they get from serving in the forces, and adjusting to civilian life. We need to think outside the box in terms of how we demonstrate how much we value the people who have served in our armed forces.

I spent 27 years in newspapers and publishing before becoming an MP. Although salaries are important to people, my experience as a manager showed me that people valued more the fact that they were valued: that management looked after them and did things to support them. We could do much more for those who have served in the reserve forces.

I pay tribute to the large and small companies across the country that give every help and encouragement to people who serve in the reserve forces. Such companies ensure that people get the time off, that their jobs are secure, that everything is right when they return, and so on. Many of the guys bring new value to their jobs when they come back, because of their experiences in the forces. Without the encouragement of employers, it would be difficult to sustain the Territorial Army in its current form.

As the hon. Member for Canterbury highlighted, we have to meet a huge challenge to increase recruitment, involvement and so on. We must be careful to ensure that the structures we create do not work against that and against making things as effective as they should be. A debate such as this gives us a chance to air some of our concerns and to hear what the Minister has to say. I hope that the all-party group on reserve forces will continue to produce work such as this report. The report is as valuable as any produced by a Select Committee, because it shows that we still need to address certain issues. The fact that that has been done in this cross-party way shows the House at its best, because all of us, regardless of our political differences, have seen that an issue needs to be addressed, and we have addressed it collectively for the benefit of those who serve in the reserve forces and of our country.

11.33 am

Mr. James Gray (North Wiltshire) (Con): I, too, did not necessarily intend to take part in this debate, but I am delighted to have the opportunity to do so and to follow the right hon. Member for Islwyn (Mr. Touhig), who did such an outstanding job as a Minister in the Ministry of Defence for a long time. I served opposite him at one stage as a shadow Minister. If I were to say that the Ministry of Defence was a poorer place as a result of his retirement, it would be a discourtesy to his successors, so I would not go that far, but he graced his office for a long time, and we are grateful for his doing so.

I congratulate my hon. Friend the Member for Canterbury (Mr. Brazier) on having the initiative to call for this debate. It comes as not the conclusion—that will be in many years' time—but the climax of 20 or 30 years of his speaking up for the Territorial Army and the reserve forces in Parliament. He does an outstanding job of that, and if there were a debate on the armed services in which he did not participate, we would be very surprised.

I should declare a minor, non-pecuniary interest: I have the honour to wear the tie of the Honourable Artillery Company, which is the oldest regiment in the British Army. That makes it the oldest regiment in the world, with the possible exception of the Swiss Guard in Rome. However, a strange quirk of history makes it the second most senior regiment in the Territorial Army, because the Royal Monmouthshire Royal Engineers registered first when the TA was set up in 1906. Incidentally, the Royal Monmouthshire Royal Engineers is interesting for another reason: it is the only regiment in the British Army whose name includes the word "Royal" twice. I challenge anyone to come up with an alternative to that.

We in the Honourable Artillery Company are proud of our record in serving the nation for about 400 to 500 years—from the time that King Henry VIII set us up. We served with huge distinction in the London contingent in the Boer war and suffered among the heaviest casualties of any regiment in the first world war, in which we served as a regiment. As a result, we were deployed in the second world war as an officer-producing unit. We produced tens of thousands of officers, many of whom were casualties. I am glad to say that we have served as a formed unit—I believe this was as a result of the Reserve Forces Act 1996, which was one of the last Acts of the previous Conservative Government—on two separate occasions in Iraq. We currently have soldiers deployed in Iraq, Afghanistan, Kosovo and elsewhere, carrying out a variety of highly specialist and dangerous tasks. We are proud of our regiment's service to the nation and believe that our regiment has an enormous amount to offer.

I do not just raise the matter of the Honourable Artillery Company because I am a sensibly proud member of it. I should mention that my service—seven years of serving the Queen—was probably the least distinguished military career in the history of the British Army: I was seven years a private soldier. I claim no greater military distinction than that I was particularly good news in the bar. None the less, my regimental colleagues have done fantastic work.

I am proud of the HAC not simply because of regimental pride. Should there be the triple postings that were described earlier, we would risk losing the regimental pride that the HAC and so many other TA regiments have. If the boys are deployed as a regiment, or at least as a formed unit from the regiment, they serve with their mates and as a regiment, they have that 500 years of history behind them, they are proud to wear the cap badge of the HAC and they serve better than they would as an individual soldier posted elsewhere.

I raised the issue of my pride in the HAC not only because of understandable personal pride in my own regiment, but because even in debates such as this, and in other discussions that we have had in recent months and years about the deployments in Afghanistan, Iraq and elsewhere, we give occasional compliments to the Territorial Army but do not pay sufficient respect to the real contribution that it makes to our overall war effort. I do not have the figures to hand, but my memory of them is that about 25 per cent. of all soldiers deployed in Iraq came from either the TA or the reserve forces—those two are different, but similar in some respects. I stand to be corrected on that figure, but the number is of that order.

Significant numbers of the TA and reservists have been deployed in Iraq and, more recently, in Afghanistan. In other words, it would not have been possible to have done what we have done in Iraq and Afghanistan—I leave aside the question of whether one believes the former action to be a good or bad thing—without the support of the TA. That stands in sharp distinction to what happened in the Falklands, where I believe that few TA soldiers were deployed. In the Falklands, the Regular Army did it, whereas in Kosovo, Afghanistan and Iraq, the TA did it. That is fantastic.

I congratulate the TA on the outstanding commitment and the contribution that it has made to British successes across the world. I know that it will continue to make such a contribution. I have set out the background, but we face a particularly worrying future. I recall that the strategic defence review cut the number of TA soldiers to 44,000. Recently, the number was as high as 100,000, and I would not be in the least bit surprised to discover that the TA numbered 200,000 to 300,000 in the 1950s and 1960s, so the current number is very small. The strategic defence review concluded that the right thing to do was to cut it to 44,000. Discoveries about the way in which the TA has been deployed since the SDR have confirmed my opinion, in retrospect, that that was a mistake. However, I shall leave that to one side; I am not certain that even my own party was that forward in pointing it out then—we rather welcomed the SDR and its change of emphasis.

Nevertheless, there are big problems with regard to numbers, some of which we have already touched on. First, we know about the problems with recruitment, and particularly the problem of officer recruitment that was mentioned by my hon. Friend. That is a real difficulty, and if some of the situations that he described continue, there is a strong likelihood that officer recruitment will fall further, which would be a real worry.

There is also some hidden loss in the Territorial Army, for one very good reason, which is that TA members are paid their tax-free bounty at a certain stage in the year. On the spur of the moment I have forgotten the amount of the bounty, although one of

[Mr. James Gray]

my hon. Friends might enlighten me. It is several thousand pounds that is paid, tax free, if one completes a year in the Territorial Army and carries out one's basic weapons test, fitness test and a couple of other tests, such as a first aid test. That means that there is a very good reason for not leaving; if one is ready to leave one might as well stay on for six months or even a year in order to collect the bounty.

I hesitate to say so, but it might even be that one or two people carry on and do the minimum necessary to obtain the bounty. I do not remember the exact figures, but there are minimum requirements for days served per year and for the tests, and if those are fulfilled one collects one's bounty relatively easily without being fully committed to life with the regiment, and certainly without being ready for deployment. I suspect that the Territorial Army numbers are therefore significantly misleading, because in any TA regiment there are a number of such people—slackers would be too strong a word to describe them, but they are definitely not as committed to the nation as perhaps they ought to be. The true figures are therefore lower than they appear.

Let me explain why there are worries also with regard to whether the numbers will fall further. Had I been called up when I joined the Territorial Army, I would have served. It would have been difficult, because at the time I had a job in the City of London running a shipping company. Most of the people in my own regiment are also employed in the City of London, and most TA soldiers elsewhere have good jobs in civilian life.

Under some conditions one might give up six months to serve the Crown, in which case most employers, leaving aside a few, would be happy to give their support. However, when one is asked to go back and serve a second six months, things become significantly more difficult—both for oneself and for one's employers, and also for one's wife and family. They ask why it is that one is going off to spend a second six months in Iraq as a private soldier or as someone's driver, or doing something else of the kind in Iraq or Afghanistan, and it becomes much harder to explain.

It is particularly difficult for people who are self-employed and who work on their own, for whom giving up their jobs for six months is a real problem. People might do it, but giving up a job for two periods of six months is almost impossible, and nine months or a year are virtually out of the question. There are certain regiments—one thinks of the Port and Maritime Regiment, which has one TA and one Regular unit—that are on virtually full-time deployment. Some of its soldiers are having great difficulties in maintaining their civilian jobs under those circumstances.

Until recently, there was a further difficulty with regard to pay and conditions, whereby one's pay on deployment as a Territorial Army soldier might have been significantly lower than one's pay in civilian life. That applied particularly in the case of medics. Some of the very specialist surgeons who were paid enormously high salaries in civilian life were often paid rather less as a major in, say, the Royal Army Medical Corps.

I believe that I am right in saying that that has now been corrected, and that there is now a system in which one's civilian pay is reflected in one's TA pay when under compulsory mobilisation. That is fine, but it means that there might then be two people of identical rank doing identical jobs but being paid very different sums. I shall not boast, but I was paid a reasonable salary in the City. Had I been deployed as a private soldier in the TA, which was perfectly possible, I would probably have been the highest-paid such soldier in the British Army, which might have caused some difficulties.

There are problems with pay and conditions, therefore. Some of them have been addressed in recent years, but others might need further attention in years to come. If we are to be able to deploy people in the way that we have asked them, and if we are to rely so heavily on the TA—as we have for the past four or five years—it is vital to find a way to ensure that their pay and conditions and their terms of employment are as good during deployment as when they are at home.

There are other aspects of the Territorial Army's life that might need consideration. One matter that faces us currently is the huge problem of homeland defence. The very name "Territorial Army" exists because the TA was originally set up to defend the homeland; that was its purpose. That original purpose is entirely outdated and I certainly would not advance the argument that we should return to it; if we said to today's TA members that their job was to defend the UK in the event of an invasion, I fear that people would leave. They do not want to do that job; they want to be involved in war fighting or at least to be ready for such fighting. They want to be deployed in Afghanistan and Iraq and they are proud when that happens.

There is none the less a significant need for some form of force to look after the homeland, to deal with all sorts of homeland defence issues, and to be ready for deployment to pick up the aftermath of any significant incidents on the mainland—let us hope that none happen. Some time ago, the Government set up a group of 500 TA people per region who, it was said, would be deployed in the event of some national onshore emergency. A significant number of those people have been deployed overseas, however, so that they are not available for deployment in the UK. In any event, the patchwork for deployment around the UK is unequal; some parts of the country do not have anyone available, and the likelihood of deployment at short notice in the event of a major national catastrophe—again, let us hope that that does not happen—is frankly small.

It seems to me that the Government should therefore reconsider whether something could be done by way of some form of adjunct to the TA, such as existed until recently in the form of the Home Service Force, whose job it was to look after the homeland rather than to be deployed overseas. The Government should look at some way of reorganising some parts of the TA so that there is a body that is ready both to defend the nation against the unlikely event of overseas aggression and, more particularly, to be deployed to help the civilian powers in the event of a national catastrophe.

Mr. Brazier: My hon. Friend is making a powerful point. The problem, of course, is that the regional civil contingency reaction forces, as I believe they are called,

are based around the local TA infantry battalion headquarters, which are far too small and which have none of the right structures. There have been some exercises, but only very few.

That is in huge contrast with the national guard, which played a major role on 9/11 and was able to do so because it had the right structures and had undertaken a big exercise a few months previously. The crisis management headquarters on 9/11 was in one of the twin towers and was destroyed, so the national guard was needed even more than would otherwise have been the case. The TA could perform that role, but not, as my hon. Friend says, with its current structure and resources.

Mr. Gray: My hon. Friend makes an extremely good point. At one stage, we were talking about the footprint of the TA in Britain today, but I think that "toehold" might be the right expression. The TA simply does not have a footprint across the nation, and were there to be, for example, three of four separate incidents at the same time in London, Birmingham, Glasgow and Manchester, which is one of the big worries that face us, we would not have TA soldiers ready to take up the slack. The nation would face a significant problem were that to happen, so in considering the future of the Territorial Army the Government should consider whether some form of organisation could be re-established to deal specifically with homeland defence and with the aftermath of any such catastrophe.

I join my hon. Friend in congratulating the Government on one or two things that they have done with regard to the TA. I was glad when, for the first time, they appointed a two-star general to run it: Major-General the Duke of Westminster. My old friend Major-General Simon Lalor, who I am glad to say is a member of the Honourable Artillery Company, is doing a first-class job more recently. The job is not a part-time one, although I have to say that I think that in theory it is. The experience of Simon Lalor and indeed of the Duke of Westminster, however, is that it is pretty much a full-time job, and I thank them for their commitment to it and welcome the efforts that they made. That appointment was a useful step in the right direction, but the Government could and ought to do more.

I congratulate my hon. Friend on the excellent report produced by the all-party group. It is the first time that there has been such a statement of what the Territorial Army does and what we should look for from Government so as to improve what it does. The report is first-class, and I know that the Government will have read it carefully. I hope that they will be ready to act on some of its recommendations, of which I believe there are 16—and I hope that in answering the debate the Minister might be ready to address himself to at least some of them.

11.50 am

Mr. Philip Hollobone (Kettering) (Con): I, too, thank my hon. Friend the Member for Canterbury (Mr. Brazier) for introducing this debate and leading us off so ably.

I commend my hon. Friend the Member for North Wiltshire (Mr. Gray) on his speech. He may not be aware that he and I have at least three things in common. First, our birthdays are on 7 November. Secondly, we have both been members of the Honourable Artillery Company. Thirdly, in a later part of my brief Territorial Army career, I spent a lot of time jumping out of planes that took off from RAF Lyneham, which is in his constituency.

I served for eight and a half years in the Territorial Army. I started in an officer training corps for three years, and joined the Honourable Artillery Company when I started work. Thereafter, I served with the Artists Rifles based at the Duke of York's barracks where, among other things, I had the opportunity to earn my wings, of which I am extremely proud. The Territorial Army is a terrific organisation, and in recent years Governments of both colours have not paid it the attention that it deserves.

I believe unashamedly in national service, but not as it used to be. I believe that our young people should be encouraged to be involved in some sort of community activity—preferably military, but giving some sort of service to the local community. I would like that to be a requirement for young people today. The Territorial Army and other reserve forces would have an important role in that, and I believe that there would be far less trouble on our country's streets if we instilled in our young people the idea that they are required to serve their country in some way in their early years. I joined the Territorial Army as a believer in national service. Originally I hoped to serve for three years, but I ended up staying for the best part of nine years. It was one of my best experiences.

Professor Richard Holmes provided a foreword to the excellent report produced by the all-party reserve forces group in which he said:

> "The TA is more than simply an army reserve. It is a vital link connecting the army to society, a superb leveller and mixer and a way of making men and women—so often left directionless by social pressures—both feel valued and become valuable."

I agree with every word, particularly that the TA is a great leveller. In the units in which I had the privilege to serve, background did not matter. People might be highly paid executives, postmen and so on, but work background did not matter and it was up to each and every person to get over the assault course and to jump out of an aircraft with a parachute. Whatever people's background, they were all brought to the same level, but unfortunately in society today there are too few organisations where that spirit exists.

It is important to use the opportunity of this debate to pay tribute to all the cadet forces around the country, which provide a huge amount of training for our young people, many of whom go on to serve in the Territorial Army. For example, in Kettering the army and naval cadet forces and the local air squadrons have an important role in providing uniform training for local young people. However, the Territorial Army presence in Northamptonshire is way below what it should be. There should be many more TA units around the country, and if I had the opportunity I would hugely expand the Territorial Army. It is extremely cost effective, provides excellent training, and, as we have heard throughout this debate, it is now a vital part of our armed forces in projecting our power overseas. As a country, we are far too unambitious in setting objectives for the Territorial Army.

[Mr. Philip Hollobone]

I want to highlight just six of the recommendations that have perhaps not received enough attention in this debate so far. It would be wrong if the Government pursued their objective of changing the name of the Territorial Army to the army reserve. Everyone understands what the Territorial Army is about and now is not the time to engage in some sort of rebranding exercise.

We should establish a central system for those who leave their university officer training corps to put them in touch with local TA units when they enter the world of work. I did that off my own back, but I was not aware of any system to encourage me to do so.

The scheduling of officer training courses should be arranged to encourage students to carry out all the extended courses for that training, including special-to-arm courses, during their university vacations without compromising the opportunity for others to apply. There should also be a more radical approach to attract students to take part in the TA during their gap year, giving them full TA training and perhaps an enhanced student loan in return for four years' service with the TA after graduating.

The absurd ban that prevents medical students who enjoy cadetships from the Regular medical services from serving in the volunteer reserves should be lifted immediately. We have heard about the TA's vital role in providing medical services to our front-line troops, and that absurd red tape should be got rid of immediately.

It has been wonderful to praise all those who put so much effort into the Territorial Army at a time when, after 100 years' service to this country, it has its lowest ever number of personnel, and our armed forces are increasingly overstretched. I hope that the Minister will rise to the challenge of the 18 recommendations in this superb report. He has a real opportunity to enhance the Territorial Army's role, which it thoroughly deserves.

11.57 am

Mr. Mark Harper (Forest of Dean) (Con): Thank you for your chairmanship of this debate, Miss Begg. I congratulate my hon. Friend the Member for Canterbury (Mr. Brazier) on securing this debate and leading it so ably. I pay tribute to the all-party reserve forces group under whose auspices this excellent report was published.

I thank all those who serve in the Territorial Army and the other reserve organisations that ably serve our country. It is worth reminding the Chamber that my hon. Friend the Member for Canterbury has served in the Territorial Army, as have my hon. Friends the Members for Kettering (Mr. Hollobone) and for North Wiltshire (Mr. Gray). My hon. Friend the Member for New Forest, East (Dr. Lewis) served in the Royal Naval Reserve, as did my hon. Friend the Member for Westbury (Dr. Murrison), who saw action in Operation Telic 2 in Iraq. The right hon. Member for Islwyn (Mr. Touhig) was a distinguished holder of the office currently held by the hon. Member for Halton (Derek Twigg). I also thank the hon. Member for Birmingham, Yardley (John Hemming) for his remarks. Having contributions from all parties is in keeping with the all-party nature of the report.

My hon. Friend the Member for Kettering alluded to the fact that 1 April next year will be the 100th anniversary of the formation of the territorial force. I know that the Ministry of Defence will make a written statement on that very subject today.

Many hon. Members have said that the Territorial Army plays two vital roles in the armed forces. The first is in operations, providing extra support to our Regular forces. We all know that TA personnel have played a key part in operations in both Iraq and Afghanistan, particularly in the past few years. The best information that we have is that more than 13,000 Territorial Army personnel have served in Iraq. I do not think the Ministry of Defence keeps all that data centrally, so it is difficult to dig it out, but those personnel have made a huge contribution. Several hon. Members have made the point that if we had not had the reserve service, we would have been in great difficulty in carrying out those operations.

My hon. Friend drew attention to the quotation from Professor Richard Holmes in the foreword to the all-party group report. Professor Homes makes a point that I wish to echo about the important role that the Territorial Army has in maintaining the link between the armed forces and wider society. As time goes on, increasingly fewer people have a direct link either themselves or through their family members or friends with the armed forces, and it is imperative that we retain that link as widely as we can in society.

If we continue to deploy our armed forces at the current tempo, it is important in part that the public understand what our service personnel do, the pressures that they are under and the challenges that they face when they finish their service. They must be properly supported. The Territorial Army plays a key role in that respect.

My hon. Friend also mentioned the important role that the services' cadet forces play. I have had the opportunity to visit some of them in my constituency, and I know what a valuable role they play. Notwithstanding the all-party nature of the report, it is worth pointing out that the Territorial Army is well below the strength that the Ministry of Defence would like. The TA is about 10,000 people below strength. I should be interested in the Minister's response to that point. It would be helpful if he outlined the Ministry's and the Government's view of their ability to increase the size of the Territorial Army to the desired level.

The Territorial Army's use as a key part of operations also has an impact when we operate above our defence planning assumptions, as we have done for the past few years. If it continues, the Territorial Army will continue to play a key role in operations.

Several Members mentioned the level of deployment and the impact on our serving personnel when they return from operations. The right hon. Member for Islwyn and my hon. Friend the Member for New Forest, East both referred to the medical care of reservists, whose challenges are greater than they are for our Regular forces, because the reservists return to their civilian life. They are neither with their unit nor with their military colleagues. The right hon. Member for Islwyn described in detail the mental health factor,

and the Conservatives welcome the introduction of the reservist mental health programme, which the Minister outlined some time ago. However, more must be done, particularly for reservists.

We must consider whether there can be more proactive and sensitive work to ensure that, as the right hon. Gentleman said, personnel do not feel abandoned when they return to society. We must ensure that they are aware of the services that are available, including those provided directly by the MOD, and indirectly by organisations such as Combat Stress, the Royal British Legion and its caseworkers, and SSAFA—Soldiers, Sailors, Airmen and Families Association—Forces Help. A range of organisations take the lead on that issue.

We have seen in the past week that many people who served in the Falklands campaign 25 years ago still have mental health issues arising from that service. We do not just need to think about the issue today. We need to think about all those people who have served in Iraq and Afghanistan, particularly given the new challenges that they have faced, such as the threat from suicide bombers, and the way in which that will impact on their mental health not just this year and next, but for decades to come. We must think about how to ensure that those services are properly resourced and accessible to them.

Talking about the health care of regular and reservist service personnel, I was fortunate last week to visit Selly Oak hospital and the regular and reservist personnel there who have been wounded on operations. I was very impressed by the medical care that they receive. We had an open visit, we were able to talk to everybody there and the medical care was of high quality.

As the Department is involved in the private finance initiative-rebuild of the new hospital, I urge on the Minister a point that I brought back from that visit. I know that some moves have been made in the redesign of the current ward, with its new nurses' station, but the point was reinforced to us that a dedicated unit would be an absolutely key area. It would be valued not only by those who work at Selly Oak hospital, but by our regular and reservist armed forces. I know that negotiations are ongoing, but I shall reinforce the message. The medical care that they receive is very good, but a dedicated facility would improve it and reduce the problems that have been experienced.

The right hon. Gentleman referred to yesterday's announcement about the expansion of the medical assessment programme. It would have been nice if the parliamentary written statement had been issued on the same day as the announcement was made to the press, but at least there is to be an announcement to the House today. We welcome that move, but I am not sure that it addresses the scale of the problem to which several hon. Members referred in the House.

One of the report's specific recommendations, which my hon. Friend the Member for Canterbury mentioned, was about drivers' hours and the way in which other European Union regulations impact on our reservists. The Department for Transport made a statement about it yesterday, and the MOD is dealing with it, but it highlights a lesson: throughout Government, regulations may be introduced that impact on reservists and people serving in the Territorial Army in particular, because of the dual nature of their work. They are civilian employees who serve in the armed forces. It is a lesson for the MOD. Rather than having to apply for a derogation after the event—after the problems have been raised—the MOD must ensure that its monitoring organisation, which considers legislation from throughout the Government for its impact on the armed forces, works more proactively. I know that the organisation exists. Instead of having to fix problems in retrospect, it would be better to catch them before they occur. The Government are dealing with the issue, but I ask them to do so as urgently as possible, because there have been practical problems.

Several Members mentioned the thanks that we owe not only to people who serve in our reserve forces and the Territorial Army, but to the employers large and small who support them. Employers are very impressed by the skills that those who serve in the Territorial Army gain while deployed and in training. The MOD should also ensure that the skills that they gain in civilian employment are properly recognised when they undertake their military service. Having spoken to a number of people who have served on operations, I discovered that some of the skills that they used in operations and in theatre were gained in civilian employment.

The strain on small companies in particular caused by the way in which we are actively deploying the Territorial Army and other reservists has been mentioned. We must recognise that however much companies want to support their employees who serve, it becomes difficult if they are deployed frequently. We must think about our support not only for the employer, but for the employee, and the way in which they are encouraged to manage their careers around their military service. Given the number of people employed in smaller companies, which is growing as a percentage of the work force, we must ensure that they can join the Territorial Army and our other territorial organisations, otherwise we will find it difficult to recruit them in future.

My hon. Friend the Member for North Wiltshire made a point about the civil contingencies operation. When we had a similar debate last year, I asked the Government about the TA's civil contingencies role in "The Strategic Defence Review: A New Chapter", which said:

> "A reaction force of, on average, some 500 volunteer reserves would be established in each region...giving a total of some 6,000...nation-wide."

My hon. Friend mentioned the fact that, with a significant number of our Territorial Army personnel deployed, it is not clear that they will be available in the event of a civil contingency. We have seen some illustrations of that, such as when a strike was threatened by the fire service. On that occasion, the Ministry of Defence made it clear that it would not be able to provide cover, as it simply did not have the resources, whether from the regulars or the reserves, because of our operational tempo. That issue needs to be thought about. If, God forbid, there was an event of such a scale, I am sure that members of the reserve forces would be prepared to serve regardless of their legal status. However, if they were needed in an event of lesser severity, we might have a significant problem in using the right number of personnel.

[Mr. Mark Harper]

Another issue that I want to raise with the Minister—I know he will be aware of it, since his office is copied in on such correspondence—concerns a copy of a memo from the office of the Minister of State, Ministry of Defence, the right hon. Member for East Kilbride, Strathaven and Lesmahagow (Mr. Ingram), who is Minister for the armed forces, that refers to some savings that the Government made during the defence programme 2007 by reducing Territorial Army funding by £2.5 million in 2007-08 and 2008-09. I note from the memo that the Minister for the armed forces has received a minute from the Land Forces Secretariat advising him of the significant impact of the cuts, particularly on officer recruitment and Operation Executive Stretch. That operation has offered companies and business people a valuable insight into all the volunteer reserve forces and given them a good example of the transferable skills that their employees would get out of serving in the armed forces. The Minister for the armed forces has noted the significance of that impact and instructed people in the Department to come back to Ministers with potential alternatives by 22 May. I therefore hope that the Minister can update the Chamber on the progress on those cuts and on what has been done to reverse them.

The debate has highlighted many positive aspects of the Territorial Army and our reserve forces, and the key role that they play on our operational deployments. However, we can also see that they are under strength and that they face a number of challenges. The all-party group's report contains 18 recommendations and I hope that the Minister will say a little about how the Government propose to respond to them. My hon. Friend the Member for Kettering referred to the recommendation on gap year commissions and the role of the officer training corps. I understand that gap year commissions are being done away with, which is a retrograde step, so perhaps the Minister can comment on that in light of the all-party group's report.

In conclusion, it is clear from the Territorial Army's contribution to the Army that it is a key part of our armed forces. The all-party group's report makes us all grateful for the work that everyone serving in the Territorial Army does for our country. We owe it to them to ensure that we look after the Territorial Army in a way that is in keeping with the service that they give to our Queen and country.

12.13 pm

The Parliamentary Under-Secretary of State for Defence (Derek Twigg): It is a pleasure to serve under your chairmanship, Miss Begg. I begin by congratulating the hon. Member for Canterbury (Mr. Brazier) on securing this important debate and on his speech. I accept, of course, that a number of issues worry him, but I thank him for his kind words about the MOD and about what we have been doing to support the TA and improve the situation. I pay tribute to his long service in the TA and to other Opposition Members who have served in the reserves and the TA, too. I am aware of the support that he has given over some considerable time to reserve forces issues. I also pay tribute, of course, to all those who serve in the TA and the reserve forces, for the tremendous work that they do, not least on operations, but also back here in the UK and elsewhere.

The Duke of Westminster did a tremendous job, through his enthusiasm, his dedication and his real love of the TA. He did a fantastic job and is sadly missed. I worked with him for only a short time, but I know that his successor will do an equally good job, and I am looking forward to working with him. Although the main subject of this debate is the Territorial Army, I am conscious in my job of how important it is to stress the work that the other three reserve forces do individually, too.

Throughout the Territorial Army's existence, its volunteers have proved their ability and worth time and again, from the battlefields of the first and second world wars to the modern conflict zones of Bosnia, Kosovo, Iraq and Afghanistan. In fact, in the past few decades the British Army has operated in very few places without the support of its Territorial Army colleagues. Let us not forget that, as hon. Members have said, TA personnel are volunteers—men and women who give up their time, and in some cases life and limb, for small reward to serve their country. Although they are called upon to serve less often than their regular counterparts, in some ways their job is more demanding. When TA volunteers are deployed, they are required to face the same dangers as their Regular Army colleagues and are expected to be as well disciplined, professional and effective.

The Territorial Army has undergone considerable changes in the past decade, as have all our reserve forces. Those changes have been essential to maintain the Territorial Army's relevance in a changing world and ensure that it has a robust and healthy future. The greatest challenge to the Territorial Army in recent years has been the move away from its cold war role towards a culture of mobilisation for operations that suits today's operational demands. Members of the Territorial Army now expect to be mobilised and deployed on a range of operations in support of our defence policy overseas. The role against which the majority of the TA is structured is to support a large-scale deliberate intervention of divisional level size, but it is adapted to support the Regular Army on enduring operations, too.

During Telic 1, a total of 3,787 TA personnel were deployed. Since then, a significant number of personnel continue to provide vital support. Over the past year, approximately 1,000 personnel have been mobilised at any one time, either on operations, preparing for operations or returning from operations. Overall, we have mobilised around 13,000 volunteers on overseas operations since January 2003, which is the equivalent of about 20 battalions-worth of soldiers or more than 100 sub-units.

The Territorial Army has truly earned its spurs in Iraq, and continues to do so there, as well as in Afghanistan and the Balkans. Those conflicts have shown that the threats that we now face are more complex than ever before. Today's TA must be a force that is capable, adaptable and responsive to those threats—a professional military force for the 21st century. Conflicts are no longer fought on front lines. The end of the cold war changed all that. Today, warfare is by and large asymmetric. An asymmetric threat calls for a

different Army, different skills, different training, different tactics, different procedures and different organisation.

The Government have responded to the changing world. In December 2004, the then Secretary of State for Defence announced the new future Army structures, which are changes that mean a more deployable, agile and flexible Army. The Territorial Army is an integral part of that force. Our policies reflect the need to strengthen the role of the Territorial Army, not diminish it. The Territorial Army is no longer purely for home defence or a national emergency. For almost a decade, it has been an integral support arm of the Regular Army—a deployable force in keeping with the changing nature of our military engagement across the world.

Recent operational experience gained from extensive use of the Territorial Army has allowed us to apply the lessons learned to maximise its effectiveness. On 23 March 2006, my right hon. Friend the Minister for the armed forces announced a series of measures aimed at rebalancing the Territorial Army in the light of those experiences and the wider changes taking place within the Army under the FAS. For example, the regimental headquarters for the new TA intelligence battalion has been established in Colby Newham, with the establishment of the battalion itself scheduled for the beginning of the next financial year. The introduction of a new TA intelligence capability will offer new opportunities for TA soldiers and provide significant support to the Regular Army.

Crucially, we are also strengthening the affiliation of Territorial Army units to the Regular Army units with which they will operate, thus improving their mutual understanding and operating capability. Territorial Army units are now paired with one or more Regular Army units, with which they will train and often be deployed alongside. Closer affiliation for training purposes will increase joint territorial and regular training, and thereby deliver more enjoyable, relevant and challenging training to territorial volunteers, while also building up a good relationship between regulars and members of the TA.

That is already happening. For example, members of the 3rd Battalion the Royal Anglian Regiment—a TA unit—have mobilised and deployed to Afghanistan alongside their regular counterpart, the 1st Battalion the Royal Anglian Regiment. Some members of the 3rd battalion were also able to participate in the collective training undertaken by the 1st battalion before deployment. That is most effective in cementing ties and mutual understanding between the regular and TA soldiers, and greatly increases the operational effectiveness and preparation of the TA.

We are confident that the changes to which I have referred mean that the Territorial Army is becoming even better placed to fulfil its primary roles: to augment our regular forces and provide additional capability for large-scale operations and specialist skills and capabilities.

The Government also recognise the exemplary service of such individuals to our country. We are not just rebalancing the Territorial Army so that it serves our country well; we are also maintaining and improving the support to, and conditions for, Territorial Army soldiers.

Mr. Brazier: I should like to make a point before the Minister moves on from discussing the future Army structure. The macro-reorganisation that he described—the new intelligence battalion and the pairing with regular units—is fine. However, he has not addressed the problem at the level of the individual company and yeomanry squadron. We can call a structure that consists of a single rifle platoon and a huge support weapons set-up at each TA centre a company, but it will not have a critical mass for the worthwhile training of officers.

If a group goes off with its regular-service counterparts to Afghanistan or Iraq—there will not be another deployment of that sort to Iraq—but never as a formed company, no TA officer will get an opportunity to command in the field. If TA officers are stripped of opportunities to train properly at home and command abroad, it is difficult to see how the desperate shortages of such officers will not worsen.

Derek Twigg: The hon. Gentleman's important point pre-empts my speech; I shall come to it a little later.

I turn to the care and medical support for our reservists. My right hon. Friend the Member for Islwyn (Mr. Touhig) and the hon. Members for New Forest, East (Dr. Lewis) and for Forest of Dean (Mr. Harper) mentioned Selly Oak and the issue of care for our service personnel. I welcome the comments of the hon. Member for Forest of Dean about Selly Oak; anyone reading the press during the past six to eight months must wonder what has been going on there. As the hon. Gentleman has confirmed, what has been going on is top-quality treatment for our wounded armed forces personnel. That has been brought about only because of excellent support and partnership working with our NHS colleagues at Selly Oak. Working with our military medical personnel, they have provided outstanding surgery and nursing. That has come in addition to the care provided by welfare support, liaison officers and now psychiatric support on the wards as well. I welcome the hon. Gentlemen's comments about Selly Oak.

The hon. Member for New Forest, East said that patients had been abused at Selly Oak. I can say only that I have asked for such allegations to be investigated, but no one has been able to come up with any evidence that that took place. The fact remains that people get top-quality care at Selly Oak. We have also improved security there. As the hon. Member for Forest of Dean mentioned, we intend to make further improvements. We will also consider how to take forward the new ward at the new hospital; clearly, the view of the chiefs of staff will be important in that. Like regulars, reservists are treated in Selly Oak, and they get world-class treatment from both armed forces and NHS personnel.

Having said that, it is important to get a few things about what is happening for reservists on the record. As has been mentioned, a number of measures have recently been taken, and I particularly make the point that our Territorial Army soldiers are entitled to exactly the same medical treatment and care as regular soldiers. I am particularly proud of our provision of fast-track diagnosis, treatment and rehabilitation for those who have suffered physical injuries, and of our improved mental health support for all reservists

[Derek Twigg]

returning from deployment. Those are among the recent measures that the Government have introduced.

I want to give a bit more detail about the improved mental health support. Last year a King's college study into the health of service personnel on operations in Iraq, funded by the MOD, noted a slightly increased effect on the mental health of the reserve forces compared with that of the regulars. We responded. As has been mentioned in this debate, last year I announced the highly comprehensive reservists' mental health programme, which is an excellent package. Under the programme, we liaise with the reservists' GPs and offer a mental health assessment at the reserves training and mobilisation centre in Chilwell, Nottinghamshire.

If someone is diagnosed with a mental health condition related to service on recent operations, we offer out-patient treatment at one of the MOD's 15 departments of community health. In more acute cases, the defence medical service will assist access to NHS in-patient treatment. We work closely with Combat Stress, which we fund to the tune of £2.9 million. As I said, we are in negotiations with the organisation and will significantly increase its resources once those negotiations are complete. We shall make an announcement on that in the near future.

The hon. Gentleman made a point about what more we can do. In the coming weeks and months, we will make announcements on the pilot schemes on setting up a system in which we work with the NHS and Combat Stress to develop advice and support for the NHS, so that those who suffer mental health problems as a result of their time in the armed forces can be better treated and understood. Yesterday, I announced that the new assessment programme will be extended back to include those who served from 1982. A significant amount of work is taking place that also deals with how we ensure support for reservists, who often go back to a community as individuals—not among mates, as regulars would. We continue to seek to improve that. A few weeks ago, we had a welfare conference to consider how better to support the more vulnerable members of our armed forces—particularly those who are injured or ill as a result of their service. We shall make further progress on that in the coming months.

I want to refer to some of the points raised by the hon. Member for Canterbury that come from the report of the all-party group on reserve forces. The report says that, whenever possible, members of the TA should deploy as formed sub-units, rather than individual augmentees. It expresses a wish for TA officers to have greater opportunities for command on operational deployments.

The benefits of deploying formed cohorts, and sub-units when that is practical, are acknowledged. Indeed, the latest operational commitments plot reflects that, with TA units being tasked to deliver cohorts or sub-units to specific operations. Longer warnings to units about providing that requirement, together with the benefits that the cohorts will bring to unit camaraderie and cohesion, will provide significant benefits. However, given the individual circumstances of many TA members, many will still volunteer to deploy as individuals, and be happy to do so. However, I take the hon. Gentleman's point and hope that I have given him some reassurance.

Similarly, opportunities for TA officers to command do exist, at platoon and group level as well as at sub-unit or company squadron level, and in our in-theatre headquarters as staff officers. Of course, we must not forget that command is often about more than operations—TA officers remain critical to ensuring that their men and women are well trained and administered when not deployed.

We assess that the TA can sustain its support to operations at current levels for the foreseeable future, but we will continue to keep that under review. We have recognised that we have used some groups on enduring operations more than others. We carefully monitor their use to ensure that that is sustainable in the long term.

We have planned our TA requirement on operations to involve approximately 1,200 TA members each year—on occasions, more than that. We use intelligent selection to ensure that we choose the most appropriate individuals. That takes account of factors such as previous service already undertaken and family and employment circumstances.

The concern highlighted by the all-party group about the practical maximum for call-out is encapsulated in the "Defence Intent for Reserves", which acknowledges the one-year-in-five maximum for practical deployment. However, individuals can volunteer for operational service within that period too.

TA post-operational reports do not reflect a problem among those who have been deployed; most find the experience positive. I found that when I talked to many reservists and TA members in Afghanistan and Iraq; that was often why they had volunteered to join in the first place. It is important to make that point. The experience is often positive; such reservists welcome having a clear operational role and want the opportunity to exercise it. That has also been confirmed by the National Audit Office in its report on the reserve forces, published in March 2006.

Post-operational reports also indicate that members of the TA are happy to operate either as formed units or as individual augmentees. We have been working to ensure that the roles that they undertake on operations are both worth while and suited to their personal experience and skill sets, an issue that has been mentioned.

Concerns were raised about the suggestion that we revisit the restructuring of the TA infantry companies and yeomanry squadrons, primarily because of the current demands on the TA as it supports enduring operations and the need to provide a critical mass for training that is challenging at all levels. If the hon. Gentleman gives examples of where in particular he feels the structure needs revisiting, we can investigate his concerns.

As I said earlier, we remain confident about the rationale behind the restructuring of the Territorial Army. The changes that we introduced under the future Army structure have released more regular infantry troops for deployment, who will in due course reduce the requirement for the TA infantry to deploy in support of current operations.

Crown and Post Office Closures

12.30 pm

Mr. Jim Cunningham (Coventry, South) (Lab): I thank the Speaker for granting us this short debate. My hon. Friend the Member for Coventry, North-West (Mr. Robinson) will speak, too, and he will pick up any points that I do not cover because, as I have said, it is a short debate. My right hon. Friend the Member for Coventry, North-East (Mr. Ainsworth) cannot be here, and as a member of the Government he would not be able to speak in the debate, but nevertheless he supports our endeavours to try to sort out the post office situation in Coventry.

There are two issues as far as we are concerned. The first is the relocation of the sorting office—on that point, I note that the hon. Member for Northampton, South (Mr. Binley) is in the Chamber. The second is the relocation, as it were, of the Hertford Street Crown post office. I cannot understand how the Post Office will squeeze the staff from that building into the WH Smith building, which is not far. The Post Office's justification was that it was not far away and they could move at their will. That has job implications.

Let me jump now to the relocation of the sorting office. There are 500 jobs at stake, and as someone put it to me a few days ago, that is the equivalent of losing some £10 million a year to Coventry's economy. To a lot of people, that might not seem a lot of money, but to a lot of people it is, particularly when we talk about jobs. When the Post Office talks about consultation, it means, "We have already taken the decision and we are going to tell you about it." My understanding of consultation was always that people made a proposal, listened to the counter-proposals and then made their minds up. It seems that the Post Office went into the consultation with its mind made up.

One could argue that the change could lead to a further deterioration of the service in Coventry against a background of continual change in the Post Office over the years. The staff have offered a lot of co-operation. We know that from time to time in negotiations we get entrenched situations, but it is incumbent on everyone to try to resolve them. The only way in which that can be done is if the company listens to its employees and the public, rather than saying, "This is what we are going to do; the matter is ended."

There is another factor. We were told some weeks ago that Coventry city council had about six sites that it could propose for the relocated sorting office. However, no one has told us yet where the sites are, so we do not know what is happening. I have always believed that if a site can be identified, the situation would be part of the way towards being resolved. When the proposals came about, the Post Office had no idea where it would relocate if it went to Northampton. Subsequently, we have heard stories that a site might have been identified in Northampton, but the Post Office has certainly not told us where that site might be. Coventry city council could be helpful if it could identify a site. That has been going on for many months.

The public in Coventry are concerned by the level of service, and different groups are getting up a series of petitions. I do not know the exact figures, but I am told that they run into the thousands. That campaign will continue. Although various structural changes have been made to the Post Office through legislation made in Parliament that was initiated in Europe, and although we accept that the Post Office is up against stiff competition—no one is trying to deny that—how it makes the changes is what matters. It has been suggested that when the legislation was debated, Members of Parliament were voting for closures. The legislation said nothing about closures. Royal Mail Group has decided to take them on and to go ahead with them.

Other rumours are flying around that there will be further closures in Coventry, and so far we have not been able to substantiate them. No one is coming clean. We hear such stories, but we are not able to bottom out, as it were. There are some major issues not only for Coventry but for Royal Mail up and down the country. Rather than carrying out a so-called consultation, there should have been a bit of negotiation to try to sort the problems out.

It has been suggested for a long time that the Royal Mail wants to get out of Bishop street. We know that the Bishop street site is a prime site in Coventry and there have been all sorts of suggestions about its use. Nevertheless, Coventry has gone through a large number of changes over the past 20 years—I am sure that my hon. Friend the Member for Coventry, North-West can elaborate further on that—and the service has deteriorated over the years. All sorts of changes have happened, and we do not know what the outcome will be even if people go along with the relocation to WH Smith. As I understand it, the lease will last for possibly seven years, but what will happen at the end of those seven years?

The company might well say that there will be no redundancies, but if it starts to relocate people again that will prompt the question whether they will want to travel. If Royal Mail wants to be efficient, everyone knows that transport is one of the biggest costs. I noticed that Royal Mail backed away from the two small sub-sorting offices that it had initially suggested, but we have heard no more about that. The situation is muddied. My hon. Friends and I are concerned about redundancy, and whether it will be compulsory or voluntary; the deteriorating level of service; and the lack of suggestions for a site from Coventry city council—if a site was suggested, that would give us something on which to work. We are also concerned about the fact that Royal Mail has not come clean about the Northampton situation, and I am sure that the hon. Member for Northampton, South is as concerned as we are.

In conclusion, Royal Mail has to come clean and to have meaningful negotiations about the future. It must be prepared to consider alternatives. We have met the trade unions on a number of occasions, and the first time I met them was before last Christmas—it might well have been around November. They know that changes have to be made, and want to be able to propose their alternatives. They were prepared to have serious discussions. After we met the unions, we eventually met Royal Mail and it became apparent that it would not listen to any alternatives. It is understandable why, from time to time, Royal Mail has problems with industrial relations. When I was

[Mr. Jim Cunningham]

involved in the trade union movement and with negotiations, if a manager sat round a table and told me, "This is what you are going to have," he would have a problem, and he could well understand the men's attitudes.

The men and women are concerned about the future, as are their families. I hope that the Minister will try to answer our questions, but more importantly, my hon. Friends and I would like to take a small delegation to meet him and to have a proper discussion about some of the issues that concern the people of Coventry and the employees of Royal Mail.

12.39 pm

Mr. Geoffrey Robinson (Coventry, North-West) (Lab): I thank the Speaker for granting us the debate, and congratulate my hon. Friend the Member for Coventry, South (Mr. Cunningham) on securing it. It is timely and important, and from the point of view of MPs in the area, we are pleased to see the hon. Member for Northampton, South (Mr. Binley) here. I gather that he would like to say a few words, too, so I shall make space for that. It is important that we hear all the arguments in the round.

The situation with the post office and the unions is not the happiest. Sadly perhaps—rightly or wrongly, I do not know—the unions have strong views. The idea of shares and involvement in the ownership of the business by the work force did not come through, which the management saw as a setback. The Post Office does not seem to be able to get into a good consultative position with the unions, and there are difficulties and a general feeling of impending problems with the whole business at a national, background level. At a more immediate level in Coventry, there are the two points that my hon. Friend raised—the Bishop street closure and the move to Northampton, about which we have grave reservations.

Mr. Brian Binley (Northampton, South) (Con) *rose—*

Mr. Robinson: I shall give way in a second, but I will also allow time for the hon. Gentleman to speak.

We have seen nothing on the logistics, effectiveness and cost savings of the move to Northampton, and we remain doubtful about whether it will come off.

Mr. Binley: I thank the hon. Gentleman for giving way. I really am most appreciative, and I thank you, too, Miss Begg. I wish to add to the hon. Gentleman's point about uncertainty, because there is concern about the matter in Northampton. We do not know what is happening, and there has been uncertainty about post offices in Northampton for some considerable time, since the burning down of our major post office and sorting office. I ask the Minister, and the hon. Gentleman, whether they believe that jobs will be coming to Northampton and whether they believe that any assessment has been done of the labour market in Northampton. I know as an employer that finding labour is very difficult there and in surrounding areas.

Mr. Robinson: I am grateful for that intervention, and the hon. Gentleman makes a good point. The labour market might be very tight in Northampton, but in Coventry we are losing 500 more jobs. I mentioned our doubts about Bishop street and the Northampton move, but in the light of what he said about the labour market I add that we view with dismay the possibility of the loss of 500 jobs and further closures. Jaguar jobs have gone, and we now have more uncertainty about Jaguar after the announcement put out in rushed circumstances last night by Ford. We had the Massey's problem a couple of years ago, which is still working its way through, and there was the complete closure of Peugeot.

Coventry has done brilliantly, with the work force, management and the council working together, to overcome those difficulties, but we cannot keep on being hit. We are saying, "Give us a break." I hope that the Royal Mail management will consider the matter in the round and take a balanced, calm look at it rather than try to rush through too much too quickly. That would make it come unstuck both in its relationship with the unions and the conduct of negotiations or consultations—whichever they are—and in its figures and the savings that it hopes to make.

We are specifically considering Post Office Ltd's announcement of the franchising of 70 branch offices to WH Smith, as my hon. Friend the Minister knows. I am pleased to see him here today. As my hon. Friend said, he might not be able to give us answers today, but it would be good if we could bring a small group to him to follow up with a meeting on the points made and those that we cannot make in a short Adjournment debate.

Consultation was planned for August 2007, with a view to the whole operation being carried out by 1 May next year. It has been said, as I understand it, that the number of counter desks will be reduced from 13 to six—roughly halved—but that there will be no reduction in the quality and speed of the service. That just does not stack up. All of us who have followed the slimming down of the banks know that people cannot get served at the counters in banks any more. It will be the same at the post offices—successful post offices already have such difficulties. So how will it happen? The numbers that we are seeing for the move to Northampton and the franchising to WH Smith do not have the ring of conviction about them.

A couple of other things need to be highlighted. I gather—I am looking for advice and possibly reassurance—that the Post Office will not offer its professionally trained staff the opportunity to transfer to the franchised offices under the Transfer of Undertakings (Protection of Employment) Regulations 1981, with their current terms and conditions. If that is the case, I think it is a backward step. One thing that was successful in some of the privatisation that we managed to do was the fact that people could hold on to that right under TUPE in pretty much acceptable conditions. It did not always happen, but sometimes people managed to have that right. I would certainly have thought that they could in this case.

The other related point is that there is talk about the remuneration being £4 an hour less than is currently paid by the Post Office. If that is seriously proposed, I think we have a very rough road ahead of us. We must

all sit down: there is particularly a role for MPs to play, as we must always use our good offices, and Ministers, unions, the Royal Mail and Post Office Ltd are all aware of the need to sit down together. We would certainly do that.

We are looking for reassurance about how these matters are being handled. We want a better feel for the numbers, and we want a better impression to be communicated that the normal procedures of negotiation and consultation with the trade unions are being followed. We get the impression that they are not, and that there is a tendency for those procedures to be ridden roughshod over. That is bound to stack up problems as we go down the road. The industry is a labour-intensive service industry and we are moving away from the manufacturing base that has been so eroded in Coventry. We have overcome the problems that that has created and are embarking on a whole new area that needs the most thoughtful and careful management approach possible.

I wish to know to what extent we can be reassured on those points and the other points raised, particularly by my hon. Friend the Member for Coventry, South. I hope that my hon. Friend the Minister, if he cannot answer our questions, will at the very least see us about them.

12.47 pm

The Parliamentary Under-Secretary of State for Trade and Industry (Jim Fitzpatrick): It is a pleasure to see you in the Chair, Miss Begg. I congratulate my hon. Friend the Member for Coventry, South (Mr. Cunningham) on securing the debate and on securing the support of my hon. Friend the Member for Coventry, North-West (Mr. Robinson), the hon. Member for Northampton, South (Mr. Binley) and my right hon. Friend the Member for Coventry, North-East (Mr. Ainsworth), who cannot be with us.

I shall try to respond to the points that have been made. My hon. Friend the Member for Coventry, South, spelled out clearly the importance of postal services to his constituents and emphasised his concern about the future of the post office network. He also stressed the role of Crown post offices, particularly the Hertford street branch, which Post Office Ltd has announced will be transferred to the management of WH Smith. He mentioned plans announced by Royal Mail to review its operations across the Coventry and Northampton postcode areas, including the intended relocation of the Coventry mail centre. As I have said, I shall do what I can to respond to the points raised, but as requested I am happy to meet hon. Members outside the debate to discuss issues further.

The future of the post office network and Royal Mail is a subject of great relevance to all Members of the House, as has again been reflected by the issues raised today. My right hon. Friend the Secretary of State announced last month the Government's decision, having considered the views put to us during the 12-week national consultation on the post office network. The Government have an unprecedented record of investment in the Post Office. We have provided some £2 billion since 1999 and will now be making a further investment of up to £1.7 billion, subject to European Community state aid clearance, to support the national post office network.

The Government are also backing Royal Mail with the funds that it needs to invest and modernise. We have made £3.5 billion available to it since 2001 to back strategic plans aimed at modernising the company and putting it on a sound financial footing. The Government's strategy clearly demonstrates a continuing commitment to the Post Office and Royal Mail Group. We recognise the important social and economic role that post offices play, particularly in deprived urban neighbourhoods and in rural areas, and the need for continuing public funding to support them.

My hon. Friend the Member for Coventry, South raised particular concerns about the plans for Crown post offices, and specifically the Hertford street branch. I understand that Post Office Ltd has announced that that branch is one of 70 around the country that will be transferred to the management of the retailer WH Smith. I further understand that the company is not yet in a position to announce further details of the move. Inevitably, therefore, there has been some uncertainty for customers and staff. I hope that further information will be available by the time of our meeting.

Post Office Ltd is working hard to create greater certainty about the future of the Crown office network. The fact that the company has already set out a clear position for the majority of the Crown post office network is to be welcomed as a significant step forward.

I understand that Post Office Ltd has written to my hon. Friend to explain the intention to transfer the office to WH Smith, and that my hon. Friend has met representatives of the company. Clearly, it will need to ensure that it provides him with confirmation of plans as soon as they become available.

The current uncertainty has arisen because the network of 450 Crown post offices is making heavy losses. Overall, it lost some £70 million last year alone. Clearly, that is not a sustainable position, and the Government fully support Post Office Ltd's policy for reducing the losses, which includes maintaining a core network of Crown post offices while continuing to drive efficiencies and franchising branches if suitable opportunities arise.

We welcome the commercial deal between Post Office Ltd and WH Smith, which was announced on 19 April. That deal will secure the retention of a main post office service in each of the areas. Post Office Ltd has also stated that it will continue to run 373 Crown offices. We must make it clear that decisions on the location of individual post offices and whether they are managed by Post Office Ltd or a franchise partner is an operational decision for the company in which it is not appropriate for Ministers to interfere.

It is plainly wrong to say to customers that franchising a post office is a closure, or that it will lead to a reduction in the quality of service. Only 3 per cent. of post offices are Crown offices directly managed and staffed by Post Office Ltd employees. It is totally unreasonable to suggest that the equally hard-working sub-postmasters, sub-postmistresses and staff who work in 97 per cent. of the branches are providing an inferior service.

Mr. John Leech (Manchester, Withington) (LD): Will the Minister give way?

Jim Fitzpatrick: If the hon. Gentleman will forgive me, I will be happy to give way at the end, but first I must respond to the points that have been made so far.

Staff at franchised post offices are trained by Post Office Ltd in exactly the same way as directly managed staff. Franchisees are bound by stringent contractual requirements to ensure that service standards remain at the same high level after a transfer from the direct management of Post Office Ltd. As I said, franchising is not closure. Franchises and conversions do not reduce the number of post offices. Almost 14,000 post offices are already run by private businesses, whether individuals or franchise chains, including some 900 or so of the 1,400 large town-centre main post offices. The network has always relied on private business for the majority of its outlets. The offices set to be franchised represent a tiny fraction of the network as a whole.

Mr. Cunningham: I do not know whether I misled my hon. Friend, but it will take him only a moment to correct any misunderstanding. I do not think that my hon. Friend the Member for Coventry, North-West or I were suggesting in any way that employees and postmasters were delivering an inferior service. We were discussing the frequency of deliveries and so on.

Jim Fitzpatrick: I accept fully my hon. Friend's wish to ensure that I am absolutely clear about what he said, but I was not referring to him in my comments.

My hon. Friend also asked about the Coventry mail centre. I fully appreciate the concerns about the proposed changes to Royal Mail's operations across Coventry and Northampton, but they are an operational matter for which the company has direct responsibility. I believe that Royal Mail has set out its position in a letter sent to all local MPs and in meetings with them.

It is, of course, for Royal Mail to ensure that its network operations are as efficient as possible to enable it to compete in a liberalised postal services market. I understand that the proposed development will enable Royal Mail to make a £70 million investment in new buildings and technology, and in its employees. That will improve efficiency, give customers better value and provide employees with a more modern working environment. The investment involves the relocation of existing Coventry and Northampton mail centres to a new single site in Northamptonshire. I understand that sites are still under consideration and will be subject to feasibility studies. The investment also features the development of two new delivery offices to serve Coventry. If the plans proceed in their current format, it is expected that the new delivery offices will be ready for service in 2008 and that the mail centre will be operational in 2009.

The reality is that Royal Mail needs to modernise its operations in order to improve its efficiency. The company believes that the mail centre facilities in Coventry and Northampton are no longer appropriate for a modern postal administration. Furthermore, the buildings offer no potential for redevelopment and severely limit the scope for introducing vital new automation.

Of course, the company is carefully examining the effects of the changes on its wider operations. Quality of service is the company's top priority, and this project is all about gaining efficiencies. The company is insistent that the quality of local service will be maintained and enhanced.

As part of its planning process, the company has placed an emphasis on reducing the environmental impacts of moving its operations and people to a new site. It proposes to devise travel plans for the new developments that will include initiatives to reduce the impact of people travelling to and from work; for example, the company is considering the scope for car-sharing and coach travel.

The company also points out that the existing Coventry mail centre, because of the era in which it was built, could never be as energy-efficient as a new one. The decommissioning of that building alone will reduce the environmental impact of the company's operations, and the company has pointed out that experience elsewhere suggests that relocation to another site could actually reduce fleet activity in Coventry city—there would be fewer vehicle movements to and from the mail centre location. However, those details are still subject to analysis and development as part of the ongoing planning process.

I appreciate the concerns of the work force about change and the management of change. Royal Mail is also very conscious of their concerns. I understand that the company is keeping postal workers informed of progress. There will be changes for the employees, but the company is fully committed to supporting them as the plans progress. I understand that Royal Mail envisages that any required reduction in jobs as a result of the changes will be achieved mostly through natural turnover. There will be an opportunity for staff to transfer to other local units, and I understand that Royal Mail has told its employees that, with some flexibility, everyone who wants a role in the new structure will have one. Of course, until the final detailed plans are known, Royal Mail will not know how many people will be required at the new mail centre location. I believe that it anticipates a net reduction of approximately 200 jobs if the Northampton and Coventry operations are consolidated on one site as proposed.

I understand that Royal Mail recently advertised its preferred Northamptonshire location for the proposed new mail centre in the *Official Journal of the European Union*. All major public projects are required by law to be advertised in the journal to ensure that companies have equal opportunity to express an interest in the contracts.

Although we and many of our constituents say that we like our post office and that we value it highly, the reality is that, collectively, we just do not use it as we once did. It is an undeniable fact that many people now prefer to pay their bills by direct debit or to use one of the Post Office's competitors, to do their banking via the internet or a cash-point machine, to renew their motor vehicle licences online, and to keep in touch using e-mails or text messages. The result is that in some places too many branches compete for the same customers. Some 4 million fewer people use post offices each week, compared with just two years ago. Therefore, it is not accurate to say that the restructuring and closure programme is the result of European Union legislation. It is the straightforward result of the £2 million a week losses that were being

incurred on the Post Office Ltd side of the network—the losses were estimated to be some £4 million a week last year—as well as the £70 million that Royal Mail loses from its main offices.

In the financial year 2005-06, the post office network lost £2 million a week. For too long, it was deprived of much-needed investment. This Government have reversed that approach and have invested substantial sums in supporting the network—some £2 billion since 1999. We have supported Post Office Ltd in its efforts to develop its range of financial service products. For example, Government investment included £500 million for the Horizon project to bring computer systems into every post office throughout the UK.

Mr. Leech: Will the Minister give way?

Jim Fitzpatrick: I shall give way to the hon. Gentleman in this last minute.

Mr. Leech: I thank the Minister for making time for my intervention. I would like to bring him back to the point about franchising Crown offices. When a Crown office was franchised in my constituency, we were promised that services would not be affected. Recently, refurbishment of the building led to a temporary one-week closure of the post office that then turned out to be a much longer closure. The post office is still closed today. I do not believe that refurbishment would have led to a discontinued service had the office still been a Crown office. Crown offices are being franchised with the promise that there will be no effect on service, but the reality is that that does not happen.

Jim Fitzpatrick: I hear what the hon. Gentleman says. The experience for the vast majority of customers across the country who used the franchise operations that were piloted has been positive, notwithstanding the fact that, clearly, there has been a hiccup in his post office, which—

Miss Anne Begg (in the Chair): Order. We must move on to the next debate.

Legal Aid

1 pm

Mr. Graham Stuart (Beverley and Holderness) (Con): It is a pleasure to talk about an issue that is of great concern to my constituents and all those who are concerned about a fair and decent society: the impact of legal aid reform. I am not a lawyer and, unlike the Minister, I do not claim to be an expert on the intricacies of legal aid. However, I plan to use the debate to discuss the impact of the Government's reform of the legal aid system on Beverley and Holderness, which is a rural area with an older than average population and several pockets of severe social and economic deprivation.

Everyone agrees that in a free and democratic society, people should be entitled to legal representation. In January, the Lord Chancellor used a speech to the Law Society to say:

"free access to justice for those who need legal aid is as integral to the welfare state as the NHS or state education."

The Minister has herself said:

"The hallmark of a decent society is good legal advice and representation for the community."—[*Official Report*, 6 March 2007; Vol. 457, c. 1379.]

Since 1997, the cost of legal aid has increased from £1.5 billion to £2.1 billion. That sounds like a large increase, but when the figure is adjusted to reflect today's prices, it is in fact a small one. On today's prices, the 1997 budget was just over £2 billion compared with £2.1 billion today. England and Wales spend more on legal aid per capita than anywhere else in the world, and the cost to each taxpayer is nearly £100 a year. We, as a country, should be proud of that and of our determination that people should have access to legal support regardless of their income.

More than 3,000 additional criminal offences have been created since 1997. In a previous Adjournment debate, the Minister—before she was in her current position—highlighted the impact of the Government's policy on the need for legal aid and support. Population increases, unprecedented large-scale immigration and increased levels of family breakdown have all placed pressure on the system but, as I have said, the amount spent on legal aid has not really increased by much above the rate of inflation.

Let me turn to the history of legal aid budgets. Twenty years ago, in 1987-88, the expenditure on legal aid at 2005-06 prices was £836 million. Ten years ago, the expenditure was £2.016 billion and, as I have said, in 2005-06 it was £2.1 billion. However, since 1997, the NHS has had a 100 per cent. increase in expenditure, funding for education and training has increased by 80 per cent. and total Government expenditure on public services has increased by nearly 60 per cent. Access to legal aid, which is a fundamental pillar of a civilised society, has not increased comparatively.

It is important to recognise that there has not been an increase in expenditure on all aspects of criminal legal aid. The LECG study of Lord Carter's proposals, which was commissioned by the Law Society, states:

"in the past three years, 2002-2006, costs in most areas of criminal and civil work have increased only slowly if at all, and, on a per case basis have often decreased. During 2002-2006 total legal aid cash payments have risen at a rate of 2.1 per cent. per

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year. Within the CLS (Community Legal Service) payments have risen at 0.7 per cent. per year and lower CDS (Community Defence Service) payments (excluding crown court) have fallen at -1.6 per cent. Within lower CDS, police station attendance costs have risen at an average 4.4 per cent. per year, but adjusted for higher case loads risen only at 0.4 per cent. per year. Magistrates' court costs have fallen by 0.1 per cent. per year and per case by 0.5 per cent."

I have cited a number of percentages to show that criminal legal aid, especially in the lower courts, has not experienced an explosion in costs. In those terms, we have no problem for which we need to find a solution.

A recent report from the Select Committee on Constitutional Affairs concluded:

"it is clear that the Government has been unwise in attempting to reform the entire system rather than in concentrating on those areas which cause the problem: Crown Court and public children cases."

That is important in the context of my local area. In Kingston upon Hull there are eight firms that undertake publicly-funded criminal defence work, but there are none in Beverley. Although based in the centre of Kingston upon Hull, firms have historically covered magistrates courts and police stations in several towns across the East Riding of Yorkshire, including Beverley, Bridlington, Goole, Driffield, Hornsea, Withernsea and further afield. Last year, more than 8,000 people in Hull and the East Riding received help through legal aid.

Firms in Hull have fiercely opposed the Government's proposals to introduce fixed fees and to abolish travel and waiting time payments. People in those firms are committed to providing legally-aided support to the poorest and most vulnerable in our society. As colleagues mentioned in a debate in January, such people pursue their work out of conviction, rather than in pursuit of profit. They began striking in December last year and staged the third in a series of two-day strikes in February. They did so because Hull has been declared an urban area by the Government. The Government have designated 16 urban areas in which solicitors can no longer charge for travel and waiting time. That has had an impact on out-of-town courts such as those at Beverley, Goole and Bridlington. To put it simply, why would a firm pay to travel to a small provincial town to represent a defendant when it could earn exactly the same money by attending a local court?

Ms Diana R. Johnson (Kingston upon Hull, North) (Lab): Was the hon. Gentleman as surprised as me to see that Kingston upon Hull was classified as an urban area when other parts of the country, such as Norwich, Middlesbrough and Doncaster, were not? That worries me slightly.

Mr. Stuart: The hon. Lady is right to be worried about that unfairness, which is the main focus of my remarks and something to which I hope that the Minister will respond. Solicitors from Hull who come out to service the magistrates court at Beverley and look after people from throughout my constituency are not paid to wait, even though a case programmed for an 11 o'clock start at Beverley magistrates court will often not actually start until 2 pm. They are not paid for travelling, and if they arrive at 11 am and the case does not start until 2 pm, it is not worth returning to Hull to go back to the office. Those people thus sit around and are not paid for waiting or travelling.

The Parliamentary Under-Secretary of State for Justice (Vera Baird) *indicated dissent.*

Mr. Stuart: The Minister shakes her head, yet because Hull lawyers have withdrawn their services from Beverley, two firms from Scarborough and one from Bridlington are travelling down at public cost—I think that they are paid £26 an hour. On Friday night, it took me one hour and 45 minutes to make a return journey to Scarborough. Those solicitors are being paid to travel and, in the circumstances that I mentioned, are sitting around from 11 am to 2 pm before the case is heard. They are being paid to wait, yet solicitors from Hull are not. I put it to the Minister that that is unfair.

Vera Baird: The hon. Gentleman is completely wrong; solicitors are paid for their travel and for waiting. One third of that element has been removed, but, none the less, they have achieved a 2 per cent. pay rise on the assumption that they go to Beverley. Actually, solicitors are not going to Beverley; they are grasping a much bigger pay rise by avoiding that obligation.

Mr. Stuart: Despite her commitment on the issue, the Minister displays a characteristic harshness towards those firms. Of course, she has practised at the Bar and is used to greater remuneration than that received by criminal defence solicitors based in Hull. Those people are, as I have said, committed to the service of those in the community who need legal defence. However, as a result of the changes, they have lost 20 per cent. of their business, so when we consider the effect of fixed fees, the idea that an increase of 2 per cent. in the average that they are paid represents a big rise is entirely false. I hope that the Minister will take that comment back and apologise to the people in those firms in Hull.

This year, by the Legal Services Commission's own figures, Hull solicitors were expected to take on the same work load as last year, but for £30,000 less. I ask the Minister whether anyone trying to run a commercial practice would do that.

Vera Baird: I have no intention of apologising for giving people a pay rise. The hon. Gentleman needs to understand—I am not sure that he does—that two thirds of the travel and waiting payments have been rolled into the fixed fee on the assumption that those solicitors would do Hull and Beverley, as they always have. If they do not go to Beverley, they will get a far bigger increase than 2 per cent. because the fees include travel to Beverley. Instead of taking any travel time to go there, they will walk from their city centre offices to Hull court and pocket the money for travel to Beverley without ever going there. I think that that results in an increase that is far more than 2 per cent.

Mr. Stuart: Obviously the Minister is infinitely more familiar with the detail of this landscape than I am, but it seems to me that when people do not go to Beverley

and thus do not pick up a fee—I believe that such fees represent about 20 per cent. of their income—they can hardly be considered to be pocketing a pay rise. Those changes have caused Hull-based firms financial and professional difficulties. As one firm put it:

"Solicitors do not jettison clients that have sometimes been represented by their firm over many years without trepidation and crisis of conscience."

It is beneath the Minister to suggest that they are fat-cat lawyers who are going for a money grab. That is not the right approach to the issue, which is why the hon. Member for Kingston upon Hull, North (Ms Johnson) and many other Labour Members questioned the Government's approach during January's debate. The Minister's harshness of tone when dealing with those who are trying to provide services of great importance is inappropriate.

The eight firms to which I referred have fiercely opposed the locality being declared an urban area. They concluded that it no longer made economic sense to represent publicly-funded clients in Beverley, Goole and Bridlington and thus gave notice to Her Majesty's Courts Service that they would no longer provide duty solicitor services for courts based outside Hull or take on new cases. That came into effect on 16 April 2007.

The situation has created a dilemma for the Legal Services Commission, which has a statutory duty to ensure the availability of legal advice. It wrote to firms in Scarborough, York, Doncaster, Scunthorpe and Grimsby to ask for their help. When that provided limited assistance only at Beverley, it had to arrange for the public defender service at Darlington to attend, although Darlington is more than 90 miles away. When pressed, the regional director of the LSC would not reveal how much the service had been paid.

A rota for the whole of June has been put in place. Three firms—one from Bridlington and two from Scarborough—are being used and the LSC is in the process of drafting a similar rota for the next three months using the same firms, plus any others that are interested. On the rota for Beverley, solicitors from Scarborough are providing Saturday cover, which is operated through a call-in scheme—the duty solicitor is required only if there is a need. After that, the situation is unclear. The eight Hull-based firms are now bringing judicial review proceedings against the LSC on the basis that the other three firms are receiving additional pay for their services.

The Minister suggested that that payment has already been included in the fees. I gave an example of solicitors having to travel to court and wait perhaps three hours for a case to be heard. Is she suggesting that the Hull solicitors would receive the same amount of money as the solicitors from Scarborough? It appears that she is now less keen to intervene.

Vera Baird: I am happy to intervene. In my response, I shall set out the system comprehensibly to assist the hon. Gentleman.

Mr. Stuart: I look forward to that and hope that the Minister will answer that straightforward question. If lawyers from Bridlington and Scarborough are being paid more than those from Hull, the hon. Member for Kingston upon Hull, North and I will want to know why and how the Minister can justify that.

Vera Baird: The answer is very straightforward: eight firms of solicitors have tried to boycott the work that they are being paid to do, so other resources have had to be brought in. Happily, the court is being served properly and no one's access to justice has been damaged as a result of the action.

Mr. Stuart: But as a result of the policy of the Government and the Minister, the costs are higher because lawyers have to be brought in from far afield—Darlington, Scarborough or wherever. The Minister's policy has caused that. Those lawyers have to travel a long way and are being paid to do so. Far from saving money, that is costing the public purse more money. People in Hull who are committed to serving the local community are being affected by reforms that were supposed to increase the local work and focus of lawyers, but are having the opposite effect. Her truculence in dealing with the issue throws light on nothing, except perhaps her attitude. If the Minister will not take that point from me, perhaps she will accept it from the area director of Her Majesty's Courts Service, who said to me:

"the situation is unsatisfactory and there is a need to ensure that a long term solution is found"—

how different from her view as she sits in her ivory tower.

Vera Baird: Will the hon. Gentleman give way?

Mr. Stuart: No, I shall press on to the end of my speech. The area director continued:

"We have stressed to the Legal Services Commission that it is very important to put in place a viable solution which will provide regular solicitor coverage at Beverley."

As I said, what makes the current situation so inadequate is the fact that it is costing substantially more money to bring in those people than it would to use the Hull-based solicitors. Those firms will be charging for travel to Hull prison and the nearest Crown court, which, funnily enough, is also based in Hull.

Mr. Henry Bellingham (North-West Norfolk) (Con): My hon. Friend makes an extremely powerful case. Does he agree that such people are not likely to cause trouble or to be obstructive in normal circumstances? They are also being hit hard by the introduction of means-testing in magistrates courts because there will be many more litigants in person, which will clog up the courts and, probably, take work away from many local solicitors.

Mr. Stuart: I agree entirely and, of course, these reforms compound the problem caused by the over-bureaucratic and complicated means-testing system brought in by the Government. They will obstruct access to justice for the poorest and most vulnerable in society. No one doubts the Minister's commitment to access to justice, but Labour Members increasingly doubt the efficacy of the reforms that she thinks will bring that about.

Briefly—because we are running out of time—what will be the impact of those reforms on the local supplier base? Nationally, the number of firms holding a criminal legal aid contract has reduced from 2,925 in

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2000-01 to just 2,608 in 2006, which represents a decline of 10 per cent. On 17 October last year, in a written answer to the hon. Member for Meirionnydd Nant Conwy (Mr. Llwyd), the Minister admitted that two thirds of legal aid practices had disappeared since 1997—under the Government's watch.

All the available evidence suggests that that trend is likely to continue. Moreover, as a result of the reforms, smaller firms will be forced to close or amalgamate. As my hon. Friend the Member for North-West Norfolk (Mr. Bellingham) said in January, many firms

"are not in criminal legal aid to make money; they are doing it through conviction, as a service, because they believe in the ethos of trying to protect those in society who have real problems and crises."—[*Official Report, Westminster Hall*, 11 January 2007; Vol. 455, c. 169WH.]

The fragility of the supplier base is also a major issue on which I hope that the Minister will reflect.

In summary, it is extraordinary to see a left-wing firebrand becoming a marketisation freak who is committed to forcing a market-based ideology on to a system when there is no problem. Costs are under control and services are good. This is a solution trying to find a problem and the supplier base is being put at threat. Large firms are likely to result from the tendering process, rather than small responsive firms with specialisations. All that will have come about under the Minister's watch. I and other Members on both sides of the House hope that she will think again, listen to the warnings from experts and this House and recognise that her reforms, far from leading to quality, will lead purely to cost constraints, although there was not a problem in the existing system.

1.19 pm

The Parliamentary Under-Secretary of State for Justice (Vera Baird): I congratulate the hon. Member for Beverley and Holderness (Mr. Stuart) on securing the debate. I am sure that his constituents are assured that he did so solely out of concern for their interests. I acknowledge and thank Members who have found the time to attend. The hon. Gentleman is right that we have the best legal aid system in the world, by many strides, but he is wrong to suggest that criminal legal aid has not increased. It has done so by 39 per cent. since 1997. That has consequently produced a 37 per cent. decrease in civil legal aid. I will come on to the impact of that on the poorest in society.

It is not correct to suggest that the Hull firms will receive less than before and the figure of £30,000 is not correct. They have achieved a clear 2 per cent. pay rise, assuming that they do the work that they are contracted to do, which they are now not choosing to do in Beverley.

Mr. Graham Stuart: Will the Minister give way?

Vera Baird: I am afraid that I do not have time to give way because the hon. Gentleman ran over his allocation of time and I must respond to the points that he chose to raise, many of which were incorrect.

The hon. Member for North-West Norfolk (Mr. Bellingham) intervened intending, I think, to help his colleague. He suggested that the people involved would not usually cause any difficulty. However, he missed the fact that the hon. Member for Beverley and Holderness said that this group of people had been fiercely opposed to the introduction of the changes. They have been on strike already and it is clear that they are acting collectively now.

Before dealing with the points that the hon. Gentleman raised, I shall reiterate the principles behind the Government's programme of legal aid reforms, the thrust of which is supported by his party. On 15 March, in the Public Bill Committee that considered the Tribunals, Courts and Enforcement Bill, the hon. Member for North-West Norfolk, who is in the Chamber now, said:

"We realise that there are pressures on the legal aid budget, which has increased from £1.5 billion 10 years ago to more than £2 billion, and we understand why the Government are now bringing in means-testing in magistrates courts and the fixed-fee system for many...cases. Although we have...legitimate discussions...with the Government about how that is being implemented, we accept the thrust of what they are doing."—[*Official Report, Tribunals, Courts and Enforcement Public Bill Committee*, 15 March 2007; c. 46.]

I mention that because the correspondence from a solicitor local to the constituency of the hon. Member for Beverley and Holderness, which his office has kindly shown me and which essentially gave rise to this debate, is a diatribe against the totality of the reforms that both his party and mine accept are vital if we are to serve the poorest in society.

Our reforms will serve the people who rely on legal aid. I recently opened the community legal advice centre in Gateshead in the north-east. Historically, people needing advice have got only what the legal profession has delivered. People, often with multiple problems involving such matters as welfare benefits, debt, housing and family, have had to work out exactly what type of advice they need and then go to the right supplier, who might be able to give them help with one problem, but not all of them. The more people are referred on to supplier after supplier, the less likely they are to go—they get referral fatigue. Anyway, research makes it clear that specialists do not refer people on for the right advice if they do not have the necessary expertise in their firm, even if they see a person's need.

Community legal advice centres such as that in Gateshead will be well publicised. They will invite people with problems to come through the door and ensure that they are connected to all the advice that they need. People will need simply to come through the door and ask. Such investment, which can make a huge contribution to preventing chaotic lives from declining into the social exclusion that untackled problems can cause, will follow from getting a grip on spiralling criminal legal aid expenditure. We will also ensure that the structure of criminal legal aid supports improvements to our criminal justice system by using it to drive efficiencies, such as controlling the money spent on paying for lawyers' travel and waiting time.

I come now to the concerns that the hon. Member for Beverley and Holderness raised about the introduction this April of the new standard fee system for magistrates courts. Magistrates courts have worked on the basis of standard fees for years. The change is to average out the payment for lawyers' time spent on local travel and waiting, to put it into the standard fee

and to remove merely one third of it—not all of it, as the hon. Gentleman suggested—so that people are encouraged to operate more efficiently. Criminal defence practitioners who have business premises in Hull and have historically carried out work in Goole, Beverley and the other places to which the hon. Gentleman referred have received a 2 per cent. pay increase under the new fee system. The letter of diatribe to the hon. Gentleman did not mention the pay increase.

All eight solicitors' firms in Hull have decided not to go to work in Beverley any more and have resigned from the duty rota there. That is their privilege. The 2 per cent. increase applies if the solicitors travel to do work in those outlying areas, as they have done in the past. If they do not travel there, they will be working in Hull. Their offices are in the city centre, within easy walking distance of the magistrates court, and they will thus get a far bigger increase in fees by profiting from being paid for the time spent travelling—that payment is rolled up in the fixed fee—although they are not travelling. That means that they are getting two thirds of the pay for travelling to and waiting at both Hull and Beverley, but they are not going to Beverley—they are walking only to the Hull court.

A 2 per cent. increase in what the solicitors were earning for covering all the courts seems a very strange reason for deciding to withdraw from Beverley. I find it very surprising that all eight of the Hull suppliers have simultaneously found it commercially attractive to withdraw from Beverley. I am told, as the hon. Member for Beverley and Holderness reiterated, that that represents 20 per cent. of their business, so they must have sound commercial principles in mind. They have said that if we pay them again—on top of the travel element of the fixed fee—to go to Beverley, they will be prepared to do so. By the way, they get their mileage costs in addition.

I find it even more surprising that the letter from a solicitor local to the hon. Gentleman's constituency asserts that the decision taken by the solicitors had something to do with access to justice. I wonder how many people at the court centres no longer served by the lawyers would like to be helped by a representative whom they know, but will now have to be represented by a new firm, although no doubt that new firm will give them good service. I am very pleased that local suppliers outside Hull have taken a different approach: they are prepared to help people in trouble at those courts. I am also pleased that the courts continue to operate effectively with proper representation from solicitors who are local to the area.

The hon. Gentleman cited the HMCS director in an out-of-date memo. The director e-mailed the hon. Gentleman's parliamentary assistant yesterday to indicate that he was satisfied that the system was now working well and that e-mail was copied to me.

Mr. Graham Stuart: Will the Minister give way briefly on that point?

Vera Baird: No, the hon. Gentleman overran his time. I will answer his point.

It is right that the public defender service had to be deployed for a while to ensure that no disruption to access to justice was caused by what was frankly a boycott. However, although its personnel remain available and we are immensely grateful to the dedicated team of public servants, they are not needed at present in Beverley, which is served by good-quality local solicitors' firms.

Mr. Stuart: On a point of order, Miss Begg. For clarification, the letter from the area director of Her Majesty's Courts Service is dated 4 June.

Miss Anne Begg (in the Chair): That is not a point of order. I call Vera Baird.

Vera Baird: It is pretty obviously not a point of order. Mr. Bradley, the gentleman who was referred to, e-mailed the hon. Gentleman's assistant, Tim, yesterday and pronounced himself satisfied with the system that we have managed to put in place. That e-mail was copied to me. I am afraid that the hon. Gentleman is not making a very good point.

Over the past two years, there has been a fundamental examination of the way in which the Legal Services Commission delivers legal aid. We have carefully considered the full range of independent research that has been published—not only the publications that the Government and the LSC commissioned—and that research has informed and launched our programme of reforms and will continue to shape it.

I do not seek to hide from the fact that the extension of fixed and graduated fee systems will require legal aid practitioners to change how they work. Many legal aid practitioners, largely in bigger cities, are already successfully moving from remuneration based on time spent to remuneration based on effective services delivered to clients. That will allow the Government to have greater control over spending and will encourage suppliers to improve their efficiency ahead of best value tendering. Such tendering, which will be introduced from October 2008, will enable the LSC to purchase legal aid services on the basis of quality and price.

The key to the new procurement system is balancing quality and access for clients, value for money for the taxpayer, and fair remuneration for providers. I strongly believe that efficient, flexible and innovative suppliers will benefit from, and flourish under, the reforms. It is part and parcel of the acceptance by the hon. Gentleman's party of the thrust of the reforms that it thinks that as well.

Our proposals for legal aid are part of a wider reform agenda across the entire justice system. The coming months and years will see the implementation of the reforms that we have set out to the immense benefit of the public. The reforms will bring improvements to the justice system for not only the people it serves, but the professionals working in it who are willing and able to cope sensibly with change.

Deafened Service Veterans

1.30 pm

Mr. Edward O'Hara (Knowsley, South) (Lab): I am pleased to have the opportunity to raise the issue of war veterans who suffer from noise-induced hearing loss as a direct result of their service. I say that not least as someone who has lifelong experience of hearing impairment among close friends and family members and who has some hearing impairment himself, although I was lucky enough to get a pension before the cut-off, which I shall talk about.

It is more than eight years since the situation was last discussed in Parliament, but it has continued, with many thousands of veterans feeling that their sacrifice has gone unrecognised. Members of the House have consistently expressed concern about the way in which many ex-servicemen and women who have suffered substantial hearing loss as a result of their service are being denied recognition. In the 2005-06 parliamentary Session, 123 Members signed early-day motion 306, adding to the call for changes to the way in which the Government treat veterans with noise-induced hearing loss.

Veterans with noise-induced sensorineural hearing loss have several grievances in respect of the war pensions scheme. There are concerns about the scale used, which links 20 per cent. disablement to a 50 dB hearing loss, which many consider too high. There are also concerns about the requirement that veterans have reached that level of loss when they leave service, which means that the possible long-term effects of exposure to noise are not taken into account.

In the time that we have, however, I want us to focus not on those two issues, but on the fact that veterans with noise-induced hearing loss are unique in being ineligible for a lump-sum gratuity. Before 1993, veterans with more than 20 per cent. disablement received a pension, while those with less than 20 per cent. disablement received a lump-sum gratuity. A veteran with 50 per cent. noise-induced hearing loss would get a pension, while one with, say, 40 to 50 per cent. hearing loss would get a gratuity. After 1993, veterans continued to receive a lump-sum gratuity for every condition except noise-induced sensorineural hearing loss. That is because, in 1992, the then Government decided to introduce a 20 per cent. cut-off, below which an award would not be made for noise-induced sensorineural hearing loss.

In the last debate on this issue, in 1999, the then Under-Secretary of State for Social Security, my hon. Friend the Member for City of York (Hugh Bayley), said that the 20 per cent. cut-off was introduced as

"part of a package that included extra cash for war pensioners."—[*Official Report*, 3 March 1999; Vol. 326, c. 1044.]

That is fine, but while some war pensioners benefited, the introduction of the cut-off meant that many thousands of veterans with noise-induced sensorineural hearing loss as a result of service were, uniquely, excluded from any compensation or recognition.

The basis of the decision to introduce a 20 per cent. cut-off was revealed in an answer to the Select Committee on Social Security in 1999. There was a peak of claims in the early 1990s, when ex-service organisations were quite properly alerting people to the war pensions scheme, and research conducted by officials at the war pensions directorate revealed that claims

"were in the main coming from the geographical areas of the country which were sites of heavy industry at the time. They seemed particularly to be involving people at or about retirement age who, in a large part but not, of course, exclusively, had done two years' National Service and then spent quite a long time in industry."

One of the main reasons for the cut-off, therefore, was a deliberate attempt to ensure that what has been described as a low degree of hearing loss fell below the compensation threshold—that is, to exclude those who were judged to be less deserving of a lump-sum gratuity.

Let us look at the effect of the 20 per cent. cut-off on deafened veterans by taking a typical example. In 1999, Mr. Roper received a letter from the War Pensions Agency informing him that he had 6 to 14 per cent. noise-induced hearing loss attributable to service, but that he could not be paid for it because the assessment was less than 20 per cent. Thousands of veterans have received such letters since 1993. However, had Mr. Roper instead suffered damage to his sight, for example, he would have received a lump-sum gratuity in recognition of his condition. Currently, the compensation for 6 to 14 per cent. sight loss is slightly more than £4,750.

In other words, veterans are told first that they have a hearing loss attributable to service, but then that it is not significant enough to merit compensation. That is incredibly insulting to those who struggle daily with the effects of hearing loss. It is not surprising that Royal National Institute for Deaf People, along with the British Legion and other veterans organisations, has received many letters from veterans complaining about the unfair cut-off.

Unfortunately, there is still a pronounced tendency in our society to underestimate the effects of hearing loss. Compared with other disabilities, an inability to hear is commonly regarded by others as a minor complaint. It can be a source of humour and teasing. There may be an insinuation that the person is stupid or incapable, or perhaps difficult or grumpy. As a result, the barriers that people who are deaf or hard of hearing face are frequently dismissed as insignificant. However, as anyone with a hearing impairment knows, loss of hearing can be incredibly frustrating.

That misunderstanding of hearing loss continues to inform Government policy, and deaf and hard of hearing people continue to have the effects of their disability underestimated. In the last debate about veterans with noise-induced hearing loss, the then Under-Secretary of State for Social Security described 50 dB hearing loss as

"the point at which a person starts to have trouble following conversation in a noisy environment."—[*Official Report*, 3 March 1999; Vol. 326, c. 1044.]

As the vast majority of audiologists know, that is not so. A person with 50 dB hearing loss is likely to have considerable difficulty following a conversation in ideal listening conditions, let alone in noise. Although the Under-Secretary's comments might have been made in error, they are nevertheless typical of the way in which hearing loss is misunderstood and dismissed as

insignificant. The treatment of deafened veterans by the War Pensions Scheme seems to be based on such a flawed understanding.

Mike Penning (Hemel Hempstead) (Con): I congratulate the hon. Gentleman on securing the debate. The handling of this issue is an insult to people who have served in the armed forces, and that includes not only those who served their country under national service, as the hon. Gentleman did, but regulars. I came through the Army in the '70s and '80s, and no ear defenders were available to us. Indeed, when we went on active service or on live-firing ranges, they were the last thing in the world that we would have been given, because those in charge were worried about command and control. The insult to veterans will get worse and worse. If the Minister does not listen today, how will we take the issue forward?

Mr. O'Hara: Indeed, I thank the hon. Gentleman for his support. He shares my experience entirely and I hope that I will continue to have his support.

The RNID has conducted research showing the effects of noise-induced hearing loss on veterans' lives. Such people have great difficulty following conversation in normal social settings. Many have been involved in local community work for many years, but they have had to give it up because of their hearing loss. Some also speak of the effects of their hearing loss on their relationship with their partner, while others say that they have difficulty hearing their grandchildren, which is a source of great distress. That is what hearing loss means in practice: the local community, the family and the veteran's mental well-being are at stake.

Of course, people acquire hearing loss as a result of the ageing process, and it is not unfair to ask whether they would have become deaf or hard of hearing anyway. We cannot compensate people for hearing loss that is not attributable to their service, but a 50 dB hearing loss is a greater level of deafness than most people ever experience through ageing alone. Given that the majority of deafened veterans who are being turned down are told that their hearing loss is attributable to service, the 20 per cent. cut-off is unjustifiable and totally unfair.

We have an obligation to all those who suffer from a condition that is attributable to service and a moral duty to give them the best possible aftercare. Servicemen and women put themselves at the service of the state daily, and they deserve to know that the sacrifices that they make for their country will not be forgotten. No veteran should be sidelined, and it is not acceptable for us to ignore veterans with noise-induced hearing loss attributable to service. A petition of 18,000 signatures circulated by the Royal National Institute for Deaf People suggests that the public strongly agree.

In comparison, other countries treat veterans with noise-induced hearing loss more sympathetically. In the Republic of Ireland the cut-off is not 50 dB but 20 dB. In the United States, Canada and South Africa it is 25 dB. Certainly we cannot feel proud of the way in which we treat veterans with noise-induced hearing loss in this country.

I know that the RNID has been in discussion with officials at the Ministry of Defence about the feasibility of making sure that the sacrifices made by deafened veterans are recognised. I am sure that there will be a number of difficulties. It could, for example, prove to be very complicated to make retrospective payments, however desirable that might be, to say nothing of the expense. But whatever the difficulties, they should not be a cause of inaction. There are a number of possibilities that could be considered, such as the lowering of the cut-off point to a more acceptable level.

An alternative response would be to look at the priority treatment that veterans receive. There appears to be a degree of uncertainty as to how that works in practice. Recent written answers and past guidance suggest that priority treatment relates to examination or treatment relating to pensioned disablement. Anecdotal evidence suggests that many, if not most, health service clinicians believe that veterans must have a pension to get access to priority treatment. However, it appears that priority treatment should in fact be much more widely available.

I have seen recent correspondence from the Minister giving a definition of priority treatment quite different from the current guidance. In fact, in a letter to Mark Morris of the RNID the Minister stated:

> "Priority treatment applies to all disablements that have been found to be due to Service, so all war veterans who suffered noise-induced hearing loss as a result of service, irrespective of being in receipt of a war pension, are able to access priority treatment from the NHS."

That is most welcome clarification. However, that is not how priority treatment is implemented on the ground. The confusion on the issue needs to come to an end. It is vital to issue clear guidance across the NHS as a matter of priority. It is especially important that every audiology department should fully understand and implement the correct policy on priority treatment. No one should have to wait months, let alone years, for a digital hearing aid, but if there is one group of people who, as a matter of urgency, should be fast-tracked, it is surely those who have suffered damage to their hearing because of military service.

The need for clarification about priority treatment is especially important because, as many hon. Members will know, there are pressing problems with the delivery of digital hearing aids, with average waiting lists of more than two years in parts of the country. Yet digital hearing aids, which are now available on the NHS, are a significant technological improvement, and the vast majority of older people with a hearing loss find them of great benefit. I can vouch for that myself. A suitable course of action might therefore be to inject a sum of money into the NHS from the war pensions scheme to ensure high-quality treatment for veterans with a hearing loss attributable to service. That would clearly be a token payment, but it would go some way towards recognising the situation faced by the veterans.

At present we accept that we exclude from any compensation a person who, solely as a result of their military service, no longer has the ability to enjoy a conversation in a typically noisy pub or a restaurant; or the chance to go to the cinema or theatre and actually enjoy or appreciate the performance; or even the ability to go to church and fully understand the service. All those opportunities have been taken away from thousands of men and women, solely because of their

[Mr. O'Hara]

military service for this country. In compensation for such a serious reduction in the quality of life caused by their service to the country, they have received absolutely nothing. Can anyone seriously justify that and say that it is right?

In conclusion, I urge the Government to find a way to address the harsh consequences of the 20 per cent. cut-off as soon as possible and to ensure that the sacrifices made by veterans with noise-induced hearing loss attributable to service are recognised. Singling out that group of veterans in a way that deprives them of compensation is illogical, arbitrary and unfair, and has led to thousands of veterans feeling that their daily struggles are considered insignificant. Our veterans and the veterans of the future deserve better.

1.44 pm

The Parliamentary Under-Secretary of State for Defence (Derek Twigg): It is a pleasure to serve under your chairmanship again, Miss Begg. I thank my neighbour, my hon. Friend the Member for Knowsley, South (Mr. O'Hara), for raising this topic, and congratulate him on having, as usual, set out the issues clearly and concisely. I know that he is a solid campaigner on such issues and takes great interest in health matters generally. I congratulate him on securing the debate and appreciate the opportunity to respond to his points and to speak about the outstanding contribution of those who have served and continue to serve in the armed forces.

The Government recognise the special commitment that service personnel make and the scale of their contribution. Our veterans have played a vital role in our defence effort across the decades, and I take this opportunity to pay tribute to them for everything that they have done in the service of their country. As I speak, our servicemen and women are doing a fantastic job, sometimes in dangerous and difficult environments. I have met them on operations in Iraq and Afghanistan. Their professionalism and selflessness never fail to impress. We ask a lot of our service personnel, and that is why their welfare is a priority and why we are committed to ensuring that they get the best possible support. We are determined to ensure that their commitment and the unique nature of the role of our armed forces are properly reflected in the payments that we make in compensation for injury caused by service.

It may help if I start by setting the context. We are debating sensorineural hearing loss resulting from chronic exposure to noise. For clarity, I must stress that the 50 dB compensation threshold applies only to noise-induced sensorineural hearing loss. It does not apply to other forms of hearing loss or injury, such as that caused by blast; different provision is made for compensating such injury. Under the war pensions scheme, injury due to blast is compensated down to 30 decibels hearing loss and in the armed forces compensation scheme a separate tariff item is included for blast injury. The civilian equivalent of noise-induced hearing loss is industrial deafness, traditionally associated with employment in noisy working environments such as shipyards and mines. The risks of prolonged exposure to noise have long been recognised and guarded against.

The Ministry of Defence takes very seriously its responsibilities in ensuring the health and safety of our service personnel. Hearing loss caused by chronic exposure to noise in service is increasingly an historical phenomenon; since the mid-1960s, precautions and equipment have been used to protect the hearing of service personnel from noise relating to service, including that arising in combat. I can confirm that the Noise at Work Regulations 1989 apply throughout all parts of the MOD as far as is reasonably practical. That is subject to the general agreement between the MOD and the Health and Safety Executive on observance and audit of health and safety legislation in the MOD. Hearing protection is always provided—indeed, it is made very clear to all personnel that it is an essential part of their equipment, which must be used at all times when noise exposure reaches the level at which protection may be needed. I must stress, however, that we are not complacent about that very important issue. Our policy is kept under review at all times.

The present approach to compensating noise-induced sensorineural hearing loss under the war pensions scheme was introduced in January 1993, as my hon. Friend said. Following the change, compensation was awarded for such hearing loss only if it was 50 dB or more in both ears, averaged over the frequencies of 1, 2 and 3 kHz. In most cases that meant that a lump sum gratuity was no longer paid. That brought the approach in war pensions into line with that in the civilian industrial injuries scheme, in which occupational deafness had never been recognised where hearing loss was below that threshold.

The introduction of the compensation threshold for noise-induced hearing loss was not an isolated change, but part of a package of amendments that focused benefits on the more severely disabled. In particular, rank differentials were removed for the scale of war disablement pensions and rates were increased. As a result, pensions were increased by up to £5 a week above inflation. Increases were focused on the more severely disabled, with the most severely disabled other ranks gaining most. The increase benefited all those receiving a pension at the time and, indeed, all those who have claimed since.

The threshold has been confirmed in recent years by several reviews carried out by independent audiological experts, and it is common to the war pensions scheme, the armed forces compensation scheme and the equivalent civilian industrial injuries disablement scheme. A 2002 report on occupational deafness by the Industrial Injuries Advisory Council confirmed that the compensation threshold of a 50 dB average over 1, 2 and 3 kHz remained appropriate. The IIAC is a non-governmental body that advises the Secretary of State for Work and Pensions on the industrial injuries scheme.

Our medical policy advisers keep the scientific and medical literature about noise-induced sensorineural hearing loss under regular scrutiny and correspond with experts around the world who are working on the topic of noise-induced deafness. To date, we are not aware of any new scientific evidence that would require a change in our approach to assessment, but we are always open to new evidence of an appropriate standard on any aspect of pensions and compensation.

The threshold has been carried forward into the new armed forces compensation scheme, which applies to injuries and illnesses caused by service on or after 6 April 2005. It, too, focuses awards on the more severely disabled, and bilateral hearing loss of less than 50 dB is not compensated. Compensation for hearing loss due to service is based on the degree of loss at service termination, because it is accepted scientifically that any hearing loss arising after that date will not be caused by exposure to noise in service. The reason for that approach is that a war disablement pension may be paid only for disablement that is due to service; it cannot be paid for hearing loss that is due to other causes—for example, ageing. It is only the causal link with service that justifies the generous provisions of the scheme, so to remove it to make compensation available for disablement that is due not to service but to other factors such as age would undermine that basic principle.

My hon. Friend has mentioned the different approach in other countries to the level of the threshold for compensation, and I should like to make two points about that. First, there is wide variation in the hearing ability of normal people. Secondly, there is no consensus among schemes on the appropriate compensation threshold. Most schemes have a low threshold offset for other causes of hearing loss, including age—in other words, they make a deduction from the overall level of hearing loss present at point of measurement to take account of loss caused by other factors.

The war pensions scheme does not offset, because of the difficulty of accurately making such adjustments in any particular case. Instead, we accept and assess all hearing loss present at the point at which the individual is removed from any possible service noise injury—that is, at service termination. Our assessments may therefore contain a significant proportion of loss due to other causes, including ageing up to the point of discharge.

My hon. Friend clearly recognised that there would be an issue of cost were we to make any sort of change to the threshold and, in effect, restore the payment of gratuities for noise-induced hearing loss of less than 50 dB. The reintroduction of the payment of gratuities for hearing loss of less than 50 dB would come at high cost. The cost would require us to consider making balancing changes, for example, by reviewing the 1993 package.

My hon. Friend points to an alternative route: ensuring that ex-servicepeople who have hearing loss caused by service receive priority access to up-to-date hearing aids. Hon. Members may know that priority treatment refers to the long-standing arrangement whereby war pensioners are entitled to priority from the health services for treatment of injury or illness caused by service, subject only to overriding clinical priority, as decided by the clinician in charge.

I am happy to confirm that priority treatment applies to all disablements that have been found to be due to service, irrespective of whether they result in a pension. For clarity, three groups are eligible for priority treatment from the health services for a service-related condition: those who receive a continuing war pension; those who receive a one-off gratuity; and those whose condition has been found to be caused by service, but has not attracted an award

My hon. Friend raised the issue of funding such arrangements, so it may help if I were to explain that payments were once made under the war pension scheme for privately supplied hearing aids for people with hearing loss due to service. Following changes to health service policy and practice in the 1990s, payment from war pensions was no longer appropriate and such payments ceased. At the same time, funds relating to hearing aids were transferred from war pensions to the health service.

I reassure my hon. Friend that officials are in continuing discussions with the UK health departments regarding the awareness of priority treatment among health professionals. I have also met the Secretary of State for Health and the Minister of State, Department of Health, my right hon. Friend the Member for Doncaster, Central (Ms Winterton), to discuss priority treatment. A lot of work is clearly being done on this issue. Later this year, the health departments will distribute reminders to the chief executives of trusts requiring them to ensure that general practitioners and hospital clinicians are aware of all those veterans who are eligible for priority treatment, including the group that we have been discussing.

I thank my hon. Friend for raising this important issue. I hope that I have been able to provide answers to some of the points that he made.

Question put and agreed to.

Adjourned accordingly at five minutes to Two o'clock.

Westminster Hall

Wednesday 13 June 2007

[MR. MARTIN CATON *in the Chair*]

Universal Service Obligation

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Watts.]*

9.30 am

Mr. Alistair Carmichael (Orkney and Shetland) (LD): I am pleased to have the opportunity of serving under your chairmanship, Mr. Caton, and to have secured this debate on an important issue for many of my constituents and people throughout the United Kingdom.

It might assist the Chamber if I first explain why I have chosen this topic. The universal service obligation has been an ongoing concern of mine for the past six years while I have been a Member of Parliament, but it has particular relevance and resonance at the moment following the recent application by the Royal Mail for zonal pricing for bulk mail, on which consultation with Postcomm has just concluded. That has particular relevance to this debate and I shall discuss it in greater depth later in my speech.

This debate must be put into its proper context of recent political history, particularly the way in which the Government opened up the letter post market to full competition. They did so at the prompting of many in Postcomm and, I regret to say, Postwatch with unnecessary and unseemly haste in what history will record as an act of commercial, economic and social vandalism. The full implications of that act, the way in which it was done, and the way in which it was driven by officials at Postcomm in particular, will ultimately show it to have been highly damaging to the basic market structure of postal services in this country, and especially to our most remote and peripheral communities. Too many people in the Department of Trade and Industry and in Postcomm feel qualified to speak on matters of competition without ever having run a proper business. If there is to be a new phase of Government, I hope that some economic realism will be injected into bodies such as Postcomm and—I say this with considerable regret, because it is supposed to protect consumers' interests—Postwatch.

My concern is that if Royal Mail's application for zonal charging for bulk mail is approved, bulk mail will be removed from the universal service and what is left will hardly be worth the name. It will hardly be universal and it will barely be a service.

According to Postcomm,

"The universal service means that anyone in the UK can post letters and parcels to any other part of the country at the same affordable rates. And it guarantees one delivery of mail for every UK household and business, each working day, and one collection of mail, six days a week. One of Postcomm's most important jobs is to protect the universal service, by requiring it in Royal Mail's licence and making sure the company has the resources to fulfil its duties."

The USO covers letters and packets weighing up to 2 kg, the non-priority service and parcels weighing up to 20 kg, the registered and insured service, and a range of support services to ensure security and integrity of the mail—for example, the Royal Mail's re-direction service, international outbound services, Mailsort 1400 and the Cleanmail bulk mail services.

It would be remiss of me if I did not remind the House that the writ of the USO does not run in some parts of the country, where the availability of transport and the sparsity of population make it difficult to provide a daily service. Many of those places are in my constituency, but I shall strike an uncharacteristically positive note and say that since the creation of Postcomm and Postwatch, we have seen significant improvement in the service in those hard-to-deliver-to areas.

Communities in Orkney and Shetland depend on Royal Mail's universal service. Local businesses face many challenges—we have additional travel costs and exceptionally high fuel prices as a result of our geographical location. However, mail prices have remained largely uniform throughout the country and companies in the northern isles have been able to send mail at the same price as firms in other parts of the country. Some of the most innovative and exciting uses anywhere of the mail order business are to be found in the northern isles—indeed, I am told that no less a person than the hon. Member for Crewe and Nantwich (Mrs. Dunwoody) orders high-quality products by mail from businesses in Orkney.

Andrew George (St. Ives) (LD): My hon. Friend is making an excellent point. The same applies to the Isles of Scilly in my constituency. Because of their geographical remoteness from centres of population, the universal service obligation is vital because a decent postal service provides a good basis on which remote businesses can survive. The postal service is a vital economic link.

Mr. Carmichael: My hon. Friend makes an excellent point. It is often said that we need a solution that will suit both the Shetland Islands in my constituency and the Scilly Isles in his. In fact, I have often thought that that is the easy part; it is fitting in the bits in between that is more challenging. I thought for a moment that my hon. Friend was going to challenge me about competition for the business of the hon. Member for Crewe and Nantwich, and I am pleased that we do not differ on that.

Other parts of the Department of Trade and Industry, and the Scottish Executive beaver away to persuade more people to work in areas such as those that I and many of my hon. Friends represent. Maximum use is made of modern technology, which is tremendous and which I wholeheartedly support because it is crucial to the future of remote and peripheral communities if we are to maintain a balance and mix of population, but modern technology alone will never be enough. We must keep traditional communications in place as well. A business may have the most creative website in the world and supply the best quality produce in the world, but that is not worth much if it cannot get its goods to the customer.

[Mr. Carmichael]

According to a report produced by Postwatch Scotland in April 2003 on parcel and other postal services in the highlands and islands, 12.5 per cent. of companies have experienced difficulties with businesses refusing to send them goods, and I suspect that the figure for businesses in island communities is higher than for those in the mainland highlands. The report also revealed that 17 per cent. of highland and island firms were being charged higher delivery charges than businesses elsewhere in the UK. I have had many cases in my constituency of a 900 per cent. levy on parcel post to the isles, compared with that to the British mainland. I realise that parcel post is not part of the USO, but I offer it to the Minister as an example of bad market liberalisation. No proper, meaningful protection was put in place for the universal service, with the result that areas such as mine have been left without a universal service.

Danny Alexander (Inverness, Nairn, Badenoch and Strathspey) (LD): My hon. Friend is making an important point about the disgraceful practice of imposing substantial surcharges on many parcel deliveries to the highlands and islands. Parcelforce Worldwide, the commercial arm of Royal Mail, charges a 100 per cent. surcharge to deliver in some parts of the highlands in my constituency. Does he share my concern that Royal Mail's proposals for zonal pricing of business mail suggests that rather than rejecting that model, it is one to which it aspires?

Mr. Carmichael: That is, in essence, my concern, and I share my hon. Friend's concern about Parcelforce, which draws an invisible line in Scotland, and once that line is crossed charges increase. Parcels sent from elsewhere in the UK to the north of Scotland still have a surcharge added and parcel recipients in my constituency must pay a surcharge wherever that parcel comes from. Allowing, in effect, a free-for-all in the parcel post market has given people living in Scottish highland communities a bad deal. I had hoped that Ministers had seen what we experienced with parcel mail, and learned some lessons.

At the heart of the debate is the challenge of reconciling liberalisation of the mail market with protection of the universal service. A truly free market would not produce or sustain a universal service. The Government have not thought through how to reconcile those differences and resolve the tensions. In truth, there is a tension between the two objectives, but the Government seem happy to continue to open up the mail market without truly considering the practical impact on the universal service.

Some Departments—particularly the Department for Work and Pensions at the beginning of the year—appear to think that there is no contradiction whatever between saying that they support the universal service and taking their own bulk mail contracts away from Royal Mail and giving them to its competitors. The hon. Member for Morecambe and Lunesdale (Geraldine Smith) highlights that point in her early-day motion 587, which criticises the DWP's decision to award contracts to the Royal Mail's competitors. I should point out to the Minister that the early-day motion has the support of no fewer than 67 of his Labour colleagues.

The universal service obligation has positive and negative aspects from Royal Mail's point of view. Although there are costs involved, its universal coverage should provide it with a significant competitive advantage. I hope that Royal Mail can maintain the universal service obligation without a subsidy or a levy from other mail companies. However, the Liberal Democrats recognise that if that is not possible, a levy might be imposed on other mail delivery companies to help to finance the universal service obligation. Such a levy is specifically envisaged and permitted by the European postal services directive, which gave rise to liberalisation of the mail market in the first place. I hope that when the Minister replies he will tell us the Government's thinking on the use of such a levy. Even if he were to place on record a willingness to consider it, he would send to operators in the postal service market an important and powerful message that the Government are prepared to act if necessary to ensure that constituencies such as mine and many other less peripheral areas in the United Kingdom will be protected from the worst excesses of a liberalised market.

My very real concern is that the Government, and Postcomm, are pressing ahead with the opening up of the mail market without first ensuring that there are adequate safeguards in place to protect the universal service. That point was demonstrated by recent proposals for zonal pricing of business mail. As the Minister knows, Postcomm's second consultation on zonal pricing for some business mail products closed at the start of this month. When Postcomm last consulted on zonal pricing, the idea was not supported by large bulk mailers, who are key customers for Royal Mail, or by Royal Mail's customers. Royal Mail applied to Postcomm in April 2006 for zonal pricing of business mail. The decision will be made no later than 2 January 2008; if the application is approved, Royal Mail will start zonal pricing in April 2008. As the Minister knows, Royal Mail wants to divide the country into five price zones, allowing it to charge its business customers different amounts.

I have real concerns about heading down that road. However, even if we support the principle of cost-reflective pricing, which I do not in this instance, Royal Mail's proposals do not make any sense, and they are certainly not the best way to bring about that situation. The proposal is for a surcharge of 4.8 per cent. for delivery to rural areas. Royal Mail has also made it clear that that will be just an initial extra charge. Over time, it intends to increase the differential, which appears to be an open-ended commitment. Royal Mail estimates that, to be cost-reflective, the surcharge should be 11 per cent. Clearly, if the concept is introduced, there will be pressure for the surcharge to increase over time, which will result in uncertainty for local businesses when planning just how much bulk mail to produce.

Mark Williams (Ceredigion) (LD): My hon. Friend makes a strong case on the injustice, as many rural businesses see it. Does he agree with Postwatch that one implication of zonal pricing could be the reduction

of volume in rural areas, which would reinforce many people's case for diminishing the current delivery system and the number of deliveries in rural areas?

Mr. Carmichael: Yes, indeed. My hon. Friend returns to the point that I made at the beginning of my remarks. If we remove that business from the universal service, we will be left with a service that struggles to be universal—indeed, it will hardly be a service as we understand it.

The cost to businesses sending bulk mail will depend entirely on the destination of the mail. So, if a business based in Orkney wants to send out a mailing to customers who live in Orkney, it will pay the same as a business based in Cornwall which wants to send a mailing to customers living in Orkney. What on earth is cost-reflective about that? Answers on a postcard, please—a stamped postcard, if the aim is to get it to Orkney and Shetland post-2008. Royal Mail's real ambition, as far as I can tell, is to cut back on business mail in rural areas, and to increase business mail in urban areas.

Danny Alexander: Does not my hon. Friend accept that the position is even worse than he describes? A business in Aviemore that wants to deliver to customers in Carrbridge will pay more than a business in Aberdeen that wants to deliver to customers in Exeter, because customers in Exeter do not fit the rural definition.

Mr. Carmichael: Yes, that is exactly the position. I hope that I was not understating it, because it was certainly never my intention to understate the difficulties that will result from the proposal. My hon. Friend outlines another Royal Mail ambition, which is to reach the low-hanging fruit. The real opportunities for profit are in the big urban areas that are easy to deliver to, and the rest of us can go whistle, as far as I can tell. Given the support that many in the House have given to Royal Mail, that is an act of betrayal. It is a betrayal of the areas that have given the best support to Royal Mail and that rely on it most for their communities' viability.

If Royal Mail's application to apply zonal pricing is successful, pressure will build to increase prices in rural areas still further and to cut them again in most urban areas. There will be a vicious cycle of higher prices in rural areas, which will produce less business mail and therefore even higher prices. If zonal pricing is introduced, over time the differential between the cost of delivering business mail in rural and in urban areas will only increase.

There is also the danger that businesses will pass on the increase in costs to the consumer. Consumers will be discriminated against simply because of where they live. If electricity, gas and telecoms companies that send out bulk mail know that they will have to pay more to Royal Mail to send a bill to a customer in a rural area, they will pass on the cost to the customer and the people in rural areas will receive larger bills. Such a situation would hit Royal Mail's most vulnerable customers hardest, and for some, Royal Mail's services would no longer be cost-effective. The move towards electronic mail would become more compelling, and utility companies would have to go through the inconvenience of adapting their computer systems to take account of the differing costs of delivering their products. All of that would cost businesses time and money. The system would benefit and convenience Royal Mail, not the customers whom it seeks to serve.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): My hon. Friend makes a powerful point about the effect on mail recipients. Sometimes, the regulators' market view can be too narrow. They regard the Royal Mail's customer as the person posting the letter, and in the sense of who passes on the cash that is the immediate customer. However, from our constituents' point of view, the recipient is very much the beneficiary of the Royal Mail. Therefore, the universal service should protect the recipient as well as the poster.

Mr. Carmichael: My hon. Friend makes a very good point. He strikes at the heart of the lack of understanding, particularly in Postcomm and Postwatch, of the market and what competition within that market involves. For that very reason, I have used the term "consumer" rather than "customer". We should consider the market as an unusual one in which "consumer" includes recipients as well as senders. To use the term "customer" is slightly misleading.

Providing equal access to our postal system, regardless of location, is an essential part of that system, and any attempt to erode that should be challenged. Postcomm's statutory duties include taking into account the interests of customers in rural areas. Indeed, Postcomm has an obligation to ensure that, when promoting effective competition, it has regard to the interests of residents of rural areas. It must ensure that no section of the population is discriminated against. I cannot see how it would be possible for the regulator to claim that it was acting in the best interests of rural communities while allowing the introduction of zonal charging as proposed by Royal Mail.

Postcomm recently held a forum discussion on zonal pricing. Postwatch pointed out that the initiative had received "no customer support whatsoever" and that

"this change will be unreasonable for users of the service".

At the same meeting, Nick Wells, TNT Post's chief executive, said:

"Zonal pricing is bad for everyone—both consumers and businesses alike. It is complicated, reduces transparency and creates a tremendous amount of uncertainty. No one is asking for it, and it will threaten deliveries to the millions of people who live in rural areas. So why bother? It isn't necessary. In fact, Royal Mail could haemorrhage millions of pounds from the introduction of zonal pricing, which will slow down the modernisation of the UK postal service. Everyone will lose as a result of zonal pricing."

I could not have put it better myself.

I hope that Postcomm will reject the Royal Mail application. If it does not, I promise the Minister this: we shall be back here again and again until the Government provide meaningful protection for the interests, needs and wishes of my constituents. I warn the Minister that next time, I might bring the hon. Member for Crewe and Nantwich. He has been warned.

Several hon. Members *rose—*

Mr. Martin Caton (in the Chair): Order. I should like the wind-up speeches to start at 10.30. Several Members are indicating that they would like to contribute. I ask them to show a little self-discipline so that everybody gets in.

9.52 am

Mr. John Grogan (Selby) (Lab): I congratulate the hon. Member for Orkney and Shetland (Mr. Carmichael) on his choice of debate and the thorough way in which he made his case. I cannot promise to have the same style as my hon. Friend the Member for Crewe and Nantwich (Mrs. Dunwoody), but I shall do my best to make a small contribution to the debate.

Last night, my bedtime reading was the Labour party manifesto. The hon. Member for Orkney and Shetland briefly referred to one of the promises that we made in it, which I shall read out for the record:

"We will review the impact on the Royal Mail of market liberalisation, which is being progressively introduced under the Postal Services Act 2000 and which allows alternative carriers to the Royal Mail to offer postal services."

My hon. Friend the Minister has been a staunch defender of the manifesto. I was pleased that he and his ministerial colleagues defended the concept of the publicly owned Royal Mail making its decisions on Mr. Leighton's recent proposals. I have high hopes that the review will be able to proceed without further delay. It appears to be a mechanism under which the impact of the Postal Services Act 2000 and the performance of Postcomm and Postwatch, to which the hon. Member for Orkney and Shetland referred, can be reviewed. In many circles, there is disappointment at the performance of Postwatch in comparison, for example, with Energywatch, which I would say was a stauncher defender of consumer interests. I hope that the review will proceed without delay and I would be interested in the Minister's thoughts about how it might proceed.

It is interesting that Postcomm has made various calculations of the cost burden of the universal service obligation. A few years ago, it said that that was £80 million-plus—no doubt it has increased since then. Many things have changed in the postal market since Postcomm last looked at it. Even with bulk mail and so on, the postal market is declining for the first time in many years. Royal Mail's share of bulk mail is also declining quite rapidly and about 40 per cent. of such mail is now in other hands. It is interesting to see how the rest of Europe is responding to the issue. Oxera, an Oxford-based research consultancy, has produced a report entitled "Funding universal service obligations in the postal sector" that considers about eight different postal services throughout Europe, including La Poste, Poste Italiane, Magyar Posta, Cyprus Post and Poczta Polska. Royal Mail did not contribute towards the study, which nevertheless provides interesting ideas, some of which the hon. Gentleman referred to.

If Royal Mail continued to lose market share, it would be possible to set up a compensation fund, as has been done to protect the universal service obligation in telecoms markets around the world. It would be possible to put a mark-up on the access charges for Royal Mail's competitors. In Finland, a system of "pay or play" is already in place. In other words, competitors to the established operator contribute to the universal service obligation through delivering, or by paying towards it.

Those are many possibilities for the future. There is a feeling among Back Benchers of all parties that Postcomm is being a little complacent in its mantra that the only way to preserve the universal service obligation is to continue cost-cutting at Royal Mail—basically, that is its answer. Obviously, that is a comfortable message to give from offices in London, but ultimately it has implications for the terms and conditions of postal workers.

To be fair, Royal Mail has stripped out a lot of costs in recent years. It will be interesting to see whether Postcomm will at any stage feel the need to think about the perfectly legal measures that are being considered in other parts of the European Union.

Finally, it would be interesting to hear from the Minister about progress on other Royal Mail issues that are relevant to the pursuit of the universal service obligation. Obviously, certainty at the top is vital for any organisation. I note that Mr. Leighton has written a book entitled "On Leadership: Practical Wisdom from the People Who Know"—like the hon. Member for Orkney and Shetland, he does not believe in underselling his case. I do not know whether Mr. Leighton intends to spend more time on the lecture circuit. Incidentally, many Leeds United supporters remember his leadership while he was on the board of their club. At one stage, the Department was thinking of appointing a vice-chairman to bolster Royal Mail's leadership, but I do not know whether that will happen.

As the Minister has often said, the Government have been generous in providing investment facilities to the Royal Mail. Are those being implemented? I hope that it is not still smarting from the rejection of some of its plans. Finally, while the universal service obligation is delivered during the summer, it would be extremely helpful if the industrial dispute could be solved. That will require both sides to talk together. I hope that, without taking sides, Ministers will encourage both parties to talk so that we can avoid an extremely damaging postal strike over the summer.

9.58 pm

Mr. Dan Rogerson (North Cornwall) (LD): I congratulate my hon. Friend the Member for Orkney and Shetland (Mr. Carmichael) on securing this important debate. As he pointed out, it is also timely.

Recently, with my hon. Friend the Member for Truro and St. Austell (Matthew Taylor), I met Sarah Chambers, the chief executive of Postcomm, to discuss this very issue. Clearly, Postcomm remains confident for the time being that simple stamp mail will retain a uniform price. However, business bulk mail does not go only to business and it does not stay in bulk. Utility bills are sent out in batches across the entire country, but as we heard from my hon. Friend, any higher costs for delivering bills to rural areas will soon be passed on to the constituents in those areas.

As delivering to rural communities becomes unprofitable for mail order companies, the very sustainability of the stamped mail service will be put

under threat. The delivery of letters between family and friends and that of bulk mail from advertising companies cannot be divorced from each other. Postcards and flyers come on the same van and one supports the other.

How long will it be until so few businesses want to pay the extra to deliver to rural areas such as Cornwall that Ministers say that rural deliveries are simply unsustainable and implore Parliament to re-evaluate how the universal service obligation is delivered? Will everybody be asked to collect their mail from their local post office, providing that it is still there? The price increases associated with zonal pricing are not clear, either. Postcomm says that there will be a small rise in the first year, but what about the second year or subsequent years? How long will it be until there is a significant increase in the price of delivery of business mail to rural areas? How long before the constituents whom hon. Members are here to represent, such as those in Cornwall, the Lake district and the highlands and islands, start to feel the pain and receive fewer deliveries?

It is worrying that Postcomm says that it does not have the final say on the proposals and that its remit is to protect the universal service obligation. As we have heard from the hon. Member for Selby (Mr. Grogan), it sees protecting the profitability of Royal Mail as the solution to how mail services will continue in the future. Bulk mail products, save for one or two, are not covered by the obligation, and so the whole service could be undermined in a piecemeal fashion.

It is seven years since the Postal Services Act 2000. As my hon. Friend the Member for Argyll and Bute (Mr. Reid) said in the Whitsun Adjournment debate, perhaps it is time to take stock and to review the universal service obligation with communities in mind, not competition. I have also recently highlighted concerns about so-called final collections. Many rural villages have found that their final collection happens shortly before the morning mail is delivered, which prevents people from responding by return and leaves the first class service with a two-day turnaround.

Royal Mail has turned its business around and, on the whole, it provides a good service. We should support it in finding solutions that can ensure its profitability without undermining its service. That is why I am pleased that my party has come forward with proposals that we believe will allow Royal Mail to be free to compete on a far fairer footing. Perhaps the Minister will be able to tell us why the Government restrict Royal Mail when it could flourish, but refuse to do so when its proposals could have a serious and deleterious effect on rural communities.

I know that other hon. Members want to speak, so I shall keep my remarks brief. It is our duty as Members of Parliament to defend the universal service, and I cannot impress on the Minister strongly enough just how important it is that we do not start to chip away at it. Our postal service was once the envy of the world. It has to change, but as that change occurs, we need to keep our country together and ensure that the service provided to rural areas is on a par with that provided to urban areas. We need to ensure that those who live in remote areas are offered the same service as those who live in more populous areas and that those who live in more deprived communities do not get a lesser service than those in more privileged communities.

Andrew George: The unwritten assumption behind such a move, which is often spoken of behind the scenes, is that those who live in rural areas, especially remote rural areas, choose to do so, rather than that they were living there in the first place. The assumption thus follows that this is a class issue in that the middle classes have a subsidised service so that they can live in rural areas. Does my hon. Friend agree that that assumption, which pervades a lot of views about the cost of services in rural areas, needs to be challenged? We are talking about deprived rural areas, especially those in many of the most remote parts of the United Kingdom.

Mr. Rogerson: As ever, my hon. Friend makes the point far more eloquently than I ever could. Given that there are no London Members here other than the Minister, we should draw attention to the fact that high costs for delivery have been a problem in London, too. The issue affects the whole country, and I am convinced that zonal pricing would be a retrograde step that would undermine the universal service obligation, which we should all be here to protect.

10.4 am

Mr. David Drew (Stroud) (Lab/Co-op): I am delighted to be able to speak briefly on the matter, and I congratulate the hon. Member for Orkney and Shetland (Mr. Carmichael) on raising it. I presume that it is a second choice, because its title is nice and bold on the paper that notifies us about upcoming debates.

For a good or bad reason, I was on the Committee that considered the Postal Services Act 2000 when it was a Bill, so I have some knowledge of what happened at that stage. To be fair, the Government made great play of the fact that it was not a privatising Bill. All the way through we heard the mantra of liberalisation, and that it was about ensuring that Royal Mail and the postal market were fit for purpose and were fit to compete in the UK market and further afield. It has not quite worked out that way, and that is why it is fair to ask the Minister, his team and Royal Mail to reconsider the Act. It was made clear when it was considered in Parliament that the universal service obligation was not an add-on and could not be undermined but was a key part of the Act. If it is not working properly, and if changes could threaten that universal service obligation, we should go back to the legislative process.

The then Minister for Competitiveness, now the Secretary of State for Education and Skills, made it clear that the Government would consider open-mindedly how we could maintain the universal service obligation. I reiterate the call for the Minister present to tell us whether they will consider how that is working, produce a report and talk to MPs from all parties to consider some of the implications. It is not just about Royal Mail per se. I always get a bit confused about Royal Mail's domain, because it is made up of different elements that seem to drop in and out of what we mean by Royal Mail. Of course, it includes the parcel service, but it also included the sub-post office network.

[Mr. David Drew]

The Minister knows that Gloucester sorting office might close. That is about presence on the ground, so I do not dismiss it, although I know that it does not form part of the debate. However, what is part of the debate is the controversy over the 2,500 sub-post offices that are likely to be hit by the proposals. I am sure that all hon. Members have their spies in the camp, as I have, but we have just had a meeting to go through the potential process. As always with Royal Mail, it is cloak-and-dagger stuff. No one is supposed to know that the meeting has taken place, and the only thing we know is the compensation package. None of the sub-postmasters or sub-postmistresses know whether their office will be one of those notified for closure, but some areas are going more rapidly. Once a decision is taken, we will be given a month to make representations, but the opinion is that the circumstances would have to be extraordinary for the decision to close an office to be changed. It is not much of a consultation, then, is it? It stresses the point that once a decision is made it is made.

Who is doing the work to ensure that there is a rural provision and that the three-mile rule is kept to? Sub-postmasters and sub-postmistresses have been asked to give their opinions by e-mail—an interesting statement on Royal Mail's confidence in its own network—but who will be carrying out that co-ordination? It affects the universal service obligation, because if we do not have sub-post offices, we will not have a universal service. I accept that some areas are already without post offices, and we are told that is possible to put new post offices back in place where the need is not being met. That is an interesting point on which we need to dwell.

An interesting aside that presents a dilemma is that in one respect the universal service obligation works like osmosis—it is there because it has always been there and we assume that it will continue. With zonal pricing and the potential loss of sub-post offices, that must not be taken for granted.

Royal Mail cannot have it both ways. There is an incident at the moment in my constituency, where a post office might change hands for all sorts of reasons. It is a good post office and has a future, and I imagine that it will be maintained. Royal Mail wants to micromanage it, and the sticking point is that it wants to set the opening hours. It is not about whether it opens on a Wednesday or a Thursday; it is about whether it is open at lunchtime, even though the whole town shuts at lunchtime. That may be quaint, but in some rural areas people might have something of a siesta. It has been demanded that that post office should open through the siesta, which is not a good example of localism. On one hand Royal Mail is trying to micromanage the post office, but on the other it is trying to lose its responsibilities and say "It's nothing to do with us, guv, it is to do with the market, and if the marketplace doesn't allow the universal service obligation to operate, we want to lose our responsibility." It is not fair to put the decision just in the hands of Royal Mail.

I hope that the Minister will at least consider—I shall put it no more strongly—whether, as was implied in the passing of the 2000 Act, other major national carriers, not just companies delivering the odd piece of post here and there, should, as my hon. Friend the Member for Selby (Mr. Grogan) mentioned, pay a levy to ensure that the key part of that Act is being adhered to. Otherwise, the universal service obligation will be under attack and will one day just disappear.

10.11 am

Mr. Alan Reid (Argyll and Bute) (LD): It is a pleasure to serve under your chairmanship this morning, Mr. Caton. I add my congratulations to my hon. Friend the Member for Orkney and Shetland (Mr. Carmichael) on securing this debate on an item that is of particular importance to both our constituencies, particularly on the islands, and on the powerful case that he made against the proposals for zonal pricing and the problems that it will cause.

One of the basic principles of Royal Mail has always been that whatever part of the country someone lives in, the cost of sending a letter to any other part of the country is exactly the same. That is an important principle for sustaining rural communities and the small businesses in them. The universal service obligation means that anyone in the UK can post letters and parcels to any other part of the country at the same rate, and it guarantees at least one delivery and one collection of mail throughout the country six days a week, excluding public holidays.

However, I have concerns that the USO is slowly being chipped away at. My hon. Friend the Member for Orkney and Shetland mentioned the case of Parcelforce, which shows the danger of what can happen in an entirely free market, free from the safeguards of the USO. Parcelforce has divided the country into three zones. Zone 1 is the vast bulk of the country, zone 2 is the highlands and islands and zone 3 is Northern Ireland, the Isles of Scilly and the Isle of Man. It costs far more to send a parcel from zone 1 to zone 2 or 3 than to send it to another part of zone 1. That means that some small parts of the country get a far worse service than the rest of the country. The pricing structure is complicated, but sending a parcel to the highlands and islands costs roughly double what it costs to send one anywhere else in the country. That is an indication of what would happen to postal services in the highlands and islands without the USO.

There are, of course, private companies in the parcel delivery market, but Parcelforce is a big player and the rates that it sets are largely the charges that others have to compete with. Parcelforce charging more to deliver to the highlands and islands makes it easier for private parcel companies to do the same. Parcelforce is an unelected quango and has the important job of deciding what is and is not covered by the USO.

We have heard from other speakers about the threat to the USO from Royal Mail's application to introduce zonal pricing for certain types of bulk mail, which is a large part of the postal market these days. That means that organisations such as utility companies and magazine delivery companies will be charged more for sending bills or magazines to customers in remote areas. The initial proposal from Royal Mail is to increase the charges by 4.8 per cent. for postage to what are called low-density areas, such as my constituency

and, I suspect, those of most hon. Members who have spoken, compared with a 2 per cent. fall for sending to a high-density area. That would mean a price differential of about 7 per cent. between living in a remote rural area and in a large town or city. We all suspect that that is only the thin end of the wedge. If the principle is established that Royal Mail can charge more for deliveries to remote rural areas, we will all expect the differential to increase greatly. In its submission to Postcomm, Royal Mail claimed that it costs about 11 per cent. extra to deliver to a remote rural area, which is perhaps an indication of what we will be faced with if the proposals are accepted.

The proposals would clearly have an unfair impact on recipients of mail who live in remote rural areas. Although they would perhaps not be buying the stamps, it is quite obvious that utility companies, banks and magazine distributors are likely to increase their charges to those customers, as they will want to recover the charges. There would also be an unfair impact on companies that regularly send bulk mail to residents of rural areas. The most obvious example that springs to mind is publishers of farming magazines. There would also be an impact on councils in rural areas, because when they sent rent or council tax notices they would have to pay more than they currently do or than a council in a big city would have to. I hope that Postcomm will reject Royal Mail's application, mainly because it would impact unfairly on people living in rural areas but also because it would mean costs to big organisations such as utility companies and banks, as they would have to change their computer systems to be able to cope with the extra cost of mailing customers in remote areas.

Another example of Postcomm not properly protecting the USO is the 15-minute rule, which it has allowed Royal Mail to introduce from 1 July this year. It will extend the current 15-minute exclusion rule, which until now has applied only to individual premises accessed by a private track to which it would take the postman more than 15 minutes to carry out a round trip. The rule applies mainly to a single house at the end of a private track. Royal Mail has applied to Postcomm to extend that exception from a single house to a group of houses, and Postcomm has accepted the application.

I shall quote from Postcomm's decision document and direction, "Policy Review of Exceptions to Royal Mail's Universal Delivery Service", which was published in April. Ruling 11(c) introduces a new long-term exception in the case of

> "the need to make round trips to premises over private roads or tracks (whether or not they are the subject of public rights of way) which are in poor condition (but not in such poor condition as to preclude delivery on health and safety grounds) in excess of 15 minutes...by a vehicle driven in a safe manner, or...by foot if access by vehicle is not reasonably practical."

Whereas I would be perfectly happy to accept an exclusion on health and safety grounds, I find it impossible to accept Postcomm's decision. It has allowed Royal Mail to exclude a group of houses, even if it is safe to deliver to them, simply because it would take more than 15 minutes to carry out the delivery. That is simply a cost-cutting exercise and has nothing to do with health and safety. It chips away at the principle of the USO. The highlands and islands are full of badly maintained tracks, so the exclusion will deprive many of my constituents of their daily deliveries.

All is not doom and gloom, however. There is at least one piece of good news. At Postcomm's insistence, Royal Mail agreed to review its recent decision to bring forward collection times in rural areas. When Royal Mail introduced earlier collection times, the only collection of mail in some rural areas was as early as 9 am, which is ridiculously early. That means, for example, that the mail in many rural areas is collected before that day's mail is delivered, thus depriving people of the ability to reply to mail the same day that they receive it.

However, rather than reliance on Royal Mail's review, there should be safeguards in the USO. As well as specifying at least one collection and one delivery each day, it should specify the time of the last, or only, collection and the latest time for the daily delivery.

Nearly every hon. Member who has spoken this morning has said that, as it is seven years since the passing of the Postal Services Act 2000, it is time that the Government reviewed its operation. I certainly endorse that view. It is obvious that if we do nothing, Royal Mail will gradually lose more and more of the profitable business to private operators, leaving it largely responsible for delivering mail to remote communities. Obviously, that is the more expensive part of the business.

A review is needed to create a more level playing field for Royal Mail and the private operators, otherwise the USO will be chipped away by Postcomm decisions and the gradually increasing cost of a stamp. I echo the suggestion that has been made by other hon. Members that a levy should be placed on major bulk carriers that do not fulfil the terms of the USO, and that the proceeds from it should be used to pay Royal Mail for the extra cost that it incurs in fulfilling the USO. That is the only way to create a level playing field. Clearly, a situation in which we simply allow the private sector to cherry-pick the lucrative parts of the market and leave Royal Mail with the USO would be unsustainable. A levy would create a level playing field.

We will be heading for a serious situation if steps are not taken now, so I hope that, in his winding-up speech, the Minister will respond favourably to the calls for a review and for imposing a levy on large-scale private operators.

10.22 am

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): It is a pleasure to serve under your chairmanship, Mr. Caton, for this important debate secured by my hon. Friend the Member for Orkney and Shetland (Mr. Carmichael). He chose a topical and timely subject, and reminded us again of the importance of the service that Royal Mail provides to all our constituents, and of ensuring that the best of that service is preserved, protected and enhanced, not chipped away at and reduced.

My hon. Friend highlighted the heart of the debate and the heart of what the Minister must address: the apparent conflict between the universal service obligation and the impact of market liberalisation. It is interesting to think back to when the market was being liberalised. Postcomm argued that the USO was an

[Sir Robert Smith]

asset for Royal Mail, not a burden, yet, as it manages the liberalisation process, it seems to be entertaining reductions in the quality of what it called an asset. Clearly, Postcomm must consider carefully how it is managing liberalisation, and ensure that it is not damaging what was an asset or undermining what it said would be enhanced by competition.

My hon. Friend made it clear that the present situation has come about because of the opening up of the letter market, which was the result of European Union regulations and the decision to open up the whole of the European market—albeit not at the pace that it is happening in the UK. The UK has gone much faster and much more fully into competition. We now hear that the rest of Europe wants to back-pedal, to slow down—other countries do not want to keep up with the UK, so again we have a differential market.

I think of what happened in the energy market. Okay, there were upsides to the UK in getting competition in and in improving efficiencies, but there were also downsides to linking two markets—a free market and a rigged one. The linkage impacted on our high-energy consumers.

We now must consider the pressures on Royal Mail. The competition in the rest of Europe is not subject to the same challenges. Those companies are allowed to come here to do what they like, yet Royal Mail is not allowed to take reciprocal action in the rest of Europe and manage its business in that way. The regulator must consider carefully how the UK market is regulated, and it must protect what is valued by UK customers, rather than simply view the situation as the introduction of competition. The playing field across the whole of Europe is not at all level.

My hon. Friend highlighted the long-held grievance about what happened when parcel services were completely opened to competition and the reality of how consumers in rural and difficult-to-serve areas are affected when competition strikes. In many areas, there was a drop-off in service as the many rival delivery companies could not work out where people in rural areas lived. The quality of delivery became much worse. Often, Royal Mail staff—still public servants at heart—provided directions to the rival companies when delivery staff got lost on the rural roads while trying to find properties without names or addresses. Royal Mail knew that a parcel should be left in the shed around the back and exactly how to deliver parcels if there was no letter box and no one at home.

Not only has there been a loss of service across rural areas, but the pricing issue, which used to affect only the highlands and islands, has spread far wider. The north-east of Scotland, which was protected by being near the big city of Aberdeen, is now also affected by differential prices set by the delivery companies. As I emphasised in my intervention, ultimately it is the consumer who suffers, because the company that sends out the product puts a surcharge on it to cover the extra delivery costs. We have a very real challenge. What happened with zonal pricing in the parcel market is a warning sign that the regulator needs to take fully on board.

My hon. Friend made a point about cost-reflective pricing. The fact that what is proposed will just be a starting point and that Royal Mail will want to increase the differential brings uncertainty to the market, to people using the market and to business planning. Bulk mailers do not want such pricing. Postcomm will have to be extremely vigilant during the consultation to ensure that it protects the universal service and does not allow Royal Mail to go down that road.

The hon. Member for Selby (Mr. Grogan) said that the Labour manifesto promised a review of the impact of the Postal Services Act 2000. Royal Mail's application for zonal pricing is a timely warning that we must review the Act to avoid irreversible damage. I hope to hear from the Minister how the review is to be implemented to produce a timely response. Royal Mail has responded dramatically to the challenges of competition, and it has done much to improve its services and operations. It must be allowed to bed in those improvements and to adapt to the pressures of competition in a way that does not destroy its operation.

When introducing competition, regulators try to get it absolutely right, but there is a risk that they will get it wrong by not introducing competition efficiently enough and therefore not getting the full benefit of it, or by introducing it too dramatically and thereby destroy what they are seeking to improve. The risks are not even. The risk of going too slow is that the full benefits of competition are not realised as quickly as they might be, but the risk of going too quickly is that the operation that was to be improved is destroyed, and it becomes impossible to rebuild it or recover.

This country has a great asset in the universal service currently provided by Royal Mail. The regulator must err on the side of not destroying it, even if that means that we do not get the full benefits of competition opening up the market as quickly as might otherwise be the case. A request for a review of how the regulators are interpreting their role of protecting the USO would be an extremely important message from the Government. It would highlight how important the universal service is to this country and this House, and how it supports our constituents.

My hon. Friend the Member for North Cornwall (Mr. Rogerson) made an important point that should not be lost on Members who represent London constituencies. It is not only in rural areas that Royal Mail wants to set higher prices; it wants to load on higher prices for deliveries in London as well. The breaking up of the universal service obligation is a UK-wide issue that will have a UK-wide impact, so Members from across the country need to take an interest in what is happening.

The hon. Member for Stroud (Mr. Drew), who served on the Committee on the Postal Services Bill and therefore remembers the promises made at the time, reinforced the need for a review. He also highlighted sub-post office closures and the way in which that process is being handled, and raised concerns about a cloak-and-dagger consultation process whereby a fait accompli is announced and there is not time to respond. He also mentioned the review of the USO. We must not allow it to be chipped away until only a basic service is provided. As I have said, we have a great asset that must be preserved.

The hon. Member for Argyll and Bute (Mr. Reid) also talked about the delivery service. If health and

safety is not at risk and communities that are located at the end of a track have been delivered to until now, it seems odd that suddenly they can no longer be delivered to. When we met with Postcomm in the early days of opening up the market, it kept emphasising that the USO is an asset to Royal Mail. If that is so, why is it contemplating changes, such as those relating to delivery, that undermine the USO? Clearly, Postcomm is starting to think that the USO is a cost. If that is the case, it will need to look at how it has set access pricing in the market, as that is one means in its immediate control through which it can establish how that cost is borne.

It is perhaps time to explore how, under EU regulations, a levy would work in this country in fundamentally underpinning the USO. The Government rejected putting on the statute book the right under EU law to have a levy, but it might be sensible to at least have the power to impose a levy so that the regulator has full freedom to consider how to preserve the USO. Without the ability to respond quickly when things start to go wrong, it will be difficult to rescue the operation.

I would welcome the Minister explaining his view of the right under the EU directive to use a levy to preserve the system, whereby mail providers that are not interested in providing a universal service contribute some of the cost of ensuring that all consumers get the same access to Royal Mail services.

Mr. Carmichael: I ask this in the spirit of genuine inquiry and in the hope that if it is put on the record now, the Minister might be able to find the answer by the time he replies. Is it not the case that, by virtue of the nature of the postal services directive and the direct applicability of EU legislation, it is possible to introduce a levy without primary legislation?

Sir Robert Smith: I would welcome that information from the Minister, because when we were debating the 2000 Act, there was concern that it had not been put on the statute book. Will the Minister say whether Postcomm has the power to go down the levy route without legislation? That would provide a chance to put a safety net in place. Will he also update us on his view of EU competition and what rival providers in the rest of the EU are doing to implement competition in the market to which Royal Mail should be allowed access? Will he inform us when the review of the Postal Services Act 2000 will take place, as mentioned in the manifesto? Finally, the changes are taking place when Postwatch is going through a major upheaval under the Consumers, Estate Agents and Redress Bill. Will the Minister say how scrutiny will be maintained in the consumer interest during the transition?

I repeat: the regulator said that the USO is an asset. If it is an asset, we should not allow it to be chipped away, but should consider how it can be maintained and conserved. The Government must ensure that Royal Mail serves all consumers across the UK; not just the easy consumers. The Government will not be forgiven if they allow such a valuable asset to be lost.

10.34 am

Charles Hendry (Wealden) (Con): I join other hon. Members in saying what a pleasure it is to serve under your chairmanship, Mr. Caton. I also congratulate the hon. Member for Orkney and Shetland (Mr. Carmichael) on securing the debate and on the way in which he introduced it. This is an extremely good example of how a Westminster Hall debate should work. It is a relevant and topical issue that affects the most rural parts of this country. There are certainly genuine grounds for concern about the future of the universal service obligation and the debate has raised a significant number of questions for the Minister to answer. I welcome the contributions of all hon. Members and the points that they have made.

If might be helpful to consider what Royal Mail achieves at the moment. There have been concerns about whether it is still operating a first-class service—no pun was intended as it obviously also offers a second-class service—but Royal Mail collects every day from 115,000 pillar boxes, 14,000 post offices, and 90,000 businesses. It delivers some 82 million items of post a day to 27 million addresses, six days a week. It is a formidable operation and for the overwhelming majority of the time it works well.

It is interesting to consider international comparisons. The cost of a British stamp is 34p, which is by far the lowest cost in the whole of the European Union. Let us consider some other countries. In Spain the price of the average stamp is 56p; in Sweden, where there is open competition, it is 75p; in France, 91p; in Germany, 103p; and in Italy, 109p—three times the price of ours. Even at that price, Italy manages to deliver only 88 per cent. of mail the next day, compared with 94 per cent. in the UK. We have by far the lowest cost mail service and one of the best delivery achievement rates. The hon. Member for North Cornwall (Mr. Rogerson) said that we used to have service that was the envy of the world; I think that we probably still do.

Let us be clear that we are absolutely committed to maintaining a universal service obligation. As the hon. Member for Argyll and Bute (Mr. Reid) said, that means one delivery and one collection of relevant postal packages every working day at a flat rate. He talked about the danger of that being chipped away, but when we look at that definition, it is hard to see how it could be chipped away. Anything less than one daily collection or delivery would be in breach of that obligation and anything that was not charged at a flat rate would also clearly be in breach. It is encouraging to see the extent to which Royal Mail shares that view of how important the universal service obligation is. In a briefing sent in advance of today's debate it said:

"Royal Mail is committed to the one-price-goes-anywhere universal service - it is at the heart of what we do, it is a unique service that is important to customers particularly those living in rural areas."

Today, we are considering issues that go beyond the universal service obligation. The ability to fulfil the universal service obligation has traditionally been a result of cross-subsidy whereby the service in urban areas subsidises the service in the rural areas, and the business service is used to subsidise the social service. The ability of Royal Mail to cross-subsidise has been eroded by the nature of the competition that it faces, which has taken on the most lucrative parts of the market. The other companies involved have not been placed under a universal service obligation. That means that Royal Mail is being undercut by its competitors, which highlights a real failure of the European single market, as the hon. Member for West Aberdeenshire

[Charles Hendry]

and Kincardine (Sir Robert Smith) has said. Ministers need to do more to resolve that. We are in an unacceptable situation; our market has been opened up to full competition yet Royal Mail is not in position to compete elsewhere.

We should pay tribute to Royal Mail management for what they have achieved. They are having to fight with one arm tied behind their back. They do not question the universal service obligation, but they are unable to break into other European markets and they face increasing competition in some of the most lucrative parts of the domestic market, as well as strict price controls. Yet, against that background, they have managed to move back into profit. We should pay tribute to Adam Crozier and his team and all those who work at all levels within the Royal Mail for their contribution to that achievement.

The situation is complicated further by the fact in many circumstances the competitors still use Royal Mail to cover the last mile of the mail's journey, which means that they carry out the central part of the distribution before putting the mail in the Royal Mail's system for the final delivery. The prices for that are set by Royal Mail as a mixture of wholesale prices which are agreed by Postcomm. That is done already on a zonal-pricing basis. Royal Mail has lost the most lucrative part of its business, but has to carry out the most expensive part itself.

Royal Mail emphasises that the changes it suggests are nothing to do with the universal service obligation. It has asked for the ability to use zonal pricing for business customers so that it can charge more according to how much it costs to make the delivery, as is the case already with parcel deliveries. The hon. Member for Orkney and Shetland described that as the Royal Mail going for the low-hanging fruit, but the reality is that if the company does not reduce its charges in the areas in which it faces the most competition and in the most important parts of the market, it will lose out to competitors, which means that it will be unable to cross-subsidise other parts of the network. He quoted concerns expressed by the head of TNT, but it is precisely the competition from TNT and others that is causing Royal Mail to make changes, so it is not at all surprising that the head of TNT does not like them.

Mr. Carmichael: Will the hon. Gentleman be quite clear about this? Is he saying that his party favours the Royal Mail's approach? I have to say that that view would be ill-received in our communities.

Charles Hendry: We are absolutely committed to maintaining the universal service obligation, but recognise that in a highly competitive world, Royal Mail has to look at alternatives if it is to run its business profitably and effectively, although certainly its proposals contain significant flaws, which I shall come on to. At this stage, however, I am trying to set out some of the background to why the company is looking to go down this route. I hope that the hon. Gentleman will not seek to represent my comments in his local media as, "Tories say, 'Get rid of local services to Orkney and Shetland'". We understand why Royal Mail is looking in this direction, but we recognise the flaws as well, which I shall come on to in a moment.

Mr. Carmichael: Why is the hon. Gentleman so determined to define the universal service so restrictively, as the Royal Mail seeks to do, as applying to stamped mail only and not to bulk mail?

Charles Hendry: Because that is the definition given by Postcomm. We are using the legal definition that currently applies and we say that there should be no change to that.

As the hon. Gentleman just mentioned, the changes affect bulk mail only, not stamped or franked business mail. He expressed concerns earlier on behalf of the hon. Member for Crewe and Nantwich (Mrs. Dunwoody) about internet orders placed in his constituency posted as stamped or franked mail, but such mail will be exempt from the changes. The hon. Member for St. Ives (Andrew George) should not be concerned about internet orders placed in the Scilly Isles either, because they, being dealt with as stamped mail, will not be affected. We must be very clear about that. I understand why the hon. Member for Orkney and Shetland might wish to blur those aspects of the debate. However, we must be very clear about what is included.

Sir Robert Smith: The important thing is that customers buy certain products only because they have been contacted and given information about them, and that information goes out as bulk mail, which means that those businesses still have to send bulk mail. Again, we must come back to the point that the consumer is the end recipient. If there is differential charging, there will be differential costs to consumers.

Charles Hendry: I share the hon. Gentleman's concerns, and I shall discuss them, albeit briefly, because the Minister will need plenty of time to respond. There are certainly fringe areas, but we must be very clear about what is being included. The proposed changes are not an assault on the universal service obligation. Royal Mail has said that that is sacrosanct, and we agree that it should remain so.

The European Union directive states that member states must ensure that universal service tariffs apply with certain principles—affordability, geared to costs, transparency and non-discrimination. Postcomm proposes that those principles be applied when considering the application for zonal tariffs. It would be interesting to hear whether the Minister believes that consumers receiving such post would be discriminated against as a result of the changes.

It has been reported—we have covered this in today's debate—that the measures might have an adverse effect on businesses based in rural areas using bulk mail for operating purposes, as the hon. Member for West Aberdeenshire and Kincardine just said. Again, will the Minister quantify his assessment of the problems that that might create for small and medium-sized enterprises in rural areas? There have been reports that the measures might be the thin end of the wedge and that the USO will be eroded gradually. Will the Minister give assurances on behalf of his

Department—for as long as it continues to exist—that he will oppose any steps to erode the USO?

The Highland council's submission to Postcomm on the application by Royal Mail noted that it could become prohibitively expensive for companies to circulate their correspondence and will result either in a reduction in services provided in affected areas or in the costs being passed on to consumers. Does the Minister share that analysis? What assessment has he made of the likely impact of the proposals on the standard of living in profoundly rural areas?

The hon. Member for Orkney and Shetland made valid points about the inherent absurdities of zonal pricing. I would be grateful for the Minister's response to that as well. It would appear to be more expensive to send something within the zone than from there to an urban area. That does not seem to make economic sense. We look forward also to his response to issues raised today about whether other carriers should be surcharged to assist the funding of the USO and whether that would require primary legislation.

Other useful issues have been raised in the debate. The hon. Member for Stroud (Mr. Drew) talked about the closure programme and the unacceptable way in which that has been handled. The hon. Member for Argyll and Bute talked about the changes to early collection times.

This debate goes to the heart of the future of the postal service's operation in the 21st century. We all agree, I think, on the importance of preserving the universal service obligation. We recognise also that Royal Mail must be allowed to adapt to new competition. Some 90 per cent. of its business comes from business post, which is vital to subsidising social mail, where the company is making big losses. To many consumers, that is the most important thing to preserve. If we do not allow Royal Mail to compete effectively, the ability to subsidise social mail will decline, with severe consequences for the cost and quality of postal services for all of our constituents. However, we are all right to be wary of where the changes might lead. The debate has raised significant and legitimate questions on which we would welcome the Minister's reassurances.

10.47 am

The Parliamentary Under-Secretary of State for Trade and Industry (Jim Fitzpatrick): It is a pleasure to see you in the Chair, Mr. Caton. I begin by congratulating the hon. Member for Orkney and Shetland (Mr. Carmichael) on securing the debate and by expressing my appreciation to all hon. Members who have contributed to this interesting and useful discussion. The hon. Gentleman spelled out clearly and fully his concerns about the future of the universal service obligation. I hope to be able to address the specific points raised by him and other colleagues.

Let me start by making it clear that the Government consider the maintenance of a universal postal service to be of the highest importance. I can assure the hon. Gentleman that there are no plans to abandon the universal postal service obligation, which is an obligation under EU law. The Postal Services Act 2000 reflects that and requires the universal service to be provided at an affordable, uniform tariff throughout the UK. The Government have no plans to change that requirement.

As well as enshrining the obligation in primary legislation in the Postal Services Act, we established Postcomm as an independent regulator and gave it statutory duties under the Act, with the primary duty of ensuring the provision of a universal postal service at an affordable, uniform tariff. Postcomm ensured that the obligation was written into Royal Mail's licence as the universal service provider.

The universal service is written into law as well. Section 4(1) of the 2000 Act guarantees a delivery every working day to homes across the UK, a collection every working day from access points throughout the UK and a uniform and affordable price for posting a standard letter. Postcomm has taken the lead among Europe's national postal regulators by initiating a thorough public consultation on what services should be enshrined as "universal services".

In June 2004, following a year-long review, Postcomm listed five areas of service offered by Royal Mail that the company will be required to provide as universal postal services at an affordable flat rate. They are Royal Mail's first and second class services, Royal Mail's standard parcel service, a registered and insured service, a range of support services to ensure the safety and integrity of the mail, and an international mail service.

Postcomm is responsible for defining the scope of the universal service and may choose periodically to revisit it. Although there will be exceptions, they can be allowed only in specific and restricted circumstances. The 2000 Act is clear on that by asserting that the universal service is provided

"except in such geographical conditions or other circumstances as the Commission considers to be exceptional".

Following a wide-ranging consultation, Postcomm published a policy statement in January 2003 in which it explained the circumstances under which Royal Mail could be exempted from its licence requirement to deliver letters to all homes or premises every working day. Long-term exceptions can be justified only, for example, in cases where there is a risk to the health and safety of Royal Mail staff, or in cases of geographical remoteness, to which the hon. Member for Argyll and Bute (Mr. Reid) referred.

The reasons for building that exception into the Act are clear. It is recognised that there are some circumstances in which it might be impractical to deliver and collect mail on a daily basis. The responsibility for determining those circumstances rests with the postal regulator, Postcomm. Consequently, Royal Mail requires authorisation from the regulator on exceptions. In such cases, there is a formal process involving four stages of assessment and scrutiny, under which any proposed exemption is carefully examined by Postcomm, together with the Consumer Council for Postal Services—Postwatch. Postcomm's exceptions policy is designed to ensure that the number of homes or premises excepted from delivery every working day is kept to a minimum. I understand that just over 2,800 of the 27.5 million addresses in the UK are exempted from the universal obligation.

Postcomm fully opened the UK postal market to competition in January 2006. It is now developing a strategic review on how postal regulation should

[Jim Fitzpatrick]

develop in the medium to long term. Specifically, Postcomm is addressing three fundamental questions: first, how the postal market might develop over the next five to 10 years; secondly, what postal users will need from the universal service and how that will be best provided; and, thirdly, what is the best long-term framework for promoting effective competition and deregulation. Following an initial consultation in 2006, Postcomm is expected to bring forward proposals later this summer. It is important that all those with an interest in postal services make their views known. Given the comments that have been made in the debate, I am sure that all hon. Members who have contributed are waiting for those proposals so that they can respond to them.

A number of hon. Members mentioned the levy. The Government have not said anything specific about the levy, but the 2000 Act allows Postcomm to put a levy on other operators to fund the USO, if that is necessary. Several hon. Members, including my hon. Friends the Members for Selby (Mr. Grogan) and for Stroud (Mr. Drew), raised the issue of "pay or play", which is contained in the proposal for the third postal services directive. The UK strongly supports the option for USO funding. To respond to hon. Members' questions, it is possible to raise a levy, if necessary, because Postcomm's primary responsibility under the 2000 Act is to sustain the universal service obligation, and a levy would certainly be one way of doing that, via licensing obligations. I understand that the third postal services directive has been agreed and that it is expected to be introduced some time in 2008.

Let me respond to the question about conducting a review of the working of the 2000 Act, which was set out in our manifesto. The Government's view is that that will not be appropriate until the strategic review has concluded, but that it might be appropriate after that time.

The hon. Member for Orkney and Shetland raised the issue of zonal pricing, as did virtually every other hon. Member who contributed to the debate. It is clear that Royal Mail is interested in charging bulk mail companies for the delivery of mail on a zonal basis, given that different delivery footprints, as they are known, have different costs, according to the geography and population density of the delivery area. There is, however, a critical consideration to bear in mind on zonal pricing. Even if it is ultimately agreed by the regulator, it will apply only to bulk mail products on which prices are negotiated commercially by Royal Mail. Zonal pricing will not extend to universal services. There is no question of the consumer being charged different prices for single-piece letters deposited in letter boxes simply because they are addressed to different destinations in the UK. As we know, international mail is different because prices vary according to the overseas destination.

Mr. Carmichael: Will the Minister give way?

Jim Fitzpatrick: If the hon. Gentleman will allow me, I have several points to make about zonal pricing, which might deal with the question that he wishes to ask. If I do not cover it, however, I will of course be happy to give way.

Hon. Members asked about the effect of zonal pricing on the recipient. That is a matter for Postcomm to take into account in its forthcoming consultation, which is due in the next few months. As I have mentioned, it is vital that all interested parties participate in the consultation when Postcomm issues its proposals. Postcomm is responsible for safeguarding the interests of vulnerable consumers, too.

Mr. Carmichael: I cannot remember the exact figure myself, but will the Minister remind the Chamber what percentage of the letter post market will be affected by the situation involving bulk mail? My recollection is that the figure is substantial. Does he not understand that that is the root of concerns about the chipping away of the universal service? Whatever the legal definition might be, the layman or woman in the street would consider that mail to be part of a universal service in any meaningful sense.

Jim Fitzpatrick: I do not have the figure that the hon. Gentleman requests to hand. It might be handed to me in a moment, but if it is not, I will write to him and other hon. Members who have contributed to this debate. *[Interruption.]* I am advised that bulk mail constitutes about 85 per cent., which is a significant element of the market, as he suggested.

The hon. Member for Wealden (Charles Hendry), among others, asked about the differential market in the EU. It is important to remember that we liberalised the market in the UK for consumer benefit, not to secure reciprocal access. Postcomm takes those elements into account when considering what Royal Mail can and cannot do in its overall business and when setting its price controls, which are to be reviewed later this year. According to Postcomm's figures, 18 months after the liberalisation of the market in 2006, the effect of competition is that Royal Mail still has 96 per cent. of the market. The suggestion that Royal Mail has been decimated by its competitors therefore does not really stand up.

The Government consider the universal service to be of the highest importance. We have tasked the regulator with the duty to protect the provision of the universal postal service. It is not for the Government to become involved in decisions on deliveries to specific areas because that is rightly the responsibility of Postcomm. Postcomm has put in place a robust process for examining any proposed exceptions on the basis of established criteria. It also undertakes public consultations from time to time so that all postal service stakeholders may make known their views on whether the universal service meets consumer needs, or whether it should be modified. It is right that it should do so. As consumer needs and the wider communications market evolve, it is in all our interests that the universal service evolves with them. That is the best way of ensuring that mail services have a sustainable future.

I was asked about the consultation exercise on the Post Office restructuring programme. There will be considerable advance planning among Post Office Ltd, Postwatch and local authorities before proposals come forward, so they will be quite refined before the six-week consultation period.

Mr. Carmichael: Since the Minister has two minutes remaining in which to speak, will he say what he is doing to encourage his colleagues in other Departments to use the Royal Mail for their bulk mail?

Jim Fitzpatrick: As the hon. Gentleman knows, the Prime Minister established a Cabinet Sub-Committee—the Post Office Network Committee, or MISC 33, as it is called—to review Post Office Ltd. It has created a framework for all the main Departments to discuss Royal Mail Group and Post Office Ltd and the services that they provide. We have thus reinforced the Government's awareness of the importance of the services provided by Royal Mail and the Post Office. Notwithstanding the fact that Departments have a responsibility to the taxpayer to ensure that they get the best possible value for money from services, I assure the hon. Gentleman that the £1.7 billion that we are committing to Post Office Ltd and the £3.5 billion that we have committed overall to Royal Mail Group demonstrate the Government's full commitment to both the universal service obligation and the post office network. We are determined to ensure that that is in the best possible position and that it has a secure financial footing.

Iraq Dossier (September 2002)

11 am

Mr. John Baron (Billericay) (Con): The September 2002 dossier, entitled "Iraq's Weapons of Mass Destruction", was central to the Government's case for war in Iraq. There is little doubt that the dossier was "sexed up"—that the balanced judgments and reservations of the intelligence community were transformed into near certainties—but we also know that Lord Hutton and Lord Butler ultimately cleared the Government of sexing up the dossier, because they believed that the Joint Intelligence Committee had authorship and ownership of the document.

However, I suggest that recent evidence casts doubt on that conclusion. Part of that evidence points not only to a hitherto unknown first full draft of the dossier, written by a press officer, but to its importance in the drafting process itself. Indeed, it shows that spin doctors were on the inside of the drafting process and were integral to it, and that the JIC did not approve or sign off the document in any meaningful way. That is contrary to what we have been told by the Government so far. It is therefore no wonder that the dossier was characterised by spin and exaggeration.

I make no apologies for raising this issue four years after the event. It is important because the dossier was central to the argument for the war, which is still costing lives today. It is important because a public servant lost his life, and because, as the Chancellor of the Exchequer has admitted only very recently, we must learn the lessons from this episode and never again go to war on a false premise.

May I say at the outset that I would welcome any interventions from the Minister, as such interventions would help our discussion? I hope that he will show me the same courtesy when he is speaking.

Lord Hutton cleared the Government of sexing up the dossier, because he believed, as we all believed, that the dossier

"was prepared and drafted by a small team of the assessment staff of the JIC"

and

"was issued...with the full approval of the JIC."

Since Parliament voted for war in March 2003, we have learned much more about the role of spin doctors in the drafting process. For example, from the Hutton inquiry, we know now what Parliament did not know in 2003—that Alastair Campbell commissioned the dossier from John Scarlett, chairman of the JIC, that Campbell chaired the two planning meetings on the dossier and that he bombarded Scarlett with drafting suggestions throughout the process.

However, what was not credited by the inquiry was the involvement of press officers on the inside of the drafting process, working alongside the assessment staff of the JIC and attending meetings. I understand, for example, that press officers attended the drafting meeting on 9 September 2002 at which the 45-minutes claim was picked up and subsequently inserted into the dossier. John Scarlett acknowledged the involvement of up to four press officers—one from 10 Downing street and the others from the Foreign and Commonwealth Office—in his memo to the Prime Minister on 4 June

[Mr. John Baron]

2003, but new evidence shows that spin doctors were not only shaping decisions about the content; they were helping to write the dossier itself.

Patrick Mercer (Newark) (Con): I congratulate my hon. Friend on securing the debate. Does he not think it extraordinary that a press officer was demanding documents from a member of the security and intelligence agencies? Surely any demands that are made of civil servants should be made by elected representatives, or am I wrong?

Mr. Baron: I think that my hon. Friend is right, but we must not forget—I shall come to this point later—that the document was commissioned by Campbell, who commissioned John Scarlett to undertake it. We can understand the relationship a little better once we know that fact, but on the face of it, I agree with my hon. Friend.

Part of the new evidence that I am bringing forward suggests—or proves, in my view—the existence of the first full draft of the dossier, written by John Williams, press secretary at the FCO. That new evidence confirms that Williams produced his draft on 9 September 2002—one day before John Scarlett wrote his own first draft. We also know, from information supplied by the Information Commissioner only last month, that John Scarlett requested that draft before writing his own. None of that has been in the public domain until now.

Although we now know of its existence, the document has been withheld by the FCO in the face of parliamentary questions and a freedom of information request. It is now imperative that we see that draft dossier for ourselves. We need to know the extent to which the Williams draft formed the basis of John Scarlett's draft on the following day.

On the morning of 9 September, there was a planning meeting on the dossier. In the afternoon, there was the first drafting meeting. John Williams was asked to produce a draft document. It is surely unthinkable that such a document did not significantly influence the drafting process. We need to know what that influence was, as Williams's involvement runs contrary to the conclusion of the Hutton inquiry and the impression that the Government gave Parliament and the public about the origin and status of the dossier, yet the FCO still refuses to make the draft public. Originally, the Government defended their decision by arguing that disclosure would discourage officials from giving free and frank advice in the future. However, last month, the Information Commissioner ruled that such considerations were outweighed by the public interest argument in favour of publication. The FCO, I understand, is now appealing against that decision.

The Minister for the Middle East (Dr. Kim Howells): Is the hon. Gentleman saying that he believes that everything that is written by every official in any Government Department, whether it is a first draft, it is thinking outside the box or a suggestion about how policy could move forward, should be made public? Is he saying that every single draft of every document should be made public? If he believes that, how does he think that a Government could work in the future, including perhaps a Conservative Government?

Mr. Baron: Let us remember why this document is so important. It is the first full draft of the dossier—a dossier that was instrumental in convincing this country to go to war. The first full draft should, in my view, be made public, but my view is perhaps less important than that of the Information Commissioner, who has already adjudicated on the matter and believes that it is in the public interest to make the document available to the public.

In answer to my parliamentary questions, the Foreign Secretary talked on 23 April 2007 at column 914W of *Hansard* about "prejudicing national security", but those concerns about national security hardly make sense, as the John Williams document was a draft document intended for publication—that was its purpose—and previous and subsequent drafts have already been made public.

Certainly the importance of the document was downplayed by the Government during the Hutton inquiry. During his evidence session, Alastair Campbell was asked very straightforwardly:

"Do you recall whether or not at 9th September there was a dossier?"

He answered: "No, there was not." John Scarlett, in his evidence, acknowledged Williams's role in "some additional drafting", but downplayed its significance. He said that Williams was working "on his own initiative". However, when circulating his own draft in September 2002, Scarlett referred to

"considerable help from John Williams".

We know, from new evidence from the Information Commissioner, that Williams's draft

"was requested by the Chairman of the Joint Intelligence Committee",

hence its importance. In his own evidence to the inquiry, John Williams failed to refer either to his draft document or to his presence at the drafting meeting on the afternoon of 9 September. No wonder the Hutton inquiry did not focus on the Williams document and the report did not even mention it.

I have recently been told in a letter from the Foreign Secretary that the Williams draft was indeed submitted to the Hutton inquiry on 12 September 2003. However, I have seen no evidence that its significance was appreciated, and it has not been made public on the inquiry's website. We do not even know that Lord Hutton was made aware of the authorship of the document and its place in the chronology of the dossier.

The Minister will remember that at FCO questions recently I asked him about the Williams draft. He replied that Lord Hutton was given the opportunity to see the dossier because

"Both John Scarlett and John Williams referred to the draft dossier in their evidence sessions."—[*Official Report*, 1 May 2007; Vol. 459, c. 1361.]

We now know that that is incorrect. Why did not the Minister—I believe him to be a very straightforward individual—simply confirm to me what the Foreign Secretary had stated in her letter? That long trail of smoke and mirrors in the downgrading of the

importance of the John Williams draft is consistent with Government policy generally on downplaying the role of press officers in the drafting process.

However, let us move on. What about the idea that the JIC was given an opportunity to approve or sign off the final dossier? Ultimately, Lord Hutton saw the sexing up of claims in the dossier as the legitimate redrafting of existing intelligence assessments because he believed that the JIC had the power to reject or endorse any suggestions that were made. It is important here to distinguish between the JIC, the JIC assessment staff—the secretariat—and the committee's chairman, John Scarlett. The dossier was always in the hands of Scarlett, whom Alastair Campbell commissioned to produce it, but I have seen no direct evidence that the JIC as a whole was asked to approve the dossier. The final draft was circulated among individual members for comment, but John Scarlett signed it off. Indeed, there is little evidence that the Committee even debated it. During the Hutton inquiry, Dr. Brian Jones of the Defence Intelligence Staff said:

"What was unusual or what did not follow the normal practice was that this was not a paper that was going through the process by which it was examined and argued over at a full meeting of the Joint Intelligence Committee".

Essentially, the JIC was commenting on a document issued in the name of the Government, not the JIC. After all, the dossier included the words "The Assessment of the British Government" in its title and was written in the first person, with the JIC referred to in the third person. In addition, we know that Campbell tried to describe the dossier as

"the work of the JIC",

but Scarlett would not allow it and insisted on the words

"based, in large part, on the work of the Joint Intelligence Committee".

Had the dossier been written exclusively by the JIC, Scarlett could have had no objection to Campbell using the words that he had proposed. At the time, the grey area between the assessment of the Government and that of the intelligence community did not seem important. However, we now know that it was because the dossier upgraded or exaggerated assessments made by the JIC.

In summary, our understanding of the Iraq dossier must now fundamentally change. The idea that we had was that spin doctors stood outside the drafting process, making suggestions that could be endorsed or rejected by the JIC as a whole. We now know that spin doctors were inside the process, drafting material and shaping decisions about content. The JIC appears not to have been given the opportunity to approve the final dossier. When we understand that, the scope for sexing up appears much greater. Let us briefly look at some examples.

First, there is the notorious 45-minute claim. The claim appeared in the standing JIC assessments, but was not thought important enough to be included in the parallel draft dossiers of 5 and 9 September. The Government have always stated that the 45-minute claim appeared in the first draft dossier, but we now know that that is in incorrect, courtesy of a recent letter to me by the Foreign Secretary. Even when the claim did appear, there was a significant change in the wording. According to the assessment:

"Intelligence...indicates that chemical and biological munitions could be with military units and ready for firing within 20-45 minutes."

The final dossier rendered that as:

"The Iraqi military are able to deploy these weapons within 45 minutes"—

a much stronger statement.

Secondly, let us take the changes that were made between the draft documents of 10 and 16 September. In the first, the executive summary makes a clear division between one set of bullet points, which are described as judgments, and a second set, which represent what recent intelligence was said to indicate. In the later document, the two sets of bullet points were merged, and all the points that had previously been described as indications were upgraded to judgments. The Cabinet Office has been unable to identify the person who wrote the executive summary.

Thirdly, there is the nuclear claim. It was claimed that if sanctions had been removed and Saddam Hussein had acquired fissile material from abroad, he could have produced a nuclear weapon within one to two years. The Prime Minister was careful not to attribute that claim directly to the JIC, and now we know why: the JIC assessment was significantly different, saying that it would take Saddam less than five years to produce a nuclear weapon. During the drafting process, that changed to "at least two years" and then, finally, to "one to two years". Again, further new evidence shows that the Cabinet Office has been unable to substantiate that claim. Some weeks ago, I asked the Prime Minister on the Floor of the House to explain the justification for that timetable, but he was unable to answer. It appears to have been quite simply an exaggeration of the assessment provided by the intelligence experts.

Those three examples are serious enough, but the dossier is littered with others. In many places, a phrase such as "intelligence indicates" was replaced with one such as "intelligence confirms". Even the title of the dossier was changed at the last minute from "Iraq's Programme For Weapons of Mass Destruction" to "Iraq's Weapons of Mass Destruction"—one suggesting that Iraq wanted WMD, the other implying that it already had them.

The Hutton and Butler inquiries acknowledged those facts, but the role of spin doctors and the marginalisation of the JIC must now be re-examined. In the light of the new evidence, will the Minister answer the following questions? First, what is in the John Williams draft of 9 September and why are we not allowed to see it? What are the Government hiding? Secondly, if the Williams draft was submitted to the Hutton inquiry, what form did it take? Was Lord Hutton fully informed of its authorship and the document's place in the chronology of the dossier? Why is there no evidence of it on the inquiry website? Thirdly, who were the members of the drafting group supporting John Scarlett, and who, in particular, wrote the executive summary? Fourthly, in what meaningful sense, if any, did the JIC approve the dossier? Surely it was John Scarlett, the chairman, acting independently of the committee and reporting back to Alastair

[Mr. Baron]

Campbell, who signed off the dossier, not as a JIC document, as we have heard, but as the Government's assessment.

The case for addressing such concerns is overwhelming. On Monday, our future Prime Minister said that lessons should still be learned about the role of intelligence in presenting the case for military intervention. The Chancellor would not have said that if he believed that the Hutton and Butler inquiries had been exhaustive. British servicemen and Iraqi civilians are still dying in Iraq. The Prime Minister is leaving office this month, and the war is his legacy. We must never again go to war on a false premise, and the questions that I have put to the Minister must therefore be answered.

11.17 am

The Minister for the Middle East (Dr. Kim Howells): I congratulate the hon. Member for Billericay (Mr. Baron) on calling the debate and thank him for providing us with the opportunity once again to clarify the issue. Allow me to respond on behalf of the Government, who, I must report, have made their position on the issue clear in the past, and that position has not changed. I am sure that my response will disappoint the conspiracy theorists, but I am afraid that the truth about the production of the Government's dossier on weapons of mass destruction is much more mundane than they would like.

In the short time allocated to me, I want to start with two important points about the John Williams draft. First, the draft was a personal attempt by John Williams at drafting a document in which the Government would explain the threat that Saddam and his regime posed. It was not specifically commissioned as part of the formal drafting process overseen by the then JIC chairman, John Scarlett, and it was not used as the basis for the dossier that the Government subsequently published. Secondly, I can assure hon. Members categorically that Mr. Williams made no reference in his draft to weapons of mass destruction being deployed within 45 minutes.

Before describing how the dossier was produced, it is important that I remind hon. Members of why it was produced.

Mr. Baron: I certainly did not claim that the 45-minute claim was in that first full draft. However, will the Minister not accept that John Scarlett, as we have learned since, actually requested that document one day before he produced his own first full draft? That is why the John Williams draft is important and why it is only right that it should be made public.

Dr. Howells: I will come to that in a moment if the hon. Gentleman will allow me. The sequence is important, and we need to get it absolutely right. He said that the war goes on and that men and women are still dying in Iraq. As a frequent visitor to Iraq, I know what the situation is like and I know the gravity of our military involvement. That is why it is important that we separate the conspiracy theories from the facts, so I will continue, if I may.

The threat posed by Saddam's regime was real. It had waged a long and bloody war against Iran, occupied Kuwait and violently suppressed its own people—notably the Shi'a and Kurds. Saddam had used chemical weapons against Iran and his own people. No Iraqi, whatever his or her ethnic or religious background, was safe from the abuses of his appalling regime. The threat went further, into the international arena, where the regime's flagrant disregard for the numerous Security Council resolutions that followed the first Gulf war was a running sore for more than a decade. Saddam's serial flouting of international conventions and his determination to abuse programmes put in place to help the Iraqi people, such as the UN oil for food programme, not only added to the suffering of the Iraqi people but threatened to undermine international relations and the rule of law. We also had to take seriously the threat posed by Saddam's determination to develop weapons of mass destruction, coupled with his proven willingness to use them against other states and his own people.

Through the UN's inspection regimes, intelligence gathering and subsequent examination of Iraqi archives, we now know a lot more about the extent of Iraq's nuclear, biological and chemical weapons programmes and Saddam's determination to maintain or resurrect them up to and beyond the inspection regime. Despite exhaustive attempts to establish the facts, not least by the Iraq survey group, it remains unclear exactly which of Iraq's WMD programmes were ended, or when. The fact that those programmes existed, and that Saddam had shown a readiness to use WMD, is beyond doubt. It was against that background that the Government's dossier on WMD was conceived. It was designed to help explain, within the limits of our knowledge at the time, the extent of the threat that Saddam's regime posed.

As the hon. Gentleman has told us, concern about the dossier has centred on two issues: first, the accuracy of the intelligence that informed it, and secondly, the drafting process—specifically whether it was modified in its tone and content to have more public impact. Both of those issues were extensively covered by the four inquiries that have already been conducted on Iraq. All found that the Government had acted in good faith and that the assessment of Iraq's WMD presented in the September 2002 dossier was consistent with the Joint Intelligence Committee assessments on which it drew.

The hon. Gentleman has claimed that he has new evidence, and I shall try to deal with that. The inquiries, however, also made important criticisms of the Government dossier. They found that key intelligence used in drafting the dossier had been "unreliable" and that some intelligence—particularly that relating to the claim that Iraq could deploy chemical or biological weapons within 45 minutes—had been presented, as the hon. Gentleman has told us, without adequate context.

Following the Butler review, the then Foreign Secretary, my right hon. Friend the Member for Blackburn (Mr. Straw), announced in a written statement to the House on 12 October 2004 the withdrawal of some of the intelligence that had formed the basis of the Government's dossier. The Government further accepted that by March 2003 it

was unlikely that Iraq possessed actual stockpiles of WMD; and the Prime Minister accepted full responsibility for mistakes made with intelligence. Lord Butler's committee said that some of the intelligence included in the dossier should have been better validated. The Government accepted that, and the Secret Intelligence Service has taken steps to improve the validation of intelligence, as the 2006 annual report of the Intelligence and Security Committee acknowledged. The ISC annual report also noted that the Government have introduced measures to ensure greater awareness and understanding of the limitations of intelligence among Ministers and other senior officials, including a confidential guide covering the nature and use of intelligence circulated to readers of intelligence across Government.

The inquiries confirmed that in drafting the dossier the Joint Intelligence Committee had not been subjected to political pressures; nor had its impartiality been compromised. That, I understand, is what the hon. Gentleman is saying. Yet some people continue to see conspiracies despite the work and findings of Lords Hutton and Butler, the Intelligence and Security Committee and the Select Committee on Foreign Affairs.

Mr. Baron: I suggest that the Minister is not addressing my central point. One accepts that elements of the intelligence were ropey and that in effect four inquiries have looked into the matter. However, my central point was that both Lord Hutton and Lord Butler accepted those points and accepted that the document had been sexed up, but thought that that was legitimate because the drafting process was owned by the JIC. The new evidence suggests that that was not the case—that spin doctors were on the inside of the process, driving it forward, and that that accounts for the sexing up. Will the Minister focus on that point about what the new evidence shows about the drafting process?

Dr. Howells: If the hon. Gentleman will allow me, I shall try to answer his questions and the debate in my own way, and my own words. I am sure that he would not have taken a leaf out of the book of spin doctors, and tried to mouth what I am about to say. However, I will say this: first, he has said that Alastair Campbell commissioned the dossier, and I can tell him categorically that that is not true: the Prime Minister commissioned the dossier. I have no doubt that Alastair Campbell was involved in subsequent discussions with other civil servants about the dossier—I should be surprised if that did not happen—but the Prime Minister commissioned it. That is the first assertion that must be nailed.

Secondly, it is claimed that the first draft of the of the Government's dossier was produced not by intelligence officers in the Joint Intelligence Committee but by press officers. That is essentially what the hon. Gentleman is saying, and it is simply not true. As I have said, John Scarlett and the Joint Intelligence Committee were commissioned by the Prime Minister to produce the Government dossier and they led throughout in drafting and finalising it. What Mr. Williams did, on his own initiative, immediately after hearing the Prime Minister call for such a document in a speech made on 3 September, was to produce a version of his own over the weekend of 6 and 7 September. By the time that Mr. Williams produced it, it was already redundant, because Sir John Scarlett had in the meantime been asked by the Prime Minister to produce a dossier. That is what he set about doing. As I said earlier, John Scarlett and the JIC produced what became the Government dossier. It was not based on the Williams draft. Again, as I said earlier, I can also categorically assure the House that Williams made no reference in his draft to the issue of WMD being deployed within 45 minutes.

The hon. Gentleman also suggested that there is no evidence that the document was provided to Lord Hutton's inquiry. As I told the House on 1 May, Lord Hutton had access to all documents that he wished to see, including the Williams draft. That document was provided to Lord Hutton's team on 12 September 2003. It did not appear among the documents that Lord Hutton chose to make public on the inquiry's website, but that was Lord Hutton's decision. Next, the Government are asked why, if they have nothing to hide, they should refuse to release the draft in response to a freedom of information request. That is a very fair question, and it is currently the subject of an appeal to the information tribunal over the Information Commissioner's ruling that the document should be released. I am therefore somewhat constrained in what I can say.

I will, however, say that an important principle at stake: it is vital that we provide thinking space for officials and others who routinely draft policy documents. They should not feel constrained in presenting new or challenging ideas because they fear that they will be made public. That is specifically recognised in the Freedom of Information Act 2000. I can understand that the hon. Gentleman would press hard on the question, which is at the heart of his case. However, when I intervened on him he said that the document was of such importance that it should be published, which implies that judgments must be made about what things it is important, very important or vital to release. He is making that judgment without having seen the document. This is a matter that has never been easy for any Government. It is very difficult to decide whether the release of a document may in the future prevent the radical thinking that is sometimes needed to take policy forward.

Mr. Baron: I thank the Minister for giving way with such a short time available. The whole point about the document—and others now acknowledge this—is that it was the first full draft of the dossier. We must not lose sight of that. That indicates its importance, and that is why it should be made public, as the Information Commissioner believes.

Dr. Howells: No. This is the heart of the problem. The first full draft—

11.30 am

Sitting suspended until half-past Two o'clock.

Remploy Factory Closures

2.30 pm

Mr. George Mudie (Leeds, East) (Lab): I welcome the chance to have this debate on a very important matter under your chairmanship, Mr. Caton. It is the first time that I have had such an opportunity and I am sure that it is the start of a long relationship.

This is our first good opportunity to catch up and have a discussion with the Minister since Remploy's announcement and the Secretary of State's statement on 22 May. I missed the statement because I was in Washington with the Treasury Committee, but a fair number of hon. Members participated in the proceedings. The seriousness of the statement and the announcement was demonstrated to everyone. A description of the announcement as devastating to the people involved would be universally accepted as accurate. On the day, the closures were shamefully applauded by a handful of mainly Government-financed organisations, but for the people affected by the decisions, the announcement was traumatic, although it represented the end of a long period of uncertainty and trauma for many of the people in the factories.

The announcement means that 43 factories will close. Some 32 of the closures are straightforward, whereas 11 involve mergers. Having read the PricewaterhouseCoopers report, I have the suspicion that more closures are to come, because the figures demonstrated that a number of factories—the number was in double figures—would close before 2009. Unless the Minister is able to indicate otherwise, it sadly appears that the ground is being prepared for closing a further group of factories, give that the accountants' figures demonstrate the case for that.

Some 2,500 people are affected by this situation, and by redundancies, voluntary redundancies, early retirement, and forced—perhaps I should say agreed—employment moves, whereby people are moved out of the factories and into mainstream employment. I do not argue that that is being done with good financial support and pension arrangements in place, but it remains the case that the situation faced by a number of the people involved is not one that they would have chosen.

All this is happening to some of the most vulnerable people in our communities. Those with learning difficulties and mental health problems are among the most prominent of the casualties. People in the factories are often working for the first time in their lives. They are finding self-respect, self-confidence, friendship, dignity and focus in their lives, but they face uncertainty. I genuinely fear that people with the most complex cases will return to their former living in four walls, where they have no friends, no communication, nowhere to go, no one to speak to, no one to care, and no one to share experiences with.

I understand that those who move into mainstream employment are promised support. My next point is not a dig at the Minister, or the Department for Work and Pensions, but an empirical observation based on the support that was promised to youngsters in special schools. Such people are probably a younger version of the people whom I was just discussing. The minute the youngster moved out of a special school or a school was closed, the support generally disappeared. The speed with which that happened to youngsters in the mainstream was frightening and totally unacceptable. I believe that Ronald Reagan said that the worst words he ever heard were a Government official saying, "I have come to help you." Therefore, when any Government promise support, one should always bank the cheque as quickly as possible, because it is often not long lasting.

Given all that, we are working on the basis that the unions and staff are taking steps to ratify industrial action. I hope that such action will not be necessary because I take it as read, with a qualification that I shall discuss later, that there will be dialogue on these matters. The Secretary of State has promised as much, and I am sure that the Minister will do so again now. Having said that, I fear that the consultation could be a section 90 consultation—I think that that is the term used. Such a situation occurs when a factory is been closed due to redundancy and consultation is confined to redundancy terms and the like, instead of being a real dialogue among the employees, the relevant Department and concerned Members to find out whether there is a different way forward. If the dialogue is about only how we place these individuals, or if it is about how to finesse the closure of 43 factories, I will find it unacceptable. I hope that the Minister will indicate that such a situation will not occur.

Jim Sheridan (Paisley and Renfrewshire, North) (Lab): On the question of consultation, I recently visited Hillington, which is the site of the proposed closure in my constituency, and spoke to the workers. There were mixed feelings, because people were up for change, but some were concerned about their futures and the long-term future of Remploy. During the consultation process, will the Minister give thought to protecting those workers, who are providing work for the Ministry of Defence under article 19 of the relevant EU directive, so that they can get the same protection from foreign tenders that shipyards get when they provide MOD equipment?

Mr. Mudie: I shall be genuinely straightforward with my hon. Friend by saying that while I understand the point about protection and support, I would prefer such things to be at the bottom of the agenda. I shall give some indication of how the process should go. I do not subscribe to the idea that these sheltered workshops are old-fashioned and should be done away with. I agree that they are 60 years old, that they operate in a certain way and that there should be changes, but I do not accept the Remploy board's starting point that as the decision has been taken to close these factories, we should confine ourselves only to protecting the people in them.

We are fighting for not only the 2,500 individuals in these factories—they are the lucky ones because they are in the factories—but the hundreds of thousands of people who are in the community and desperately need such places. The people in the factories will not thank me for saying this, but if these places are closed, they will be the luckier of the two groups because they will have some protection and support and will be moved

into a mainstream job. What will happen to the people in the community who want and desperately need a place? The starting point for all in the Chamber should be not the status quo, but the fact that these factories have a place, a function and a purpose, and that there is a desperate need for them.

I move on to my conspiracy theory. There is no secret about why the Remploy board is suggesting these drastic steps. While I say the Remploy board, I certainly mean Remploy senior management. If it is necessary to move people on, there is an argument for moving the management because a lot of the factories' problems stem from its lack of dynamism, purpose and sympathy. The Remploy board seems to be backing that up. I think that such people have a gleam in their eye about a different lifestyle and a different and perhaps easier job. They want to move from running factories, where they must fight for work, run the factory and do all the rest—it must be murder on their salaries—to running a nice employment agency.

Remploy has set up an employment agency, Interwork. It argues that it costs only £3,000 to place somebody in work through the agency, while the average price of somebody working in a factory is £20,000. Remploy is also saying that it can employ more people through the agency than in factories. The fact that they are not the same people does not seem to cross anyone's mind as long as there are boxes to tick and the numbers come through. The most desperate, needy and complex cases might disappear into the community to be ignored—they will have no voice—but the workers in the agency will have a nice life just ticking boxes.

Without being mischievous, I wonder—*[Interruption.]* The Minister shakes her head. That has been the story of this Minister nearly all our lives—she says no before I have even asked a question. It is worth questioning as part of the wider picture why on earth Remploy has set up an agency, given that that seems strange. Remploy is an agency within the Department for Work and Pensions. The Government are proud of Jobcentre Plus and we have put out press releases saying what a great job it does on the new deal for the disabled. We tell the disabled and anybody who cares to listen that if they just go into Jobcentre Plus, whatever their state of employment, they will be treated sensitively and appropriately and helped into employment, so why is Remploy setting itself up in the same Department? Something is not working. If Jobcentre Plus were working, we would not need Remploy's agency, and if it were not for that agency, the board would not be so anxious to take money from the factories and to use it to expand Interwork agencies throughout the country.

I have two low-level questions. Why is Interwork—at least in Leeds—not proactive at the moment in Remploy factories to move employees into mainstream employment? The two bodies are in the same Department; they are the same agency. They are supposed to be helping those customers. One would think that the first place an Interwork agency called would be its local Remploy factory. It would have the closest relationship with the workers and know them all by name. It would know where they could work and where they wanted to work, and could go out to find them that work. I find it strange that Interwork seems to be a separate employment agency for the broader disabled population that is in competition with DWP's Jobcentre Plus.

Remploy's cover is that the cuts and redirected money are a response to the Government's wish that there should be no blank cheque. That is a fair enough point. At the moment, £550 million goes into Remploy. The Government have said that Remploy must stay in that envelope for five years and it is struggling to comply. There must also be value for money. I mentioned that Remploy says that it costs £3,000 to put people into work through Interwork and £20,000 to put them in a factory. Certainly, when we deal with public money, we should always look for value for money. I accept that there will be a greater throughput of employees into mainstream employment, but the point is worth making again that I have seen the same thing operating with the new deal in my constituency. I wonder whether you, Mr. Caton, or my right hon. Friend the Member for Newcastle upon Tyne, East and Wallsend (Mr. Brown) have also seen that.

When we introduced the new deal in 1997, it worked a treat. Unemployment halved in my constituency during the first four years, but it has stayed the same—or, if anything, increased slightly—for the past six. There is a straightforward explanation for that. The first four years of the new deal—this is not to be quoted to the Chancellor in any circumstances; I make the point in the privacy of the Chamber—got the easy ones. It addressed the people who had been in work yet Thatcher had thrown out of work. They had worked, they knew the discipline of work and they wanted to work. When the new deal came along, they were whisked off the unemployment register. That was wonderful, but once they were off—I see my hon. Friend the Member for Bolsover (Mr. Skinner) nodding in agreement—then came to the more difficult and complex cases.

I can only speak personally—perhaps my constituency is entirely different from other places—but there has been a total lack of success in getting such complex cases into work. I fear that if we allow such cases in the Remploy factories to disappear into the community, Interwork will still get its throughput and the Minister will come to the Dispatch Box and say, "This was all right. Look how many more disabled people are in work." However, this is about the layers of disabled people.

Some 80 per cent. of able-bodied people and 50 per cent. of disabled people are in employment, but among those with learning difficulties and mental health problems, the figure is 20 per cent. When drilling for employment oil, there is not much left after the 80 per cent., so the Government have come to the disabled, such as people with an arm off, a leg off, or asthma, as I see in one of the Government's publications. Fine. That is wonderful work, but the complex cases are the real issue and the reason why I am participating in this debate. They are in the greatest majority now. They are in the community—we Members know them—and they are largely ignored, or put up with. They are sad people in the community who need help and focus in their lives. There will be no interest in those cases because they are not cases that one can tick a box for and get a reward. They are long, hard work. If we close the factories, they will disappear from view.

Mr. Alan Beith (Berwick-upon-Tweed) (LD): Is it not the hon. Gentleman's experience that local jobcentres, reduced as they are in both number and scope, have increasing difficulty providing the support and guidance needed by the very group to whom he refers?

Mr. Mudie: I totally agree. I recently met Ian Hunter, the regional manager of my jobcentre. I can tell the Minister that he is excellent, but she should leave him in Yorkshire. I have the names of five constituents whom I have encountered in one way or another and are all unemployed. Some are the wrong colour and so; despite having degrees, they are, incredibly, unemployed. Others have mild special needs or learning difficulties. I was at a loss to understand that, and thought that I should ask the manager to account for it. I am sending him the five names because I do not know why Jobcentre Plus cannot employ those people. There is clearly a problem. I totally agree with the right hon. Gentleman.

Dr. Brian Iddon (Bolton, South-East) (Lab): My hon. Friend might like to know that my most distinguished predecessor, George Tomlinson, set up Remploy in the first place, just after the war, and I should like him to be remembered today. We are in an era of fairly high employment. Is my hon. Friend as concerned as me that if the economy takes a downturn, those vulnerable people will be the first to suffer?

Mr. Mudie: My hon. Friend makes a valid point. I noted that he mentioned his distinguished predecessor during an earlier debate on Remploy, but I am glad that he remembered him during this one, while his work is under attack.

I get a lot of abuse from our senior Members about this, but it is difficult for me as a Labour Member to accept that after 10 years of continuous employment growth, we have still not reached some people in the community. With the greatest respect to the hon. Member for South-West Surrey (Mr. Hunt), I have never found the Conservatives very interested in even thinking about reaching such people. If we do not help them, we will consign them to a lifetime of neglect and a sad existence without the rights and opportunities that we want for everyone.

Remploy might use the cover that it is doing what the Government want, but I hope that it has misread the signals and that there is the political will to find another way of moving towards the Government's objectives. I cannot challenge those objectives. The Government cannot give blank cheques to anyone and the principle of value for money is fine, but I shall suggest how to get greater throughput with the present system. I hope that the Minister will tell the Remploy board that it has misread the signals and that it is not acting in a good way. This is not positive work, but butchery, and a redistribution of finances that will not help those with the greatest need.

Above all, I am not arguing for the status quo. I accept the Government's objectives, but while the direction of travel is right, we need a different method of getting there. The unions are not arguing for the status quo, and the answer to anyone who suggests that they are is a resounding no.

Mr. Jim McGovern (Dundee, West) (Lab): I congratulate a fellow former Lawside academy pupil on securing this debate. I still discern the hint of Dundee accent somewhere.

My understanding is that one of the problems encountered by the trade unions when trying to get their argument heard was that they were at cross-purposes with the management. While the trade unions were rightly trying to ensure the future of the factories, the management was simply saying what would be left following the funding of the Interwork model. Does my hon. Friend agree that that is why the discussions between the unions and management were not more fruitful and why there was not the opportunity for them to be so?

Mr. Mudie: When I was a young Labour party member growing up in my hon. Friend's constituency, I had visions of perhaps being the Member of Parliament for that constituency, but I am glad that I moved because the quality of its Member is so great that I could never have matched it. I totally agree with my hon. Friend.

We do not want the status quo. There needs to be a change in the set-up—the operation is demanding change—but we want thoughtful, sensitive action, rather than the butchery suggested by Remploy.

On the financial argument, the trade unions and staff have worked earnestly over the past 18 months—many hon. Members have met them, seen their work and know of the time that they have put in—to agree plans to improve trading and output, and to cut costs. They even employed a firm of accountants to help them to draw up acceptable suggestions to help Remploy's finances. Their reward was that their suggestions were ignored or scoffed at by senior management.

Why has that happened? The Minister has been genuinely supportive, open-minded and helpful. She gave Remploy a blank sheet of paper and told it to drop its plans and to return with other plans that she would ensure would be considered. However, that attitude did not percolate down to senior management. Perhaps that was because the unions were a little too blunt about the shortcomings of a management that seemed to accept the fall-off of manufacturing in the general economy as a cover for its inability to obtain work for various factories, or perhaps it was because the unions pointed to unnecessary spending by the management on the plant and at a personal level. Perhaps the unions were just too honest and blunt.

I have been in public life as a councillor—I was a council leader—and Member of Parliament for 30 years, but Remploy's management has never approached me for help with procurement decisions. I wonder whether that is the experience of other hon. Members. Remploy has never asked me to lobby or speak to anyone. It would have been entirely reasonable for it to do so, but it has never approached me in 30 years, so I wonder how dynamic its management is and how interested it is in finding work for the people in its factories. Why are the unions being treated in such a shabby fashion when they are trying to be as constructive as possible about the agency's financial problems?

The most important aspect of a refusal to accept the status quo is throughput, which must be discussed. At the moment, and for the past 60 years, a job with Remploy has been a job for life. Mild attempts might have been made to try to persuade an employee to consider a job in the mainstream economy, but as of now—I checked with my local factory today—the decision is left to the individual. In effect, that means that Remploy is seen as a destination. It is thought that once someone works there, no one is anxious for them to move on and that no one's purpose in life is to see employees move out of the factory and into mainstream life. The decision is left to employees. If they wish to stay, they stay.

Modern thinking, which I accept, is that Remploy should be a gateway, rather than a destination or a stopping point. There is a place in modern society for a gateway, whether that is a sheltered workshop or a skill centre, that allows employees to build their confidence and self-esteem so that they believe that they can make a go of taking their place in society. Some of the people have never worked before in their lives and have had the most traumatic experiences. Their self-esteem is low and their self-confidence is non-existent. Their confidence should be built up, and they should then move on.

Modern thinking is that there should be a gateway establishment, whether in factories or appropriate skill centres—perhaps with a relationship with a further education college—to which people could go with the knowledge that their job was not permanent. They should be assessed and a time scale should be negotiated for how long they will stay there to acquire the necessary skills to build up their confidence. However, the people in the building and DWP partners would be responsible for guaranteeing to find those people a job before they left the establishment and for supporting them during the first few months in their new jobs. That would be a relevant change.

The trade unions have made some interesting suggestions about money, and even the Government have said that money is a secondary consideration. Is it fair to keep people in a workshop and an artificial situation? Should not we build up their confidence and set them free with suitable support? Remploy factories should not be a destination at which people stay. However, if people have gone through a bad time and, for the first time in their life, they have mates and a wage packet, feel that they are contributing and have self-respect, they would have to be very brave to risk all that by going to find a job. They know what failure is because they have been through that. It is asking a lot to expect people to do that, unless the aim is set out.

We must face up to the fact that some people will never be able to move and take the necessary steps to address that. However, Remploy should be a temporary gateway for the majority of people. Disabled people could come in and be out in three months. Other people with complex problems might take a year, but everyone should know that the objective would be for those people to move into a position in which they have the same rights as the rest of us.

Andrew George (St. Ives) (LD): The hon. Gentleman says that the factories should be a gateway. I do not think that anyone would argue with the point that enabling disabled people to move into the mainstream workplace is desirable. However, does he not accept that in some parts of the country, the opportunities for people to work in what must start as relatively sheltered employment are few and far between because the local business environment consists predominantly of small businesses, micro-businesses and the self-employed? People should not be cast as having failed if they thus stay in the Remploy factory for many years, as they do in my constituency.

Mr. Mudie: No, I do not see that as failure. I said that the key aspect of being in such a factory, which I do not think that Remploy would like to accept, should be that it guarantees that it will find a person a job. I hate this business of failure and people failing. We fail, but they do not. Similar circumstances arise in Newcastle, Hartlepool and Dundee, so the situation is accepted. The situation is easier in Leeds, because there is full employment, but it is more difficult in the constituency of the hon. Member for St. Ives (Andrew George). The difficulty depends on the local employment circumstances.

We must accept, as must Remploy and the trade unions, that if we say that the positions are permanent, we are being very weak. Saying that would be generous to the people in work, but what about the people in a desperate state in the community whose gateway to a better life is Remploy? If a person plonks themselves in a job, and by their own decision, rather than other circumstances, stays in it, they are blocking another person's opportunity. If we have a real partnership and we work to get people fit in their own minds and able to take on a job, we all succeed, and somebody else is given an opportunity.

The Minister might have some fun with what I have said, but I do not mind. However, the butchery that the Remploy board and the accountants have brought to the table does not solve anything. Yes, it solves financial problems in the DWP, but that is just putting right financial figures. It does not help the desperately vulnerable people in the community and the factories who need our help.

3.3 pm

Annette Brooke (Mid-Dorset and North Poole) (LD): I shall be brief, because I do not have much of a voice today, and many other people are waiting to speak.

I have said all along that I endorse the long-term principle, but I am becoming more and more concerned about the current process. After the announcement in Parliament, I visited the factory in my constituency on the following Thursday on my way home, and I was truly alarmed by what I heard. For example, I was told that people could not understand the long words that were used by the counsellor whom they had all been promised. There were probably no specialist counsellors for people who have learning disabilities and may lose their jobs, but the situation worried me.

When I read fully the Remploy briefing, I saw that it said that there were 41 disabled people in the factory. I challenged that figure, and Remploy now accepts that there are 43. I do not think that private industry closes

[Annette Brooke]

factories without knowing how many people are in them. That applied to two people, which worries me greatly.

I asked how long people had been working at the factory: one of the 43 had been there for more than 40 years, and 10 had been there for 20 to 35 years. I am seriously worried about whether there are suitable places that my constituents can be moved to in our local area. Is a move desirable if somebody has been in that situation for 20 to 35 years? The briefing notes that I was sent suggested that the alternative would be an office in Southampton. That is not suitable for people in Poole. If anybody present has ever tried to travel around Dorset, they will know why it is not suitable—especially for disabled people. I have challenged that suggestion, and I have now received an answer.

Since July 2006, I have had a vision that on a very big site in Poole, one could develop a centre of excellence for training people with disabilities, which would serve the whole of Dorset. One could run down the manufacturing side gradually, but locate it there as part of the training process. I have been asking and asking for that, but the latest reply that I have received says that there will be a meeting with the local council at the end of June. I am worried that time is running out and nothing is being done.

There is probably an individual solution for every factory. I have a good idea for my local factory, but I am losing confidence in Remploy's ability to deliver it. My plea today is for us to work together with that local factory, because it could be a wonderful facility for future generations in promoting creativity and working with local employers, which is what the issue is all about. My worry is that we will be talking about jobs pushing trolleys in supermarkets, because there are not that many jobs around, but a long-term approach to the issue, with a specialist training centre, would lead to plus-plusses. I am sure that the issue of increasing productivity could have been tackled over the past year, instead of letting things drift along.

I have a real commitment to that local factory and to maintaining as many jobs there as possible, which we could do positively. I do not want a huge housing site. We have very expensive housing in Poole.

3.6 pm

Mr. Nicholas Brown (Newcastle upon Tyne, East and Wallsend) (Lab): It is a pleasure to participate and make a short contribution to this short and timely debate under your chairmanship, Mr. Caton.

I have been a Member of this place for 25 years now, and occasionally one feels that there is a danger of being drawn into the establishment and into a complacent world of public administration. However, I have only to attend a debate and listen to my hon. Friend the Member for Leeds, East (Mr. Mudie) to be reminded why I joined the Labour party in the first place. It is absolutely typical of my hon. Friend that he takes up the cause of those who need his help most, and that he makes a powerful case for them.

The debate is not against Remploy, the Government or the Minister. We are in a consultation period, consulting on some very difficult issues. One week ago I had the pleasure and the honour of attending the conference of the GMB union, of which I am a member. Many Remploy workers are GMB members, too, and they had a delegation and elected delegates at the union's annual conference. It is difficult to convey to such a parliamentary debate the sense of despair, anger and even betrayal that the work force felt. Very hard words were spoken at the conference, and I was struck by two points: first, the Remploy work force's passion, commitment and strength of feeling; and secondly, the enormous amount of sympathy that they drew from the other trade unionists, from all walks of life, who were attending the conference. One could not miss the strength of feeling.

There is discrimination in the labour market. It is illegal, of course, but it still exists. One has only to look at the figures for how many able-bodied citizens are employed as a ratio of their total numbers, and then at the same figures for people who have a disability, to see that it is much harder for disabled people to make it in the mainstream labour market. I was a Minister in the Department for Work and Pensions for two years, and I saw the papers on Remploy, although I did not have direct ministerial responsibility for it, so I know that there is a real problem, and the Minister has my sympathies. It will not do just to hope that the problem will go away; it is absolutely right to face up to it. However, we must do so in the spirit in which my hon. Friend the Member for Leeds, East set out his ideas.

There are two main elements to this issue—a view that I formed some time ago. The first is the continuing debate about the case for sheltered workshops vis-à-vis the case for supported employment with a mainstream employer. Alongside that, however, is the debate about costs, and it is a fact that supported employment in a workshop is substantially more expensive than supporting an employee in mainstream employment. My hon. Friend said that the cost is £20,000 as opposed to £3,000, and my figures suggest that it is £20,000 as opposed to £5,000, but the ratio—the Minister may correct me if I am wrong—is roughly four to one.

There is a third issue, which relates to Remploy as a business. Some pretty hard things have been said about Remploy's management—not universally, but at some local sites. There are also concerns, not only from the trade union side, but among people who have looked at the organisation independently, about the central costs of the organisation as a whole.

My view is that there is a case for both sheltered provision and supported mainstream work; they can exist alongside each other, and we should not let the debate about costs undermine the case for workshop-based employment. The view to which I came, and to which I still hold, is that even if the costs are greater, we just have to accept that we will have to pay them. There are also other things that we can do, and this debate gives us an opportunity to put forward what I hope the Minister will see as constructive ideas.

The case for sheltered workshops rests on the fact not only that members of the work force develop a sense of solidarity and comradeship, but that there is a specific understanding of individual special needs. People also get a sense of security from going to a place where their needs are understood and a sense of self-worth from having a job that they can do and

workmates who are sympathetic. Although one would like to think that people with special needs would find that in mainstream society, I am not convinced that that will always be so, even with support. Of course, there are enlightened employers, who go out of their way to provide workplace placements for people with special needs and who ensure that management structures are in place to support their employment, but such employers are the exception, not the rule. It is easy to say, "Ah, well, the labour market is tight nowadays, but we'll find you employment with a mainstream employer," but it is much harder to find such employment.

I therefore want to offer what I hope are some constructive suggestions to support the factory-based employment part of Remploy's operation. A year ago today—on 13 June 2006—the Prime Minister addressed the GMB conference. He said:

> "I can assure you that we will both listen to the trade union submission on this, we want to see Remploy profitable as well, and we will certainly see what we can do from the perspective of public procurement to give Remploy a sustainable future."

He is on to a good idea with that final suggestion. It will be difficult, at least for the factory side of Remploy, to be profitable as a sheltered workshop, because it is difficult to find things for a sheltered workshop to do that are profitable in the marketplace. We must face up to that. My answer is to subsidise such an arrangement and direct work to it. We must do that as part of public procurement—the Ministry of Defence is an obvious example and does, indeed, already do that to some extent—and say that there is a social reason for doing so.

We, as politicians, should not feel ashamed in standing up before our fellow citizens and saying, "We have made this decision. It does not conform to strict competition rules, but it is not a huge market distortion. It is an exception, but it is one for a special purpose. These people need our help and support." Who would begrudge disabled people that? I do not think that our fellow citizens would say, "No, we want competition red in tooth and claw. Let the disabled take care of themselves." Our fellow citizens would not say that, and the Government should not say it either.

There is a case for using public procurement to support workshops, and I do not accept that competition rules or European Union rules prevent us from doing so. Other member states do such things; indeed, when I was a Minister, all the Ministers whom I met from other European countries thought that such things were acceptable. They would want to do them in their own countries, and I am certain that they would not object to our doing them in our country. One has to keep a sense of proportion, of course, but we would be all right as long as we did so.

One could look at the issue the other way around and ask whether a mainstream manufacturing process—in the packaging or processing industry, for example—was suitable to be carried out in a sheltered workshop. We could then ask the employer whether public assistance could be used to turn the factory into a place that provided sheltered and secure employment. That approach has not been taken so far, but I urge it on the Minister and I hope that she will be look at it.

There is also strong role for the trade unions in all this. At the GMB conference, I was struck by the fact that those who were worried about their job security and about what would happen to them looked to their trade union to help and support them, and that support really matters to people with special needs. In the discussions that the Minister will be having, I would like a way to be found to ensure that that collective trade union support filters through to industry placements, as well as to the people retained in workshops.

I gently draw the Minister's attention to the ratio of money spent on placements to money offered for early retirement. I accept that some people will want to take early retirement, but that is not the answer. Younger people will be looking for workshop places, just as some older people will feel that their time to work has come to an end and that it is time to retire. However, I would not like us to just to buy such jobs out and say that mainstream employment, not workshop placements, is the answer for young people. People are not supported in mainstream employment; indeed, they end up falling out of it and becoming claimants again. As a result, the very problem with which workshops are supposed to deal is not dealt with, and people end up unemployed or on long-term sickness benefit. That is not the right way forward or a positive way forward.

That brings me back to my core point: the labour market is a hard place. Yes, it is tight, but those who are recruiting look for the person who they believe can do the best job for them. There is still a tendency, very unfairly, to discriminate against people with disabilities. As we try to offer constructive solutions in this debate to the problems that we acknowledge Remploy has, we should, as my hon. Friend the Member for Leeds, East so powerfully reminded us, keep at the forefront of our minds the fact that the labour market is not a fair place. The people whom we are talking about are disadvantaged and they deserve our help.

3.18 pm

John McDonnell (Hayes and Harlington) (Lab): I apologise to my hon. Friend the Member for Leeds, East (Mr. Mudie) for being late for the debate, as I had a difficult journey.

More than 25 years ago, I was the TUC representative on a committee called CORAD—the Committee on Restrictions against Disabled People. It was the first committee that the Government established to look at discrimination against people with disabilities to see how we might move forward. Hon. Members may remember that we had a quota at that time, under which companies and Departments were required to employ a certain percentage of people with disabilities, but none of them—even Departments—did. The committee therefore looked again at the issue and said that we needed to get people with disabilities into work. To do that, we recommended that those responsible should support people with disabilities by identifying opportunities, providing training and supporting people in work, as well as resourcing employers to enable such things to happen. To assist in that, the committee recommended that disability discrimination legislation be introduced, and both those recommendations have now been implemented.

[John McDonnell]

The third recommendation was that there should be continuing support by way of specialist provision. Remploy, founded by George Tomlinson, the predecessor of my hon. Friend the Member for Bolton, South-East (Dr. Iddon), was a good example of that. Remploy's role, along with other organisations, was to bring people into the working environment again, give them support and, if possible, allow that to be a transitional phase in moving towards employment, but if necessary, to give them an environment in which permanent employment would be provided. To be frank, I do not think that things have changed. I have heard about the economy booming; it has for some, but not for others. Employment has risen, but the report that has been published extensively in the press today shows that unemployment has risen too in some areas, and particularly in certain regions. Unemployment overall is not as low as many people think. The experiences of people with disabilities have, tragically, barely changed, despite the Government's efforts over the past 10 years, for which I commend them. This is a hard nut to crack.

There are some tendencies in the economy that fly in the opposite direction, such as, I am afraid, outsourcing by Government. The example in my area is Ministry of Defence records, where there were 150 people, several of them with disabilities; it was then privatised and relocated off site. Not one person with a disability was redeployed elsewhere, despite all our promises. Another example is private equity operations, which we discussed in Parliament recently. We now have evidence that when private equity companies have taken over companies and shareholdings within them, there have been reduced employment opportunities. The GMB reports that in the case of the Automobile Association people with disabilities have been specifically targeted to get them off the books. The issues are as relevant today as they were 25 years ago, and in some ways more pertinent.

That is why I believe that before we do anything to reduce capacity in this field, we need to be convinced that the jobs are out there and the support mechanisms are in place, and that we are succeeding. I follow my hon. Friend the Member for Leeds, East in recognising the reality. We shall always have to subsidise the people in question, to enable them to have a decent quality of life. It is not just a matter of employment. As my hon. Friend said, it is a question of pride and respect and being part of overall society. I can understand where the Government are coming from in considering how to modernise provision overall. In areas such as this hard decisions must often be made; that is true in any management change. However, it is necessary to take people along, and we have failed to do that. It is not for want of trying; I am not criticising anyone. Nevertheless, we have failed to take people with us, and we should recognise that. We almost need to start again and to involve people in a wider discussion, particularly at the micro-level—individual factories and communities. The issues seem to have been dealt with at a macro-level, where we know there has been a lack of confidence in the management's track record for some time. It is a question simply not only of confidence, either, but of the relevant management teams' objective record of success and failure.

I urge the Minister to stand back; have a breathing space and allow us the next six months to bring the unions back in and consult all the relevant organisations again, and see whether we can build up confidence in a shared way forward. I know that that is ambitious and it may not be realistic, but at the moment we cannot continue with horns locked, while people become disillusioned and feel that we are undermining provision rather than supporting it in the long term. I support other hon. Members in urging the Minister to be positive and accept that we need a new route to bring people back together again. A six-month timetable will enable us to return with real solutions to enable us to bring everyone with us as best we can. If that means that additional resources will be needed, this is one area of Government in which I would expect resources to be found.

3.23 pm

Dr. Brian Iddon (Bolton, South-East) (Lab): I want to make just four brief points in this last of the Back-Bench contributions to the debate. First, our factory in Bolton went through a lean period when some pretty high class, high priced labels decided to source their quality clothes abroad. The Bolton factory was making some very good, high quality clothes, which were on sale in some very fashionable shops at the time. For a period of some months the factory was without that work. The textile industry was in a slump, so it was decided to completely change the focus, using mainly the same labour force. I have always praised the labour force for doing this. At one time it made clothing, but today it makes boards for electronics, using robotic machinery. It has completely re-equipped the factory and gone in another direction, into electrical production. It even makes printed circuit boards for the Ministry of Defence. That proves that people can be retrained into a more profitable operation.

Secondly, I concur with the view of my hon. Friend the Member for Leeds, East (Mr. Mudie) that if Jobcentre Plus and Remploy work much more closely together we can probably get more people with disabilities of all kinds into the work force, by using some Remploy factories—we could not, of course, use them all—as gateways or training centres before entry, to give confidence.

Thirdly, in Bolton we have a sheltered workshop run by the local authority, as well as the Remploy factory. Has the Minister had detailed discussions with similar local authorities that run sheltered accommodation for production, about the possibility of a coming together, involving local authorities as well as Remploy, perhaps with a small subsidy from some of the local authorities—yes, I dare to mention the word "subsidy"—to keep some of those operations alive? It is obviously greatly preferable to keep people in work than to have them out of work on benefits.

My fourth point is this: we have been through this process before. It will be interesting to hear what the Conservative spokesman says. I look forward to that, because it was not that many years before the Labour party came to power that the Conservatives threatened to close all Remploy workshops, without exception. I remember opposing one of their Ministers, Peter Thurnham, who joined the Liberal Democrats just

before the Conservatives left power. He argued vociferously for the closure of the workshop in Bolton. At least we have kept it going another 10 years. Incidentally, it is not on the present list, but that is not to say I have no sympathy for those hon. Members in whose constituencies the 43 listed workshops are situated.

3.27 pm

Danny Alexander (Inverness, Nairn, Badenoch and Strathspey) (LD): I warmly congratulate the hon. Member for Leeds, East (Mr. Mudie) on securing this debate on such an important matter. In his passionate opening remarks he emphasised the point, which is worth restating, that half of all the Remploy factories will effectively be closed, taking into account the mergers, and 2,500 people will be affected by the closures. It is important to recognise the dramatic and damaging effect that that change can have on the individuals affected. We are debating a serious and important matter.

The hon. Gentleman also wondered aloud—I hope that the Minister will respond—whether what is happening was the end of the process that Remploy had in mind. We know that 43 closures are proposed now. Does the Minister foresee the investment in and support for the remaining factories that all hon. Members who have spoken today have described? I pay tribute to all those hon. Members for the way in which they have addressed the issue: the right hon. Member for Newcastle upon Tyne, East and Wallsend (Mr. Brown), the hon. Member for Hayes and Harlington (John McDonnell) and my hon. Friend the Member for Mid-Dorset and North Poole (Annette Brooke). I also want to mention my right hon. Friend the Member for Berwick-upon-Tweed (Mr. Beith), a number of whose constituents work at the factory in Ashington that is threatened with closure. I know that he takes a close interest in those matters.

It may be difficult in these circumstances, but there is a positive view to be considered. I would argue—and many have argued—that, on principle, promoting the idea of mainstream employment for disabled people must be the right approach. If the objective is to deliver an agenda about independent living, and to allow and enable disabled people to take on all the improved rights that have been campaigned for by many hon. Members who have been in the House much longer than I have, promoting mainstream employment must be the right direction to set off in. That was certainly the flavour of discussions among all parties during the passage of the Welfare Reform Act 2007, in which several hon. Members who are present today participated at different stages.

In that context, Remploy's success in developing the Interwork programme should also be noted, given the importance of working towards mainstream employment for disabled people. Within its existing resources and with the existing factories remaining open, Remploy has been able to expand that programme, so that last year it placed more people in mainstream employment than currently work in those 83 factories. I shall return to the question of how the factories and the people who work in them are treated, but Remploy must be encouraged to move in the direction of expanding and developing the programmes that it already successfully offers. If Remploy can substantially increase the number of people whom it places in mainstream employment, the objective that all hon. Members have talked about in this debate—enabling more disabled people to find paid work for the reasons of fulfilment, confidence building and so on, which every other citizen sees it as their right to achieve through work—will be supported.

Remploy has said that it hopes through the changes to be able to place 20,000 disabled people into jobs by 2012. It is interesting to note, however, that three quarters of the people whom it placed last year were placed in jobs in the service sector, not the manufacturing sector. I liked very much the suggestion that the hon. Member for Leeds, East made that Remploy should be seen as a gateway or an intermediate step, and that people should perhaps go through Remploy for a few months in order to build up their skills and confidence, and make their way into mainstream employment. That is the sort of role that the Interwork programme should be playing, so perhaps the Minister could comment on whether it actually is. Developing Remploy's facilities in that direction seems an obvious and sensible suggestion.

The closures will have a devastating effect on current employees. I do not think that anyone can doubt or debate that, and the hon. Gentleman made that point strongly. On the day before the announcement was made, I visited the Remploy factory in Halifax with the hon. Member for Halifax (Mrs. Riordan), who has also been an assiduous campaigner on such matters. Many of the staff there felt that the discussion about Remploy's future had been dragged out for an inordinately long period. People had been facing uncertainty about Remploy's future for a year or even 18 months. There had been consultations and consultants' reports, but the staff had very little sense of what their future was, and there was still a genuine debate about whether the factory would remain open or close.

That was an unfortunate part of the process, from which I hope lessons have been learned. The problem not only caused difficulties for the staff, but led to uncertainty among the factories' customers, as has been said elsewhere. People who might have wanted to purchase goods from Remploy were uncertain as to whether the factory producing them would remain open. The Government owe a duty of care to the people who currently work in the Remploy factories, whose interests must be at the forefront of this debate.

We have been told that there will be no compulsory redundancies and that Remploy has guaranteed to find a job for each current employee on their current terms and conditions—

The Parliamentary Under-Secretary of State for Work and Pensions (Mrs. Anne McGuire): Each disabled employee.

Danny Alexander: The Minister rightly corrects me. The chief executive of Remploy, Bob Warner, has promised that Remploy will support the move into new jobs and provide continued support for those people who find new jobs in the mainstream sector. However, there is still some uncertainty, so perhaps the Minister could say for how long that continued support for

[Danny Alexander]

those people who are currently employed by Remploy will be maintained. I understand that they will retain their current contractual terms and conditions, but in addition, we should be clear that the support that they receive will continue long into the future.

Likewise, there needs to be clarity about pension rights and contributions. The point has been made that many of Remploy's employees have worked in Remploy factories for a substantial period. Accrued pensions rights are therefore important, but continuing those rights also needs to be taken forward.

We are currently undergoing a consultation process, but some dubiety has been expressed in this debate about the nature of that consultation—about its breadth, the range of issues that can be taken into account and whether it is about the overall package or just specific local measures. I urge the Minister to encourage Remploy, through her good offices, to ensure that the ideas that my hon. Friend the Member for Mid-Dorset and North Poole set out—local solutions at a micro level, so that the facilities can be better used to support the longer-term objective of getting more disabled into work—are taken into account fully. It would be absurd if the process was based on a macro decision to close a certain number of factories, without considering how best to make use of the resources currently available, in order to continue to support disable people into work.

I have a few other remarks to make, but in view of the range of issues that have been raised and the Minister's desire to respond to them, I shall finish now. I am sure, however, that there will be another opportunity to debate the issue in future.

3.35 pm

Mr. Jeremy Hunt (South-West Surrey) (Con): I, too, congratulate the hon. Member for Leeds, East (Mr. Mudie) on securing this incredibly important debate and on the passionate and eloquent way in which he put the case for the 2,270 disabled Remploy employees.

Listening to the varied but thoughtful tone of the contributions, I realised that there are two distinct issues that we should recognise. The first is the move towards inclusive employment, which is a significant change. Listening to the hon. Member for Bolton, South-East (Dr. Iddon) talking about the battles that he fought under the previous Conservative Government also reminded me of the Andrew Marr series that is currently on television. I do not know whether hon. Members saw the episode last night, but it had a scene about the miners' strike. That reminded me how much the country has changed, although I do not want to get into that debate, because I am somewhat outnumbered in the Chamber. Watching that programme also reminded me how much we have moved from being a manufacturing economy to being a service economy. That has good aspects and bad aspects, but for people with learning disabilities in particular, it can pose a problem, because jobs in manufacturing industries were often particularly well suited to people with learning disabilities.

I have visited a manufacturing business in Cardiff that is a social firm—an interesting new model that which should replace workshops. In a way, social firms are a modern version of the sheltered workshops that we used to have. The management at that business told me that people with learning disabilities had a competitive advantage over other employees when it came to certain types of tasks. The problem is that as we have moved away from being a manufacturing economy, a lot of those jobs have gone.

However, there is a consensus that the move towards inclusive employment is important. If disabled people are to move not only towards independent living, self-respect and dignity and out of poverty, which affects too many of them, but towards a sense of being part of mainstream society, then we should encourage a model in which disabled people are employed wherever possible in jobs where they sit alongside non-disabled people.

That is an important change, and I should like to do something that has not been done so far this afternoon: compliment Remploy on the way in which it has tried to adapt its business to take account of that change. Last year it placed 5,200 people in mainstream employment through the Interwork programme, which is a 25 per cent. increase on the year before. That is a lot of people who have been helped. Remploy has therefore been trying to adapt in a difficult competitive climate.

I, too, want to leave the Minister time to respond fully to the points that have been raised. The problem that the Government face is that there is a limited budget, which means that we shall at some stage have to consider whether the £5,000 that it costs to employ someone with a severe disability under the Workstep programme stacks up against the £20,000 that it costs to employ someone in a Remploy workshop. We have to be honest about that terribly difficult dilemma because the Shaw Trust, for example, says that it has 600 disabled people waiting to get on the Workstep programme and that it cannot get funding for them. The trust desperately wants to get those people into employment. If I can put it this way, there is an opportunity cost to not using the resources as wisely as possible.

That said, the other clear strand to this debate has been the genuine and heartfelt concern, particularly among hon. Members in whose constituencies Remploy factories are scheduled for closure, about the fate of the individuals who work in them. As the Secretary of State said in his statement on 22 May, the majority of those individuals have learning disabilities, and that group is the hardest to employ. The hon. Member for Leeds, East spoke of a 20 per cent. employment rate among those with learning disabilities and histories of mental illness, but according to a survey that Remploy did with Radar, the employment rate is even lower among those with learning disabilities only: it is 10 per cent. That group is the very hardest to employ.

A second factor has to be added to that: many such people are older employees. In his statement, the Secretary of State said that 650 of the 2,270 employees—28 per cent. of the total—were over the age of 60. They may wish to take early retirement. However, we have not yet been able to find out how many of the employees are over 50, although I suspect that they make up about

half the total. It will be particularly difficult to find another placement for them.

People are concerned that it may be very difficult for someone who has worked loyally in a role for much of their life—someone who has found the inclusion, involvement and friendship that the hon. Member for Leeds, East mentioned—to find another job full stop, even with all the support provided by Remploy. We know that such people will be financially looked after because the terms and conditions will be preserved, but it would be a tragedy if those people, at that stage of their lives, ended up receiving the money but not all the other incredibly important benefits that come from being at work.

The Minister could help us with some specific matters. One is the concern about pension entitlements. I believe that the Remploy pension fund has a £48 million deficit. There are particular concerns about whether promises made about pensions will be secure, particularly given the current environment.

There is also concern about how the factories were chosen for closure. Remploy factories in the constituencies of a lot of prominent Cabinet Ministers, including the Chancellor of the Exchequer—and the Minister, I think—have not been chosen for closure. The real concern is that Remploy has not published the business case on the future that it saw for each of the factories under consideration. That makes people worry that that is the first step to the wholesale closure of the entire Remploy network. I am prepared to accept the Minister's assurances that she does not want that to happen. However, if we are to have confidence that that is not part of the plan, we need to see a good business case for the factories that are not threatened with closure to remain open.

I am grateful to the Minister and the management of Remploy for keeping me in the picture on this difficult issue in the past few months. I recognise the benefits of the financial package offered to the 2,270 disabled employees. However, money is not the only issue; a lot of other factors are very important in those people's lives, and we are all seeking reassurance that those other factors will be adequately addressed in any restructuring.

3.44 pm

The Parliamentary Under-Secretary of State for Work and Pensions (Mrs. Anne McGuire): It is a pleasure to serve under your chairmanship, Mr. Caton, in what has been a thoughtful and thought-provoking debate.

At the outset, I want to put some things up front and on the record. We still believe in supported factories and that there needs to be a subsidy for some employed disabled workers, whether within supported factories or in the mainstream. We still believe that Remploy has a future, and I ask hon. Members to remember that Remploy is more than the factory network. As the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Danny Alexander) said, Remploy is part of a wider family of provision. We are guaranteeing the budget for Remploy over the next five years—£555 million, as my hon. Friend the Member for Leeds, East (Mr. Mudie) said.

I thank my hon. Friend for generating this debate and for some of the comments he made during it. We need to recognise that the issue that we are discussing is difficult. Colleagues from all political parties have made contributions. Other Members in the Chamber have not participated in the debate but have Remploy factories in their constituencies. My hon. Friend the Member for Motherwell and Wishaw (Mr. Roy), for example, is a Government Whip and so is not allowed to participate, but I welcome his presence.

When my hon. Friend the Member for Leeds, East was deputy Chief Whip, people would never dare say "no" to him or his colleague, my right hon. Friend the Member for Newcastle upon Tyne, East and Wallsend (Mr. Brown). It was a case not of getting retaliation in first, but of not retaliating.

We Members here today have a lot in common on this issue; we agree about a lot. I certainly welcome the comments of my hon. Friend the Member for Leeds, East on how he envisages Remploy's future in terms of providing, not a destination, but a gateway for disabled people. I also welcome his comment about wanting more disabled people in work, because that is exactly what underpins the modernisation programme. Neither the Secretary of State nor I have embarked lightly on this process; we appreciate the sensitivities involved. However, we know that our underlying ambition is shared with Remploy and its trade unions. We want to get more disabled people into work—and more disabled people want to move into work.

We have to be clear that in its current configuration, Remploy is not going to rise to that challenge. That is why we brought in PricewaterhouseCoopers—not only, I say gently to my hon. Friend, as number crunchers. We also made sure that that consultancy included a senior employment adviser, who is disabled himself and who has extensive experience of disability employment issues. As part of the team, he was there to act as advocate in any disagreement on the disability-employment side. It was not just a case of number crunching.

I turn to the point made by my hon. Friend the Member for Hayes and Harlington (John McDonnell) about where we should start again. We can go round that issue as often as we like, but there comes a point when we have to make a decision. What we are discussing has not been sprung on the trade unions or hon. Members in the past few weeks. We have been talking about the modernisation of Remploy since May last year, when I laid a statement before the Commons that clearly stated that the Secretary of State and I had ruled out the two extreme options in the PricewaterhouseCoopers report, which were to do nothing or to close the whole factory network. As my hon. Friend the Member for Bolton, South-East (Dr. Iddon) reminded us, that was once an option in the dim and distant past.

Within that framework, we asked the Remploy board to consult, discuss and negotiate with their trade unions over that period to consider how we can reach a position on which we can all agree. Those discussions have taken place, a great deal of work has been done and the business has been opened for the trade unions to scrutinise over that period. Nothing has been hidden; it is all up front. We put the PricewaterhouseCoopers report into the public domain so that everybody shared the information, and we ensured that PricewaterhouseCoopers engaged

[Mrs. Anne McGuire]

meaningfully with the trade unions. However, to be frank, there comes a point when we need to consider making a decision.

Of course, we do not underestimate the difficulties that will be caused for individual people. I take on board the comments made by various hon. Members to the effect that the change is enormous for disabled workers who have worked in a factory for a long time. That is why we have built in a protection package, including the guarantee on final salary pensions. I am sure that when my hon. Friend the Member for Leeds, East was a trade union officer for the National Union of Public Employees and then for Unison, he would have been pleased if an employer had put that on the table as the first stage of the bargaining rather than having to have it pushed, shoved and dragged out of them.

We did all that, and we also ensured that Remploy engaged with the trade unions. I want to be clear about that engagement. In order to ensure that Remploy knew the parameters, we promised to maintain the baseline funding. The work with the trade union consortium deserves particular mention, and I am sure that my hon. Friend, who has extensive experience as a trade union officer, will recognise the quality of the engagement. A joint Remploy-trade union working group was established to consider the challenges that face the company and to discuss possible solutions.

The group has met on no fewer than 10 occasions since last July, with the business on the table. In order to enable the trade unions to have the support on the detailed financial and commercial information provided by the company and the advice that they thought was necessary, Remploy provided them with the services of the consultants Grant Thornton. Remploy paid for the consultants to ensure that that the unions had the same professional advice as the board. It has provided the trade unions with other financial support, including covering the costs of all the meetings on modernisation. Indeed, as we speak, 14 members of the consortium—16, in fact, but only 14 are employed by Remploy—are in Brussels to discuss the issues with MEPs, which was paid for by the Remploy company.

As a company, Remploy has been exemplary in the way in which it has managed the discussions with our trade union colleagues. I say our trade union colleagues because as a member of the GMB I recognise the sensitivity of the matter. When the new chairman, Ian Russell, was appointed, he held discussions with all the trade union general secretaries involved in the consortium. He also invited the consortium to present its own modernisation proposals to the February and April Remploy board meetings. The engagement has been widespread, and I hope that my hon. Friend will take that in the positive spirit in which it was—*[Interruption.]* I know that he is only trying to josh me, but he knows from his experience that there are few situations where engagement with the trade unions at all levels took place throughout a lengthy process.

John McDonnell: I accept what the Minister is saying about the efforts that Government have made to urge management to support the unions in their discussions and so on. However, the process has failed and consensus has not been reached. It behoves the Government to go the extra mile and to intervene. They should bring all parties round the table and consider whether, in these last moments, we could reach some agreement on a way forward.

Mrs. McGuire: With the greatest of respect to my hon. Friend, the process has not failed. The trade unions and management will meet next week to discuss the proposals. I return to my earlier comment—there has been an extensive lead-in to the discussion of the proposals. At the moment, they are just proposals. Nothing has been confirmed.

I hope that I can give some comfort to the hon. Member for Mid-Dorset and North Poole (Annette Brooke), as we have discussed the matter extensively elsewhere. There ought to be discussions about local solutions. The hon. Lady, my hon. Friend the Member for Leeds, East and the hon. Member for South-West Surrey (Mr. Hunt) highlighted opportunities to consider local situations where sheltered workshops and factories, local authority factories and sheltered workshops run by voluntary organisations could come together. My hon. Friend the Member for Bolton, South-East mentioned that, too.

We have heard a great deal about the subsidy. We are in no way saying that there should not be a subsidy, and our Workstep programme is based on providing a subsidy to meet the difference in production between a disabled worker and a non-disabled worker. In Remploy, supporting someone in a sheltered or supported workshop involves a subsidy in excess of £20,000. In the area represented by my hon. Friend the Member for Leeds, East, Leeds city council provides sheltered factory support of £4,800 for individual disabled workers, who are similar to those who work in the Remploy factories and do the same kind of work in many instances. That pattern is replicated across the country. We want Remploy to draw its subsidy nearer to £4,800, but we are not asking it to draw it down that low and it does not propose to do so. Its aim is to have a subsidy of about £9,000 a year.

I know that public procurement causes great interest among Members, and Remploy recognises that some leverage is left in terms of public procurement. It has just appointed a new head of public procurement and has listened to the trade unions on that subject. The Department for Work and Pensions, Remploy trade unions and Remploy management have met regularly to consider how they can increase the amount of business from public procurement. Even under the current arrangements, I do not want anyone to think that there is no public procurement business in Remploy—indeed, £42 million of their sales are directly linked to the public sector, which is Remploy's biggest customer.

A range of issues have been raised, which mainly relate to how we will get from where we are to where most of us want to be. That is where my hon. Friend the Member for Leeds, East and I share an ambition. Thousands of disabled workers want to be in employment, and Remploy has a crucial role to play. However, there comes a point in our deliberations where we have to make tough choices. Those choices are not driven by the budget. They are putting people

on the dole. We are not saying that we want do not want to support disabled people in Remploy. We want to do all those things, but we need to decide how to get from where we are now, with only 5,000 people employed in the Remploy factories, to the situation that the Remploy board says that it can achieve, which is to have 20,000 disabled people employed for the same amount of funding from DWP. That would be a laudable achievement. We are still at the proposal stage, and I am sure that hon. Members and my hon. Friends will continue to make the case about how to pull together on this difficult decision.

There have been changes in the way in which disabled people are perceived in the labour market. Those changes have not happened fast enough or well enough in some instances, but I want to see Remploy continue for the next 60 years to deliver for disabled people—

Mr. Martin Caton (in the Chair): Order. We must now move on to our next debate.

Bus Passes (Asylum Seekers)

4 pm

Graham Stringer (Manchester, Blackley) (Lab): I am grateful for the opportunity that this debate gives me to dispel some of the myths about asylum seekers that have been put about by the British National party and other racist organisations. The debate is unusual because, although the Under-Secretary of State for Transport, my hon. Friend the Member for Glasgow, South (Mr. Harris), is on the Front Bench, it could as easily have been answered by the Minister for Immigration and Asylum. I wish to put on record my thanks to him for a number of meetings and the significant amount of correspondence that we have had on this issue.

Before I come to the details of bus passes in north Manchester, which I suppose sounds like an esoteric subject but has become important, I should like to give a little background information to help hon. Members understand why I am so concerned. North Manchester and Higher Blackley, in my constituency, have had an exemplary record in race relations. Relations were good in the mid-1990s and before, and a large number of Kosovan refugees came and stayed there successfully as the war took place in the former Yugoslavia.

The genesis of the increased problems that the BNP is trying to exploit was the decision by my right hon. Friend the Member for Blackburn (Mr. Straw), Home Secretary in the 1997 to 2001 Government, to disperse asylum seekers throughout the country. The dispersal went well in many areas, but not in north Manchester. We were promised that the asylum seekers who would be dispersed there would be from a small number of language clusters and serviced by a sufficient number of interpreters and extra resources in schools and education. To put it quite simply, they were not. There were no interpreters and the dispersed people spoke 30 or 40 different languages between them, which made matters more difficult for the public authorities. Iranians were put in the same house in multiple occupation as Iraqis, which was a most extraordinary circumstance. People who had been paying rent to private landlords were thrown out of their houses because the Home Office, via the National Asylum Support Service, paid higher rents.

The dispersal was a disaster and led to a number of racist attacks on asylum seekers, some of whom were hospitalised. After I spoke to my right hon. Friend the Member for Blackburn and Barbara Roche, who was then a Minister of State at the Home Office, it was agreed that there would be a moratorium. That was publicly proclaimed. Since then, my right hon. Friend the noble Lord Rooker and my right hon. Friend the Member for Stretford and Urmston (Beverley Hughes), when they were Home Office Ministers, have confirmed the moratorium on dispersal of asylum seekers. Race relations have improved and returned to their previous good state, with one exception. In 2005, just after the general election, my hon. Friend the Member for Harrow, East (Mr. McNulty), when he was the responsible Minister—a lot of people have been in the job in the past five or six years—had to apologise because there was a small breach of the moratorium.

Relations have generally improved but, as has happened throughout history when there have been

[Graham Stringer]

waves of refugees and immigrants, the nasty bottom-feeding racists have exploited the situation and perpetuated myths and lies, some of which are still going around. That is really the point of the debate. Two of the myths, other than the one about bus passes, are worth referring to because they are so bizarre, but people repeat them anyway. One is that Oldham council, which is the neighbouring council to my constituency on one side, provides asylum seekers with cheques for second-hand cars. If I have heard that once, I have heard it ten times. It is unusual and ridiculous, but it creates resentment if some people are gullible enough to believe it. The second myth repeated by many people was that a shop on Kenyon lane in my constituency was open only to black people. They said that there was a sign there saying that white people were not allowed. Local councillors investigated and spoke to the shopkeeper, who said, "Look, 60 to 70 per cent. of my customers are white. That is the reflection of this area. This is absurd." But still the myth was repeated.

That brings me to the persistent myth that asylum seekers are given free bus passes to travel all over Greater Manchester which are not available to other members of the public. When I go to public meetings, talk to people in the streets or go to street meetings, often towards the end I am asked, "Why are the asylum seekers getting better treatment than we are on public transport? It's not fair." A number of local councillors in the area have heard the same myths and, with me, have investigated the cause of the misconception. Councillor Risby, the long-standing councillor for Moston, Councillor Murphy, Councillor Cooper, Councillor Curley and Councillor Hackett have all helped to get to the bottom of what turns out to be quite a complicated story, which is worth relating and putting on record.

I wrote to the passenger transport executive, as did Councillor Risby. We got back a reasonable letter saying that there were no special passes available to asylum seekers, but the myth persisted. A little later, we found out that the Home Office was purchasing for asylum seekers about £53,000-worth a year of passes called system one scratchcards, which were not available in that form to the general public. Day saver tickets are the equivalent, cost the same and can be purchased on buses by members of the public, but the scratchcards are mostly bought by companies that want to give them to their employees, who can scratch the dates off and use them. Although there was no preferential treatment for asylum seekers, people had seen different passes on the buses.

I had a meeting on 1 February with my hon. Friend the Minister for Immigration and Asylum, who wrote to me on 15 March having exchanged information with the passenger transport executive. He explained the Home Office's basis for purchasing the passes. It is worth my reading a couple of paragraphs of his letter. The letter explains how the passes are funded:

"The terms of the travel expenses policy were previously agreed by my predecessors and a rollout schedule was produced for the implementation of RepARC and travel expenses to begin on 10 October 2005 in Manchester and Liverpool. The travelling expenses policy is in the public domain and the terms of it are published on the IND website. Travel expenses are now available for supported asylum seekers requiring travel to each of our 12 Reporting Centres: four in London and a further eight across the rest of the country at Solihull, Kent, Liverpool, North Shields, Glasgow, Leeds, Loughborough and Manchester.

Travel expenses are provided in the form of travel tickets made valid for the applicant's next reporting event. My predecessors considered a range of payment options which included the chartering of buses for those living outside the specified distance (this would have required considerable organisation in each location, empty buses still to be paid for and the arrival of large groups likely to diminish the efficiency of the reporting location) and payment in cash on production of receipts for the journey (cash would have to be held in all reporting locations to which people report, requiring secure handling, storage and accounting processes in every operational location). The chosen option was to obtain tickets from local Passenger Transport Executives and issue them to applicants for their next reporting event. This was considered as the most effective avoiding waste and the risks of cash handling whilst still encouraging compliance."

The letter makes it clear that an asylum seeker who lives more than three miles away from the reporting centre gets a card that they can use on the day that they have to report to the centre. That is the travel assistance that they get. It is not preferential treatment for asylum seekers but the Home Office being as efficient and effective with its money and its policies as it possibly can be.

Because the myths were persisting, local councillors and I wondered whether there was some sort of scam going on at the same time. I wrote to the PTE, and it agreed to investigate what was happening. It reported its findings in a letter to Councillor Risby on 15 November 2006. It found that about 2 per cent. of activity on the buses was fraudulent—activity such as people sneaking past the bus driver, people not paying for a ticket, other people using the wrong ticket. A relatively small amount of money was involved.

That investigation took place before it was known that the Home Office was using a scheme that was, in principle, the same as the scheme that is available to the general public but slightly different. When I discovered that, I asked for another investigation to be carried out to see if there were any other scams going on, and the PTE investigated again. In an interesting letter dated 2 May, David Leather, the interim chief executive, said that in the final investigation

"7,000 passengers had their tickets and passes inspected during the two week period. The findings of the revenue inspection in Moston"

that is part of the area in north Manchester that I am talking about—

"were similar to the fipdings on the wider network and in line with our other inspections, when a ticket or pass was not deemed valid, it was withdrawn. A total of 241 tickets and passes were withdrawn; of these, 178 were System One PayPoint tickets"—

that is not the kind that asylum seekers have—

"45 PTE concessionary passes and 18 single operator tickets. Only six of the System One scratchcards which had been sold to the Home Office were seen, all of which were being used on the correct date."

There is no evidence that there was any fraudulent activity by asylum seekers. The letter continued:

"A note was made of the number of each one seen and there was no evidence of the same ticket being used later the same day. However, we believe that there is fraudulent activity in respect of the System One PayPoint tickets and we are working with the bus operators and GMP to address this."

I wish to conclude by making a series of points. What has been learned from the investigations and the exposure of the myths as racist myths is that a small amount of fraud is going on, as often happens in any cash system, and the police and the PTE are dealing with it. But, not uniquely in history, we have a situation that the British National party, which increasingly camouflages itself as an ordinary community activist organisation as opposed to the group of racist thugs that it actually is, has been able to exploit. There are lessons to be learned from this case about fighting racism and dealing with the BNP. When things that public bodies do go wrong—in the first place, the Home Office simply got this wrong—they have to be put right as quickly as possible so that the public service, whether it involves delivering bus passes or dispersing asylum seekers, is effective and can do what it is supposed to do as well as possible.

The system must be open. The most fertile ground for racists is a situation in which they are able to say to people who have lived in this country for a long time that people who have just arrived, in whatever circumstances, are getting a better deal than they are. We must ensure that all our services are delivered as effectively, openly and fairly as possible. We have seen in this case how, over a period of seven or eight years, racists have been able to exploit the situation. There is a by-election in my constituency at present, and the myths that are being spread include myths about bus passes, earlier myths that would be laughable if they were not seriously directed at refugees, and other racist myths that have gone on as long as people have existed.

This is a difficult debate for the Minister to reply to. It is about transport and the Home Office, and also about the big issue of how central Government, local government and local democracy deliver services. I hope that he can assure us that the principles of effective and transparent government will be pursued to expose myths.

4.17 pm

The Parliamentary Under-Secretary of State for Transport (Mr. Tom Harris): I congratulate my hon. Friend the Member for Manchester, Blackley (Graham Stringer) on securing time this afternoon to discuss this issue. He and I have discussed transport issues on several occasions since I was appointed as Minister. He will be unsurprised to hear me say that this is probably the first debate in which I can honestly say that I agree with every word that he has uttered. He has performed a valuable service, and I will come back to that at length later.

I understand that there are some local issues regarding the issuing of payment for the travel expenses of asylum seekers in Manchester. My hon. Friend explained the system better than I could have, so he will know that the vouchers are issued to asylum seekers by the immigration reporting centres to be used for travel to the next reporting event—or appointment, which is how most of us would refer to it. The reporting centres purchase the vouchers in advance from the Greater Manchester passenger transport executive.

My hon. Friend has previously met my hon. Friend the Minister for Immigration and Asylum to discuss his concerns about the payment of travelling expenses for asylum seekers. I understand that my hon. Friend the Minister wrote to him in March setting out the background to the provisions. As was explained to my hon. Friend the Member for Manchester, Blackley, the payment of travel expenses is a fundamental part of the Government's policy to encourage compliance with our requirements that asylum seekers keep in touch with the immigration and nationality directorate during consideration of their case. We make no apologies for that particular policy—it was the right thing to do because it prevents the use of lack of funds as a reason for failing to comply with a reporting event. Such payments are made to those asylum seekers who live 3 miles or more from a reporting centre or on the grounds of exceptional need. That is a national policy and is not unique to Manchester.

As my hon. Friend said, travel expenses are provided in the form of a scratchcard travel ticket that is made valid for the applicant's next reporting event. In other words, it is valid only for that particular day and is not a travel card in the normally accepted definition of the phrase. That is the most effective way to avoid waste and the operational risks associated with cash handling. My hon. Friend discussed the issue of fraud with my hon. Friend the Minister for Immigration and Asylum, and he confirmed that fraudulent use of the system was not significant, but that his officials remain vigilant. If evidence of abuse on a significant scale comes to light, appropriate action will be taken to counteract it. The information that my hon. Friend has given hon. Members today is extremely useful in nailing one of the many myths surrounding the issue.

Asylum seekers are not being provided with bus passes as some people are claiming—my hon. Friend was absolutely correct about that. To be totally clear, the issuing of travel vouchers has nothing to do with concessionary bus passes and it is certainly not a preferential system. However, it is sadly typical of the extremists of the British National party to try to exploit the fears of ordinary people and to whip up resentment and hatred against a vulnerable group of people purely for political gain. Frankly, that is a disgraceful attitude and all hon. Members are grateful to my hon. Friend for highlighting that obnoxious tactic. He deserves the thanks of the whole House. I hope that I can share his optimism that now that we have nailed those myths, the spreading of the lies will cease. However, given the record of the British National party on fact and truth, I am not optimistic that the myths will stop being circulated.

In the meantime, as my hon. Friend has raised concessionary travel it might be helpful to explain who is eligible for the statutory minimum bus travel concession in England. From April 2006, residents of England who are 60 years of age or over and eligible disabled people have been entitled to free off-peak local bus travel within their local authority area, and across the whole passenger transport executive in the metropolitan areas, if that is where they live. Eleven million people in England and more than half a million people in Manchester are eligible for the statutory concession, which is already making a real difference to the lives of many constituents, including those of my hon. Friend—especially older and disabled constituents. In fact, those people account for two out of three public transport journeys, which is more than 4 billion journeys a year in England. As we

[Mr. Tom Harris]

all know, last year my right hon. Friend the Chancellor announced that from April 2008, people in England who are aged 60 and over and eligible disabled people will be able to travel for free by local bus anywhere in England, not just in the local authority or passenger transport executive area.

To make the national bus concession a reality, the Government introduced the Concessionary Bus Travel Bill to Parliament, which completed its Committee stage last week. Throughout the past year, in the run up to the Bill and since its introduction, we have actively involved members of the concessionary fares working group in our plans for the national concession. The group consists of representatives from all tiers of local authorities, including the passenger transport executives, and is assisting us in the implementation of the national bus concession.

The group advised that there would need to be greater consistency in the assessment of eligibility by local authorities across the country because, for the first time, a local authority will be required to reimburse operators for travel by a concessionaire who may not be resident in its area. I can assure my hon. Friend that we are seeking to improve the guidance that we issue to local authorities on assessing the eligibility of disabled people. Indeed, next week the Department's officials are holding a workshop with local authorities, to which a passenger transport executive representative has been invited, to explore the issues surrounding eligibility. We intend to discuss the matter with stakeholder organisations as well, with a view to updating and reissuing guidance in the run-up to April 2008.

The Government, of course, share the concerns raised by my hon. Friend. We are constantly in dialogue with local authorities and passenger transport executives through our concessionary fares working group. The Government have an excellent record on concessionary fares and it is important to note that it is all too easy for extremist, neo-fascist groups to exploit for their own political ends a positive policy that offers social inclusion to a vulnerable group of people. I reiterate the gratitude that hon. Members and I feel towards my hon. Friend for raising an absolutely crucial issue. I share his hope that now that we have nailed the myths, they will stay nailed.

4.25 pm

Sitting suspended.

Workplace Diversity

4.27 pm

Lorely Burt (Solihull) (LD): I am extremely grateful for the opportunity to speak about such an important subject, which is as diverse as the debate title suggests. I appreciate that the Minister will do his utmost to deal with the points that I am raising, but I would be grateful if he would write to me if there are matters that he is unable to address for any reason.

When I trained in personnel management, I remember being confronted with the following question from an old-fashioned recruiter: "Would he fit in at my club?" We were recently treated to the news that the British intelligence services—MI5—had had a record number of applicants from diverse backgrounds because it had advertised on the internet. The days are long gone when someone had to be an Oxbridge graduate who was watched carefully before being hand-selected for MI5—or so John le Carré novels would have us believe was the case. Today we realise that our spies need to look like the population that they are required to blend into and the civilian work force should have the same laudable aim.

Management theory teaches us that the best teams are made up of different types of character, which means that they can perform better because they incorporate different talents, aptitudes and abilities. That is also the case in relation to diversity in the work place. I will make the case for more sensitive employment policies for ethnic minority women. However, the case is just as clear for women generally, ethnic minority men, and people of a different sexual orientation—lesbian, gay, bisexual and transgender, to which I will refer using the term LGBT.

On ethnic minority women, I am indebted to the Equal Opportunities Commission for its excellent briefing, on which what I will say is based. The EOC research identified several employment gaps facing ethnic minority women, including participation in the labour market. Some 79 per cent. of white men are in employment, compared with 66 per cent. of white women and 62 per cent. of black Caribbean women. Those figures go down to 22 per cent. for Pakistani women and 18 per cent. for Bangladeshi women. On progression, 19 per cent. of white men are in managerial or senior official positions, compared with 11 per cent. of white women, 9 per cent of black Caribbean and Pakistani women and 6 per cent. of Bangladeshi women. On pay, although women as a whole face a pay gap, it is far worse for many ethnic minority women. For example, Pakistani women working full-time earn 28 per cent. less than a white British man working full-time. Surely that cannot be right.

The business case for employing ethnic minority women is clear. They represent a growing pool of talent with better qualifications than white males. Given that the Leitch review in 2006, looking at the UK's long-term skills needs, highlighted a serious shortage of skilled school leavers, it makes no sense for so many Bangladeshi, Pakistani and black Caribbean women to be working in jobs so far below their levels of qualifications. Furthermore, businesses whose work forces reflect the diversity of the population are in a better position to tap into new markets.

The Government's introduction, in April, of the gender equality duty is extremely welcome. It requires public sector employers to look more closely at their gender representation and to identify underlying cultural or other barriers to the recruitment and progression of women in the workplace. That duty extends down the supply chain as well, so at least some private business is covered. However, there is no requirement on private organisations per se to examine their recruitment and promotion strategies in order to tackle unconscious sexism.

Yesterday, the Government published the discrimination law review, which aims to enshrine all anti-discrimination law in one Act. For ethnic minority women, the single equality duty will be a big help because it brings the issues of women and ethnic minorities, which previously straddled two equality strands, under one integrated duty.

There are three main barriers to the progression of ethnic minority women at work. The first consists of racism, sexism and anti-Muslim prejudice. Bangladeshi, Pakistani and black Caribbean women under 35 and in employment are two to three times more likely than white women to be asked in job interviews about their plans for marriage or children. That research, which was carried out by Botcherby in 2006, also found that one in three black Caribbean working women under 35 and one in five Bangladeshi and Pakistani women have experienced racist comments at work.

The second barrier is workplace culture, which was well-documented in a report by the EOC entitled, "Moving on up? Bangladeshi, Pakistani and Black Caribbean Women and Work". To be seen as team players, staff feel obliged to participate in out-of-work activities, which might make them feel uncomfortable—for example, going to the pub, gambling or even adult clubs—if I may dare to even mention them within these hallowed portals. The latter is hardly a Muslim woman's cup of tea, or indeed that of a lot of other people. That club atmosphere does not exclude people deliberately, but it has that effect, I think. Furthermore, people who speak fluent English but with a foreign accent are often treated impatiently. Managers make assumptions about women's home life, which is especially damaging if those assumptions affect recruitment or promotion decisions.

The third barrier is the lack of support for working parents and carers. Finding affordable child care and a job with flexible working arrangements is critical for black Caribbean women, who are more likely to be lone parents, and Bangladeshi and Pakistani women, who are more likely to have larger than average families. There are still far too few jobs available on a flexible basis. Another EOC investigation, published this year, found that 35 per cent. of people not in work said that they would be encouraged back into work if flexible working was on offer.

So how can the Government and employers address that unfairness?

John Penrose (Weston-super-Mare) (Con): I congratulate the hon. Lady on securing this important debate on a crucial topic. Has she had a chance to read the recent Select Committee on Work and Pensions report addressing participation by minorities in the workplace? The report identified not only the issues that she has mentioned, but a number of other vital points and difficulties experienced by many in minority groups trying to enter work, such as not having English as a first language and in some cases a lack of community support for entering work in the first place. Those are crucial issues as well. Does she have something to say about them, as well as ensuring proper employer attitudes?

Lorely Burt: I am extremely grateful to the hon. Gentleman for his intervention. I am afraid that I have not read the report, but I shall do so. Clearly, it is breaking new ground in a difficult area, particularly in relation to the attitude of local communities towards entering work. I am minded to recall the situation of women who have difficulties entering a job. Perhaps they would be interested in self-employment. A number of extremely valuable micro-finance initiatives compliant with sharia law are available. Starting up, even on a small scale, does wonders not only for women's confidence, but for interaction with the local community. I am in total agreement with him and thank him for his intervention.

I would like to make some suggestions about how the Government and employers can redress the unfairness. I have three main solutions. First, we need to develop cultural intelligence in the workplace; employers need to confront racism, sexism and anti-Muslim prejudice. That could be done by up-skilling managers to facilitate better awareness, understanding, confidence and competence in relating positively to employees from diverse backgrounds. Given the critical role of line managers in determining whether ethnic minority women thrive in an organisation, such cultural intelligence is essential.

Cultural intelligence cannot be learned in a one-off diversity training course. It needs to be embedded in management practice and organisational values so that people can deal effectively with any incidents of racism, sexism or anti-Muslim prejudice by staff, customers or clients and adopt open and transparent recruitment practices for all job opportunities.

The second method would be to improve careers advice and guidance. Careers staff need a better understanding of the specific barriers facing ethnic minority women, and advisers should be trained in cultural intelligence. Equality should be built into the new quality standards for careers information, advice and guidance in schools. The new careers service for adults proposed for England and Wales should have access points at community venues, and the marketing of the service should specifically target unemployed Bangladeshi and Pakistani women. Employers should be linked into careers advice services, to promote job opportunities more widely and to set up opportunities for work placements.

The third strand is to improve support for working parents and carers. We should use Jobcentre Plus advisers to help women to find employment that fits with their child care responsibilities. I am sure that that is done to an extent at the moment. This year, I introduced a ten-minute Bill, the Flexible Working Bill, which deals with extending the right to request flexible working to parents with children under the age of 18. However, the issue is more the cultural attitude among employers towards employees. Employers who introduce such

[Lorely Burt]

measures find that retention is improved, the absenteeism record is much better and employee loyalty is much enhanced.

The community company initiative Women Like Us is fantastic. That organisation works exclusively to match the work needs of mothers returning to the workplace after having children with the needs of employers who are willing to offer flexible working in return for the huge talent, flexibility, loyalty and retention that they get in return. Let us have more of that, please, and give Women Like Us and organisations like it the funding to develop throughout the United Kingdom.

I am indebted to Stonewall for its research relating to lesbian, gay, bisexual and transgender people. Lesbian, gay and bisexual people comprise about 6 per cent. of the population, according to Government estimates. That is roughly 1.7 million people in the UK work force. Stonewall found that 36 per cent. of gay employees say that they will change careers if discrimination continues. One third of gay staff conceal their sexual orientation from their employers and co-workers for fear of discrimination. Not surprisingly, at least 55 per cent. of gay employees facing discrimination report a direct negative work impact, so employers who do not deal with these problems will find their productivity decreasing. Most worryingly, approximately 20 per cent. of gay employees facing discrimination at work will consider suicide.

Sexual orientation is not yet within the auspices of the discrimination law review in so far as it applies to the equality duties being recommended for employers. Under present legislation, there are three separate duties in respect of race, gender and disability. The discrimination law review has one solid proposal to integrate those three into one duty, which I have already mentioned. It is considering extending that approach to sexual orientation. We certainly urge the Government to include that arrangement, as has already been proposed in Lord Lester's Equality Bill of 2003.

Such a move would go a long way towards the measures that Stonewall is calling for. Will the Minister comment on what the Government have done so far to address the following solutions, proposed by Stonewall? It proposes measures to ensure that employers recruit and select fairly. Recruiters often have stereotyped notions of what LGB people are good or not good at. Stonewall proposes measures to ensure that recruiters understand fair selection criteria and apply them consistently.

Stonewall also proposes measures to tackle issues of workplace bullying and harassment and to make staff feel confident about using complaints procedures, even if that means revealing their sexual orientation. It proposes the establishment of employee networks—forums for staff who share one or more aspects of their identity. Employers increasingly appreciate the benefits that such forums can bring to the whole organisation. Also proposed are monitoring and evaluation on whether an organisation's diversity policy is being implemented.

For as long as I have held a women and equalities portfolio, I have sought assurances that the Government will address the issue of transgender people, but despite that, in the equalities law review and indeed in all legislation relating to fair treatment in respect of sexual orientation, there remains absolutely no protection for transgender people unless they have had or are seeking gender reassignment surgery. The vast majority who do not want surgery—people such as transvestites and cross-dressers—will not be covered. Will the Minister please talk to his colleagues about that grave omission? Those people are not huge in number, but they are suffering and the Government are not listening.

With all the groups that I have discussed today, there is a huge pool of talent, skill, dedication and loyalty there for the asking. It makes huge economic sense for any employer to go fishing in that pool. Will the Government encourage and cajole employers to take the plunge, for the sake of their own profits, the economic prosperity of this country and fairness itself?

4.46 pm

The Parliamentary Under-Secretary of State for Trade and Industry (Jim Fitzpatrick): It is a pleasure to see you in the Chair again, Mr. Caton. It is only five and a half hours since I last saw you there, so I hope that you managed to have a break in the meantime.

I congratulate the hon. Member for Solihull (Lorely Burt) on securing this very useful debate. I am grateful that she gave notice of some of the issues that she intended to raise. We can all agree that there is no place for discrimination in a modern, tolerant society, and there is much of which we can be proud. The UK has some of the most comprehensive anti-discrimination legislation in Europe and human rights are enshrined in statute. The Government have extended anti-discrimination law—as well as protecting people from discrimination because of their sex, race or disability, we have ensured that it is now also unlawful to discriminate in the workplace on the grounds of gender reassignment, sexual orientation, religion or belief, or age. Those regulations were intended, among other things, to help to tackle bullying and harassment in the workplace.

Evidence from the implementation of the regulations shows that anti-discrimination laws can be a powerful tool for tackling prejudice and bullying. People are making use of the regulations to enforce their rights through employment tribunals. The Government have also extended regulations to outlaw discrimination in the provision of goods and services on the grounds of sexual orientation and religion or belief.

Yesterday, as the hon. Lady mentioned, we published our consultation document on the discrimination law review to help to ensure that we have a framework of anti-discrimination law that is fit for purpose for the 21st century. We want to simplify and clarify the law. Clearer law in a single equality Act will help to prevent discrimination in the first place, because everyone will know where they stand. If people are discriminated against, they will know what their rights are. The single equality Act will put the law on equality and discrimination in one place, supported by clear and practical guidance. We want to hear people's views on the many issues that we need to consider for such a comprehensive statute. We want to see whether there are gaps in protection that need to be filled. The consultation will also consider whether, and how,

statutory protection against harassment on the ground of sexual orientation should be provided outside the workplace. Even though we have a lot to be proud of, there is still a long way to go. It is not enough just to have laws on the statute book, because they must be accompanied by a change in attitude.

I want to deal with the specific issue of Pakistani, Bangladeshi and Afro-Caribbean women and work.

John Penrose: Before the Minister moves on to the specific issues of women and ethnic minorities, I would like to ask him something. He mentioned age discrimination. I believe that the Government recently said that they were reluctant to extend the protection from age discrimination to people who are older than 65 and that they will not be re-examining the issue until 2011. Given that he has mentioned that the Government are seeking comments on equality and anti-discrimination law, will they be considering comments on age discrimination in respect of over-65s before 2011?

Jim Fitzpatrick: The age discrimination regulations are relatively new and we are monitoring them carefully. The hon. Gentleman, should he wish to do so, will obviously have the opportunity to make a contribution to the equality consultation that is about to start—we are certainly interested in application and experience.

The Equal Opportunities Commission's report "Moving on up?" showed a contrasting picture. It contains stories about women who have broken down barriers and overcome the preconceptions to become very successful in their chosen fields of education, business and the wider community. Young Pakistani, Bangladeshi and Black Caribbean women are increasingly well qualified and keen to work, but they find it harder than white women to get jobs and to get promoted. Bangladeshi and Pakistani women who have a degree and are seeking work are five times more likely to be unemployed than white British women with a degree. The EOC found that Pakistani women who work full-time face a large pay gap, earning £3.28 less per hour—or 28 per cent. less—than white British men working full-time

The gender and ethnic pay gap is not just bad news for women, because it means that women's abilities and skills are not being fully utilised in business and the economy. The Government are committed to reducing the gap between men's and women's earnings, and tackling the obstacles that prevent people from achieving their potential. We can help by means other than anti-discrimination legislation. The EOC identified one of the main barriers as being the fact that working parents and carers find it hard to access the support that they need. I can proudly say that we have done a lot to support working families: we have created more than 1 million child care places; there are now more than 1,000 Sure Start centres across the country, providing families with support and advice; the right to request flexible working has made a huge difference, because in the five years since its introduction the number of new parents working flexibly has trebled; and we have just extended the right to request flexible working to carers of adults, giving the right to 2.65 million more employees. Our research shows that flexible working is becoming the norm. Almost all employees surveyed said that some form of flexible working was available.

The Government also have specific, targeted programmes to help the most disadvantaged ethnic groups to find work—for example, the science, technology, engineering and maths access grants given to increase the participation of Afro-Caribbean boys and Pakistani and Bangladeshi girls in those subjects. The programme aims to encourage those groups who are particularly under-represented in related careers. Another such scheme is the partners outreach programme, which is designed to help Pakistani and Bangladeshi women who neither work nor claim benefits.

Lorely Burt: Before the Minister leaves the flexible working arena, will he tell me whether the Government are examining the possibility of extending the right to request—I am not talking about any entitlement—flexible working from the current age provision to parents who have children aged up to 18?

Jim Fitzpatrick: I remember sitting on the Front Bench on 27 March listening to the hon. Lady's ten-minute Bill on that subject. As I was able to tell her afterwards outside the Chamber, we are keeping the situation under review and taking this a step at a time. We believe that the approach that we have so far adopted is the right one. It is clearly seen to be working for individuals in business, and I can envisage further extensions. The time scale and the pace of the change remain open to conjecture, but the evidence so far is encouraging. We do not want to go too fast, and I believe that she knows where we are coming from.

As I was saying, diversity in the work force is not an issue for the Government to solve alone because employers must play their part too. Equality and diversity in the workplace is about not only social justice, but competitiveness. Companies that have well thought-out and well implemented race equality policies will gain competitive advantage. Ethnic minorities now make up about 7.9 per cent. of the population—the figure was 4.6 million people in the 2001 census—and between 1999 and 2009 they will account for half the growth in the working age population. Ethnic minorities in the UK are a growing market with increasing disposable income.

For many businesses, it is essential that they understand and meet the needs of a diverse customer base. For example, HSBC and Halifax branches in London's Chinatown employ staff who speak Chinese to help them access the small businesses around that area. Having a diverse work force is one part of the business strategy. All businesses need talented staff. If they do not recruit, retain and promote from all sections of the community, they will miss out on potential sources of talent at all levels of the company. Ensuring that employees have an equal chance to progress based on merit can lower staff turnover and the high cost of replacing skilled workers.

Some businesses are already taking that approach, and not just in the area of ethnic diversity. For example, companies such as Barclays, British Telecom, Credit Suisse, JP Morgan, IBM, Shell, Sainsbury's and Ford proactively work with Stonewall in a scheme

[Jim Fitzpatrick]

called diversity champions. They work with the sole aim of ensuring that their companies follow best practice in diversity policy in relation to their lesbian, gay, bisexual and transgender staff. They believe that that is not only the right thing to do, but that it gives them a competitive edge and better knowledge of their marketplace. I am pleased to say that the Government have supported Stonewall.

In terms of behaviour in the workplace and how people interact, the law exists to protect people from discrimination. It is the employer's responsibility to ensure fair treatment and to prevent bullying. If issues around cultural sensitivity exist, it is for the employer to resolve them. The hon. Lady mentioned the situation where a workplace has all its work meetings in a pub. Such meetings could take place in more exotic locations, although she rightly disparaged those. In such circumstances, the employer needs to examine whether the practice excludes certain sections of the work force. Such an examination is good business practice, not political correctness.

Any business that wants to be successful should not close its doors to men or women with talent, whatever their ethnic origin or religion or sexual orientation. I welcome initiatives such as the EOC's new campaign "Promoting people not stereotypes", which looks to explode myths. Advice for employers on diversity is available from sources such as ACAS, Business Link, the Commission for Racial Equality and the new Commission for Equality and Human Rights. Training on diversity is available from organisations such as ACAS. I urge all employers to use the resources available. The Government's ethnic minority employment taskforce will be looking further at working with employers.

We have spoken about particular groups in today's debate, but the work force is still constantly changing. I am thinking of the Jewish and Irish workers in this country over recent centuries, the Black Caribbean, Pakistani, Indian and Bangladeshi in the decades after the second world war, and the most recent arrivals from Eastern Europe. As the work force and population changes, there will be new challenges. There may be issues that we have not even anticipated yet, but we have made progress and can continue to meet any challenges that may arise.

I hope that I have dealt with the issues that the hon. Lady raised, but I shall be happy to respond further in writing, as she requested.

Question put and agreed to.

Adjourned accordingly at three minutes to Five o'clock.

Westminster Hall

Thursday 14 June 2007

[JOHN BERCOW *in the Chair*]

Drug Classification

[Relevant documents: Fifth Report from the Science and Technology Committee, Session 2005-06, HC1031, the Government's response thereto, Cm 6491, and follow-up evidence to the Committee, Session 2006-07, HC65-i.]

Motion made, and Question proposed, That the sitting be now adjourned.—*[Liz Blackman.]*

2.30 pm

Mr. Phil Willis (Harrogate and Knaresborough) (LD): I am pleased to speak in this packed Chamber to open the debate on the Science and Technology Committee's report, "Drug classification: making a hash of it?" Our report, on the classification of illegal drugs, was part of an overarching inquiry. Although it stood as a one-off piece, it was also part of a major piece of work that the Committee did on scientific advice and risk and evidence-based policy making in government.

We chose to examine drug classification for a variety of reasons, but mainly because the misuse of illegal drugs is a major public health, criminal and social problem. That was confirmed in the recent Reuter-Stevens report for the UK Drug Policy Commission, which concluded:

"The United Kingdom has the highest level of dependent drug use and among the highest levels of recreational drug use in Europe."

That was a powerful statement to make and it is why everybody in the Chamber takes the issue seriously.

The classification system plays a key role in directing Government resources for tackling illegal drugs. About 75 per cent. of the total budget in the area is spent on enforcing drug laws, at the heart of which is the drug classification system. At the heart of our inquiry was a simple question: is the system fit for purpose? As such, we examined in detail the role played by the Government's scientific advisory committee on the matter, the Advisory Council on the Misuse of Drugs.

Given the highly critical nature of our report, the responses from both the Government and the ACMD were extremely disappointing. The Government rejected more than half our conclusions and recommendations, and the response from the ACMD was unnecessarily aggressive. We felt that large elements of our report were totally misunderstood and misrepresented.

Dr. Evan Harris (Oxford, West and Abingdon) (LD): As a member of the Committee, I share my hon. Friend's analysis of the Government and ACMD responses. It is worth noting that, in a follow-up session, the chairman of the ACMD accepted that the grumpiness of its response was over the top. The ACMD at least recognised that, but perhaps the Government did not recognise quite so well the shortcomings in their own response.

Mr. Willis: I am grateful to my hon. Friend. Indeed, when Professor Sir Michael Rawlins and Professor David Nutt came before our Committee, as did the Minister, we received some clarification. However, it is fair to say that even after that meeting, many of our key recommendations were not accepted. We found that frustrating, because the issue is hugely important. We hope that, having had time to reflect on the report, the Minister will be able to provide us with more hope. I for one know that he is as anxious as any hon. Member to tackle the multi-billion-pound evil of the illicit drug trade and arrest the huge social damage caused by drug misuse.

My task today as the Chairman of the Committee is to provide an overview of the key themes covered in the report, give a brief update on developments of relevance and highlight some of the outstanding issues to be addressed by the Government. I am delighted to see two of my Committee colleagues here, my hon. Friend the Member for Oxford, West and Abingdon (Dr. Harris) and the hon. Member for Bolton, South-East (Dr. Iddon), who is something of an expert. We look forward to hearing his contribution later.

I shall begin by addressing what I see as a lack of evidence supporting the current classification system. It was introduced in the Misuse of Drugs Act 1971, and our attitudes to policing and punishment for possession and supply are scaled according to a drug's classification. It is therefore essential that the classification is fit for purpose, but we found a range of anomalies in decision making about drug classification, some of which I am sure the hon. Member for Bolton, South-East will wish to refer to.

By way of example I shall focus on two particular drugs: magic mushrooms and ecstasy. Fresh magic mushrooms have been placed in class A, the highest level, despite an almost total lack of evidence to support that. There is a lack of evidence that such classification reflects the harms associated with their misuse or even that they are being misused. The chairman of ACMD told us that the active substances in magic mushrooms were psilocin and psilocybin, and that they were highly dangerous. Nobody particularly disputes that, but he went on to say:

"I have no idea what was going through the minds of the group who put it in Class A in 1970 and 1971...It is there because it is there."

It is surely unacceptable that drugs are in particular classes just because they have always been there. We are relying on classifications made more than 30 years ago, when there was less concern about the evidence base supporting policy. The 1971 Act does not specify why particular drugs were placed in different classes, and the then Home Secretary James Callaghan said that the Government had attempted in the Bill to put drugs

"in the order in which we think they should be classified of harmfulness and danger."—[*Official Report*, 25 March 1970; Vol. 798, c. 1453.]

That was in 1970. In many cases, therefore, we rely on a classification system based on what the Government thought then.

We also considered the classification of ecstasy and heard evidence from Professor Colin Blakemore, the chief executive of the Medical Research Council, who said that ecstasy was

"at the bottom of the scale of harm"

[Mr. Willis]

and

"on the basis of present evidence...should not be a Class A drug".

In a climate of evidence-based policy making, which is what the Government say underlines the policy process, one should therefore reasonably be able to assume that the classification of ecstasy would be reviewed and that, if appropriate it would be reclassified. However, even if there were a wealth of evidence undermining the classification, ecstasy would remain in class A, because the Government have no intention of reviewing or reclassifying it. The Government's approach to ecstasy therefore appears to be entirely political rather than evidence-based. The Minister told us:

"What I am saying is the ACMD, of course, can conduct research and look at whatever they wish to with respect to drugs and make recommendations to the Government. What I am saying quite clearly is that we have no intention of reclassifying ecstasy."

It seems pretty pointless to have an organisation that is there to do the very job of advising the Government if they say, "No matter what evidence you bring before us, we're not even going to look at it."

I would be interested to hear whether the Minister has changed his mind on the issue. If not, will he at least recognise that the decision to keep ecstasy in class A is political rather than evidence-based?

Dr. Harris: My hon. Friend is putting the case superbly; it really is a clear exposition of the dilemma. Judging from his work on the Committee, is he surprised that the ACMD has not yet got around to reviewing ecstasy? Does he think that the reason for that is that it knows it would undermine its credibility to do so, because the Government have given advance warning that they will not accept what the ACMD says? Does he agree that it is quite corrosive to the whole advisory system for the Government if committees do not believe that they can do work that they would otherwise do, because they will look stupid as the Government have pre-rejected their findings?

Mr. Willis: My hon. Friend tempts me to go in a direction that I do not want to pursue, other than to say that it is important that any advisory committee that is independent of the Government and that is offering independent advice should have a mind of its own. Perhaps I could leave it there.

If there is a lack of evidence to support the classification of particular drugs, does the classification system support other planks of Government drugs policy? It seems not. We found, for example, that there is no solid evidence to support the idea that there will be a deterrent effect if a drug is placed in a higher class. Our conclusion has since been echoed by the UK Drug Policy Commission, which says that the concept of a deterrent effect has

"little or no support from the available research".

To be fair, the Government accepted that there is an absence of conclusive evidence on the deterrent effect and agreed to consider ways in which the evidence base for such an effect could be strengthened. I would like to ask the Minister, first, what steps have been taken to strengthen the evidence base, and secondly, if new evidence were to undermine the principle of the deterrent effect, would that have an impact on the current policy on classification?

Linked to the idea of the deterrent effect is the notion that classification can be used to send out messages. We have a number of concerns about that notion. The purpose of classification should be to categorise a drug according to the comparative harm, be that physical harm, dependence or social harm, that is associated with its misuse. That does not necessarily sit comfortably with the secondary aim of sending out messages. It must be one or the other.

In our report, we considered the example of methylamphetamine, or crystal meth. The Government kept it in class B because they were concerned that reclassification to class A might send out the message that crystal meth was a dangerous drug, thereby increasing interest in it and encouraging potential users. There was absolutely no evidence on which to base that conclusion. The ACMD told us that it was "a judgment call". That example highlights the inconsistency of a classification system that at times relies on moving a drug to a higher class to deter potential users—the deterrent effect—as was the case with ecstasy.

It is worrying that a Government who claim to formulate evidence-based policies are content to use classification to send out signals to users without undertaking any research to establish the relationship between the class of the drug and the signal that is sent out. Given the inconsistencies in the classification system and the lack of evidence to support the principles on which it is founded, the Select Committee believes that it is not fit for purpose. We concluded in our report, and continue to maintain, that the current classification system is antiquated, arbitrary and ripe for revision.

Our findings are not surprising. We reiterated the findings of the Runciman report, which proposed that the classification system be reviewed, and the Home Affairs Committee's 2002 report on drug policy, which recommended that LSD and ecstasy be reclassified. Our conclusions have recently been echoed by the newly formed UK Drug Policy Commission and the report of the RSA—Royal Society for the Encouragement of Arts, Manufactures and Commerce—commission on illegal drugs, "Drugs—facing facts". The RSA calls the current classification system "arbitrary, confused and haphazard"

Despite the wealth of evidence to the contrary, the Government assert that the classification system discharges its function fully and effectively, and that it has stood the test of time. There is little evidence to support that assertion, and I ask the Minister whether he can provide such evidence this afternoon. Perhaps he could also explain something that has confused me: how can the Government have so much confidence in the current classification system when the chairman of the ACMD technical committee, Professor David Nutt, told the Select Committee that he does not think that

"all the drugs are correctly classified according to the current classification system"?

The very person who heads the technical committee of the Government's ACMD says that the system is not fit for purpose. I look forward to the Minister's response to Professor Nutt's strong statement.

Having found the current classification system to be inadequate, we rightly turned our attention to possible improvements. We recommended that the Government establish a more scientifically based scale of harm. We believe that that would have much greater credibility than the current system, in which classification decisions seem quite arbitrary.

Our proposals have considerable support. In March, a paper by Professor Nutt, Professor Colin Blakemore, the chief executive of the Medical Research Council, William Saulsbury of the Police Foundation and Leslie King of the Forensic Science Service—hardly lightweights in the field—was published in *The Lancet*. The paper proposed a nine-category matrix of harm that took account of physical harm, dependence and social harms—the very things that are at the heart of the Government's policy. Its main findings rejected the crude rank ordering of drugs and their segregation into groups under the ABC classification system. Significantly, it found that tobacco and alcohol were in the top 10 higher-harm groups.

Also in March, an RSA report recommended that the Government replace the Misuse of Drugs Act 1971 with a misuse of substances Act that focuses on the harms that drugs cause. Like our report and the paper in *The Lancet*, the RSA report recommended that there should be an index of substance-related harms that is based on the best available evidence and modified in the light of new evidence. I am keen to hear from the Minister whether he is willing to explore how a more scientifically based scale of harm could be used.

One element of our proposal for classification to be based on the scale of harm is the question of whether the classification system should continue to have a direct link to the criminal justice system, as it has had since 1971. During our inquiry, we heard from the chairman of the Association of Chief Police Officers drugs committee that the classification system was only

"a rough guide for the police and...was pretty crude".

That was said by the deputy chief of the Met.

When we discussed the issue with police officers in the United States, we heard that the lack of a direct link between schedules and penalties gave the police the freedom to focus resources as they saw fit, rather than being tied in by the classification. We therefore recommended that the Government decouple the ranking of drugs on the basis of harm from the penalties for possession and trafficking. We believe that such decoupling would mean that harms could be assessed objectively without having practical implications for the criminal justice system. The ranking of drugs could be changed frequently within a scientifically based scale of harm in response to new evidence without directly impacting on the system of penalties.

If the scientific scale of harm were not linked to penalties, it would also be possible to include tobacco and alcohol in the scale and thereby give the public a better sense of the relative harms involved. We believe that the public would be interested to know, as was pointed out in the paper in *The Lancet*, that alcohol is rated as more harmful than ketamine, amphetamines and tobacco, and that tobacco is rated as more harmful than cannabis, LSD and ecstasy. That is quite a startling statement.

We did not use our report to recommend an alternative approach to determining penalties, as that was not in our remit, but we suggested that possibilities could include a greater emphasis on the link between the misuse of a drug and criminal activity, or a clearer distinction between possession and supply. The Select Committee was in no way trying to undermine the very real problems that the Home Office and the police have in dealing with drug-related crime. They need greater powers rather than fewer powers, but such powers must be very much directed at the problem.

The Government rejected our recommendation to decouple penalties and harm ranking. They said that a fundamental purpose of the classification system was to provide a framework within which penalties are set with reference to the harm caused by a drug. If the Government choose to pursue that line and insist that penalties are coupled with the harm rating of drugs, it is even more important that the classification system is reviewed to ensure that it is robust and evidence-based.

We are extremely disappointed that a review of the classification system is unlikely to take place. We were expecting our report to feed into the review of the system announced on 19 January 2006 by the then Home Secretary, the right hon. Member for Norwich, South (Mr. Clarke). Frustratingly, in their response to our report, the Government announced that they no longer intended to undertake a review, despite having got as far as producing a draft consultation document. Frankly, it was illogical and patronising to be told that the Government want to concentrate on their drugs strategy and that a review of classification would mean that people spent their time arguing about that instead of concentrating on

"the things that are making a difference on the street."

We hope that the Minister will say whether a future review is still possible and that it has not been completely rejected.

Before concluding my remarks, I should like briefly to comment on two other issues covered in the report: the role of the ACMD and the importance of research about drugs. In the report we considered the role of the ACMD and its relationship to Government. Despite the misunderstandings, I do not wish to go over old ground, so I will pick up three of the recommendations about the ACMD that were accepted by the Government.

First, the Home Office and the ACMD should establish a more systematic approach to reviewing the classification of individual drugs. We suggested that the Home Office and the ACMD draw up a list of criteria to be taken into account when determining whether the classification of a particular drug should be reviewed. The Government accepted that recommendation in principle, and Professor Nutt, chair of the technical committee, said that all drugs should be systematically reviewed on a regular basis, probably in a five-year cycle. Will the Minister say what work the Home Office has undertaken with the ACMD to establish a systematic review of current drug classifications?

The second issue is transparency. We recommended that the ACMD should take steps to increase the transparency of its processes by publishing its agendas and minutes and holding meetings in public. The ACMD accepted that recommendation and the Government said that they would encourage the council to increase

[Mr. Willis]

transparency. We have looked at the ACMD's website, and there is little to demonstrate any change in its practices. Does the Minister know what the council's intentions are in that area?

Thirdly, I wish to follow up our recommendation that the Home Office should regularly commission independent reviews of the ACMD. The Government accepted that recommendation in principle and said that the Makeham review of Home Office public bodies would include the ACMD. We understand that Peter Makeham was due to report in April and that the target has been met. Will the Minister comment on the conclusions of that review in relation to the ACMD?

Finally, I will turn to the issue of research. We heard during our inquiry that UK expenditure on addiction research was an embarrassment and that there was a thousandfold differential between UK and US public expenditure on such research. The recent UK Drug Policy Commission report also emphasised the importance of research. It said that the

"current shortage of research means that policy makers have to operate partially blind in this field".

We recommend that the Home Office and the ACMD should develop better relationships with the research councils, particularly the Medical Research Council and the Economic and Social Research Council. The Government and ACMD both accepted that recommendation, and I am keen to hear from the Minister what action has been taken in that area.

Finally, this is an important area of public policy. It is therefore disturbing that the very basis on which drugs policy is built—the classification system—has serious failings. It is also disturbing that the Government are not prepared to either find the evidence to support their view or to look for changes. I hope, however, that the Minister will enlighten us this afternoon and that we will all go home happy.

2.53 pm

Dr. Brian Iddon (Bolton, South-East) (Lab): It is a pleasure to serve under your chairmanship for the first time, Mr. Bercow. The misuse and abuse of drugs is one of the most significant social problems of our time. The previous Government recognised that the situation was out of control and began to take some action, but it was the present Government who invested huge sums in a drugs strategy. In 1997, I campaigned for easier access to treatment for those most affected by the misuse of drugs and I am pleased by the progress on that the Government have made. I am also extremely pleased by recent announcements that the National Treatment Agency is considering the quality and choice of treatment as well as the quantity. Nevertheless, as the Chairman of the Committee, the hon. Member for Harrogate and Knaresborough (Mr. Willis), has reminded us, out of all European countries, Britain is still the one most badly affected by the harm caused by the misuse of drugs.

Since my election to Parliament in 1997, I have been disappointed that so little Government time has been devoted to debating the issue. When the drugs tsar wrote his annual reports, at least we were given the opportunity to debate them on the Floor of the House, but that now seems like a long time ago. I very much welcome this debate, which is quite narrowly focused on the ABC classification. As the chairman of the all-party group on drugs misuse, I am a little shackled today and my mind cannot meander in the directions that it would like to.

Our laws on the use of illicit drugs stem from the single convention on narcotic drugs of 1961, as amended by the 1972 protocol, and the convention on psychotropic substances of 1971, both of which were negotiated by the United Nations and, worldwide, have 185 signatories to date. They were implemented in this country by the Misuse of Drugs Act 1971, which has remained largely intact for more than 36 years, although it has been amended several times. The Advisory Council on the Misuse of Drugs was set up following that Act and the ABC classification of illicit drugs also arose from it.

It is the 21st century and, after 36 years, I ask the Minister whether the time has come to review the legislation, or at least the way in which we apply it in this country. It would be timely to do so because of the review that is pending of the Government's 10-year drugs strategy that was launched in 1998. Britain has applied such legislation more strictly than many of our partners in Europe, especially in recent times. The Netherlands, Portugal and Sweden are three countries that have recently seemed more radical than the UK when dealing with the problem of drugs misuse.

Illicit or controlled drugs are classified as class A, B or C on the basis of the harm that they cause to the individual and to society—the ratio is about 50:50—according to the ACMD and others. Drugs that are new to misuse may be placed in one of those three classifications, as recently happened with ketamine. Drugs may be moved from one classification to another; for example, methamphetamine—crystal meth—has recently been reclassified as a class A drug, which is the most harmful category.

In 2004, cannabis was controversially moved from class B to C. I supported that reclassification and still do. Previously, more than 100,000 people—mainly young people—received criminal records for being caught in possession of small amounts of cannabis. They suffered the consequences of that because, for example, they had to declare it on a job or visa application form. Before cannabis was reclassified, there was a further problem that police forces acted inconsistently.

The ABC classification system also takes account of the route of administration of some drugs. Intravenous injection causes secondary harm. For example, it spreads blood-borne diseases such as Hepatitis C and HIV/AIDS.

The classification of a drug has several consequences. In particular, it determines the legal penalties for importation, supply and possession, and the degree of police effort targeted at restricting its use. According to Blakemore:

"The current classification system has evolved in an unsystematic way from somewhat arbitrary foundations with seemingly little scientific basis".

In any debate such as this, it is important to put facts in context. Although an estimated 3.5 million people misuse controlled drugs, 12 million people smoke

tobacco and 43 million use alcohol. Far more people die as a result of using alcohol and tobacco than through the misuse of controlled drugs. Some 90 per cent. of all drug-related deaths are attributed to alcohol and tobacco. More people die in this country from the use of licit drugs than illicit drugs.

A 2006 report from the UN International Narcotics Control Board shows that there has been a significant rise in the misuse of prescription—legal—drugs. According to that report, the abuse of prescription drugs throughout the world, including here in Britain, now outstrips that of controlled drugs, with the possible exception of cannabis in some countries. In this area of policy, we have to be careful that the application of the law, or the creation of new laws, does not merely displace a person from one type of behaviour to another, such as from misusing illicit drugs to misusing over-the-counter products or prescription drugs.

The ABC classification system has come in for a lot of criticism recently from not only our Committee, but, as we have heard from the Committee Chairman, the RSA commission on illegal drugs, communities and public policy, which published a report entitled "Drugs—facing facts" this year. Our Committee concluded that there are

"significant anomalies in the classification of individual drugs and a regrettable lack of consistency in the rationale used to make classification decisions."

As we have heard, it flagged up the classifications of ecstasy and magic mushrooms. The Committee also concluded:

"the current classification system is not fit for purpose and should be replaced with a more scientifically based scale of harm, decoupled from penalties for possession and trafficking."

I know that the Committee Chairman has cited that already, but it is good to repeat it.

The evidence that we collected suggested that the ABC classification had no deterrent effect, as we have heard. Indeed, it is highly probable that the great majority of drugs misusers are not aware of the classification system, although constant drugs misusers will of course be aware of the harm caused by individual drugs. I dare to suggest that many in the police are not fully conversant with the classification system either, unless they are involved directly in drugs teams. Our Committee recommended that abused substances, including alcohol and tobacco, should be arranged on a spectrum according to the harm that they cause on the basis of scientific evidence.

As the Committee Chairman just stated, our report on the ABC classification system was part of an overarching investigation. The Government claim that their policies are evidence-based and we do not want to lose sight of that in this debate. Fortunately, in a paper published in volume 369 of *The Lancet* on 24 March of this year, Professor Colin Blakemore and his colleagues, the names of whom have been read out already, provided

"a rational scale to assess the harm of drugs of potential misuse"

that was based on scientific evidence:

"heroin (most harmful), cocaine, barbiturates, street methadone, alcohol, ketamine, benzodiazepines, amphetamine, tobacco, buprenorphine, cannabis, solvents, 4-MTA, LSD, methylphenidate (Ritalin), anabolic steroids, GHB, ecstasy, amyl nitrites ('poppers'), and khat (least harmful)".

The scale includes five legal drugs that are misused and one—ketamine—that was classified only recently. They are included for reference purposes. I emphasise the position of alcohol, tobacco and ecstasy in that scale of harm, as did the Committee Chairman.

Blakemore et al established a nine-parameter matrix by dividing the three categories of harm—physical harm, dependency and social harm—into three sub-categories against which each drug was scored on a scale of zero to three by people working in this policy area. The important conclusion from that work was that the scale of harm differed significantly from that represented by the ABC classification system. Although the two substances with the highest harm ratings—heroin and cocaine—are class A drugs, there was a surprisingly poor correlation overall between a drug's classification under the ABC system and its harm score according to Blakemore et al.

Blakemore et al concluded that if the Government were to retain a three-category classification system, drugs with harm scores equal to or greater than that of alcohol should be class A drugs, while cannabis and drugs with lesser harm scores than it should be in class C. Of course, that gives rise to the important question of whether our citizens are receiving justice through the application of the ABC classification system. I have to conclude that the answer is no, they are not.

Unfortunately, Blakemore et al have not provided us with harm scores for psilocin or its ester, psilocybin, which are both class A drugs that are constituents of so-called magic mushrooms. I have been unable to get a proper explanation from anybody of why those two chemicals are class A drugs. I have never known them sold on the streets or met people who have used them.

Although the use of magic mushrooms—prepared and, especially, fresh—has increased in recent years, I know of only one death caused by them. On 1 March last year, I questioned the chairman of the ACMD, Professor Michael Rawlins, about the classification of fresh magic mushrooms as a class A substance. When I referred to the classification of psilocin and psilocybin, he said:

"I have no idea what was going through the minds of the people who put them in Class A in 1970 and 1971".

If we remember that drugs are classified as A, B or C according to the harm that they cause to the individual and to society, it is hard to understand why magic mushrooms, either prepared or fresh, are class A substances. Professor Rawlins admitted that there have been few publications on the properties of psilocin or psilocybin in recent years and that there was little research to support their classification as class A drugs. In his evidence to the Committee on 22 November, Professor Nutt told us that the evidence for placing those substances in class A was "not strong".

I was a member of the Standing Committee that considered the Bill that became the Drugs Act 2005. The Bill was rushed through Parliament ahead of the 2005 general election and as far as I am aware, it was never scrutinised properly by the House of Lords. My understanding was that the Crown was trying to conduct two prosecutions for the sale of magic mushrooms that had been stored in freezers to keep them fresh on the ground that the shopkeeper was selling prepared magic mushrooms, which were already

[Dr. Brian Iddon]

class A substances. Obviously, the Crown was concerned that the prosecutions would fail if that legislation was not rushed through Parliament before the 2005 general election. That is not exactly the way to make evidence-based policy.

I was disappointed, as I think were other Committee members, that the views of the ACMD were not sought formally before fresh magic mushrooms were considered as class A substances, although I accept that doing so was not a statutory requirement. Furthermore, there is always a danger that as the Government get tough on people misusing or abusing one substance, those people will merely start using something else instead. Making magic mushrooms class A substances has displaced people into using alternative substances that might be more dangerous, such as fly agaric.

I put it to the Minister that the classification of psilocin, psilocybin and prepared or fresh magic mushrooms as class A substances has not been carried out with an evidence-based approach. Will he ask the ACMD to classify those substances properly? I hope that he agrees that if the ABC classification of drugs is to be seen as credible by the general public and the penalties for using a drug are to be seen to be just, drugs should be classified according to the best available evidence of the day.

Now that the scale of harm to which I referred has been published in *The Lancet*, does the Minister expect advice on it to come to him formally from the ACMD in the not-too-distant future? In January 2006, the then Home Secretary, my right hon. Friend the Member for Norwich, South (Mr. Clarke), indicated that he thought that the ABC classification system should be reviewed. Professor David Nutt, chairman of the ACMD's technical committee, expressed his dissatisfaction—

3.9 pm

Sitting suspended for a Division in the House.

3.24 pm

On resuming—

Dr. Iddon: I had just mentioned, before the Division, that a former Home Secretary had implied that there might be a review of the ABC classification system, and that Professor David Nutt, the chairman of the ACMD's technical committee, had several times before the Committee expressed dissatisfaction with the present tripartite system. Even my hon. Friend the Minister, when he took up his post, suggested that that review might go ahead. Somewhere along the line the Home Office has changed its mind, and it has not given clear reasons, as far as I am aware. Will the Minister, especially in the light of our report and the recent RSA report, which expressed a view on the classification system similar to the Committee's, reconsider the Home Office position and make it clear to the House? I think that the answer will probably be no, on the ground that that might detract from pursuing all other aspects of the Government's current 10-year drug strategy, but I hope that my hon. Friend will not give that answer.

Perhaps more controversial than the classification of magic mushrooms has been the classification—and, indeed, the recent reclassification—of cannabis; but what is cannabis? There appear to be upwards of 100 varieties of the cannabis sativa plant, with more than 20 in commercial production. The strength of the main psychoactive ingredient, delta-9-tetrahydrocannabinol, or THC, varies according to the species of plant and the part of the plant that is harvested, from about 5 per cent. to about 20 per cent. In recent years the terms "skunk" and "superskunk" have been widely used by the media to describe the varieties of cannabis containing particularly high concentrations of THC. Politicians and others—including me, occasionally—have repeated the often quoted statement that cannabis on sale on the streets today is much stronger than the cannabis that was on sale in the '60s. However, I have been in correspondence recently with quite a few regular users of cannabis—I did not solicit the correspondence; it was sent to me voluntarily—and my correspondents include a member of the Cannabis Assembly. They tell me that when politicians and the media make those statements, the regular users of cannabis merely laugh at us. The fact is that virtually no research has been done on street cannabis to establish either what is on sale or the concentration of THC in it.

The flowering tops of unfertilised female cannabis plants, sensimilla, have always been a source of higher potency cannabis, so there is nothing new about high-strength cannabis. Why is that relevant? Those who want cannabis to be reclassified yet again from C to B argue that there is a link between that much stronger cannabis and the apparently increasing incidence of mental disease among cannabis users. Some years ago, the all-party group on drugs misuse conducted an inquiry into dual diagnosis, long before that became accepted by most professionals in the treatment arena. Obviously, a person who is mentally ill and is also a serious drug misuser needs holistic treatment, for both conditions. Previously patients had to be treated for one or other condition, but not both at the same time, which was highly unsatisfactory, and often failed. It is now generally recognised that about half of the relevant group of people become mentally ill from their abuse of drugs, licit or illicit—including alcohol—and that the rest turn to abusing drugs because they are mentally ill.

In my opinion the jury is still out on whether cannabis causes mental illness. One thing is clear: we need a lot more research to establish the facts clearly. However, I am told that about 4 million people in Britain today use cannabis of one form or another from week to week—some of them from day to day. Very few of those, by comparison, become mentally ill. For users who do become mentally ill, a causal link has not yet been established between the use of cannabis and the mental illness.

The plain fact is that since cannabis was reclassified as a class C drug, the use of all forms of cannabis has declined, especially among young people, contrary to the predictions made by those who opposed its reclassification during heated debates in the period between the announcement in 2002 and the reclassification in 2004. Is that not some proof that the

classification given to a drug is unimportant? What is important is that the harm that all drugs cause should be publicised to everyone.

The position is as follows. While the Select Committee was collecting its evidence, which shows that the ABC classification system—a table of harms that drugs cause—is not fit for purpose, the chairman of the ACMD and the chairman of its technical committee were defending the status quo while knowingly, behind the scenes, receiving evidence of which the Government, too, must have been well aware, that a much better scale of harm was possible, based on scientific evidence. I put it to the Minister: does that not put the Government in an extremely difficult position?

3.30 pm

Paul Flynn (Newport, West) (Lab): I congratulate the Select Committee on its splendid report, which I am afraid will, along with the Wootton report, the Runciman report, the Police Foundation report and the RSA report, be totally ignored by the Government. It is a document of intelligence and is based on genuine research and evidence. However, such reports have been produced for 40 years now and none of them has influenced Government opinion in any way.

The final report having been produced, the Government produced their response. It is a remarkable document, in which they try to justify their response to the Committee. On reading it, the document inspired a powerful memory in me; I had read something like it before. I was thinking of the trial of Galileo, when he was arraigned by the Church. On one side were all the forces of prejudice, superstition and ignorance, set against a man of science who was making arguments based on rationality and evidence.

I do not want to embarrass the Minister or the others who gave evidence too much, but I will make one point. I thought that when the Committee discussed the Government's basis for the classification system, it was commendably patient. It asked again and again on what basis the Government reached their decisions. On page 7 of the follow-up document containing oral and written evidence, we read that the Chairman, the hon. Member for Harrogate and Knaresborough (Mr. Willis), said

"you have not commissioned any research and nor have the ACMD."

The Minister answered:

"No, but what we have said in response to where the Committee challenged us and said, 'Where is your evidence base for that?', as we have done with a number of other things, we said that we understand that point, we accept that point and we need to look at establishing a better evidence base for that"—

and so on.

Thirty-five years after this country passed the Misuse of Drugs Act 1971, which established the classifications, we are about to consider searching for evidence on which the system was based. We know that the system was based on the prejudice of the time. A good guide to the value of Government policy is that when there is a policy before the House on which every party agrees—that happened in 1971, and in 1998 there was only one voice in the Chamber opposing the policy—the policy will not work.

This is not an issue on which any of us can relax or feel that it is trivial. As recently as five hours ago, I was approached by a parent who lost a child as a result of drugs. Two people have died because of drugs in my constituency in the past eight months. I believe that in all three of those cases, the people would not have died if they had been living in Portugal, the Netherlands, Switzerland or Belgium. They were killed not only by the drugs, but by the drug laws. They were killed by the stupidity and cowardice of politicians.

All the debates on the issue—I have been attending them for 20 years in the House—are marked by the same thing. In that regard, I was struck by a comment from a member of the drugs misuse committee when a Minister came along last year and gave the usual story: that we must rely on the policy that we have been following for the past 48 years, which has depended mainly on the criminal justice system. That member of the committee, who had a great deal of experience of drugs as a former heroin addict, said that he had been attending sittings of the committee for many years. He gave a list of all the Tory and Labour Ministers responsible for drugs policy and said that every one of them had talked—the word he used rhymes with rowlocks and starts with b, and it was an absolutely accurate description of Government policy and what has been happening through the years.

We have had not policy that is based on sense; we have had policy that has been influenced by the media and the tabloid writers. Any party—I am sorry that a Liberal Democrat Member has not spoken so far here today; I hope that they will later—that suggested a different policy on drugs was denounced as a party that had gone to pot. The party would be wounded by that and the policy was never apparent again. We must look at the dreadful legacy.

Dr. Evan Harris: I do not want to preface what I shall say later, but I can assure the hon. Gentleman that our policy remains our policy. We are not ashamed of it. We promote it at every opportunity, because we think that it is the best way to crack—if hon. Members will excuse the expression—the problems caused by drugs. We agree with the hon. Gentleman that the policy is evidence-based and sensible. I hope that he will continue to support our policy.

Paul Flynn: Indeed—entirely. However, I think that there is a sense of desperation. I have spoken at committee meetings for many years and I treasure memories from about 12 years ago of speaking in a debate in the Chamber which both Front-Bench spokesmen had to leave at a certain point because they were in need of a fix—both were chain-smokers. After denouncing the terrible drugs that young people were using, they would probably go down to the bar and have a whisky in one hand and a cigarette in the other, and a couple of paracetamols in their pocket for later in the night. Neither of them saw the irony in the fact that they could not last three hours in a debate without having a fix of a drug to which they were addicted—a drug which is in many ways a great deal more dangerous than the drugs covered by the classification system. In the new classification that we have seen, nicotine comes very high when it is smoked; when taken in other ways, its classification is lower. Our system is entirely irrational.

[Paul Flynn]

My hon. Friend the Member for Bolton, South-East (Dr. Iddon) was extremely generous about the Drugs Act 2005 in saying that there was not much of an evidence base for classifying magic mushrooms as a class A drug. It is an act of insanity to give magic mushrooms the same classification as heroin. The only reason why the legislation went through, with the support of the two main parties—and their cowardice—was that a general election was fast approaching. No party—the Liberal Democrats were relatively silent on the issue—had the courage to say, "This is absolute nonsense. You're sending completely the wrong signal by giving magic mushrooms that classification." I have never heard of any deaths because of magic mushrooms. My hon. Friend said that there had been one such death. If there have been deaths because of magic mushrooms, they have certainly been very rare.

Some evidence given to the Select Committee was very compelling. The Transform Drug Policy Foundation argued very persuasively in its evidence that the present policy is based on false assumptions and the underlying historical prohibition—we are talking about an act of prohibition of drugs, which has never been effective; the problems are the same as those associated with the prohibition of alcohol—rather than evidence of the efficacy of the classification system at reducing drug harm.

Can the Minister tell us of any major reduction in drug harm? Let us think back to before 1971, when the Misuse of Drugs Act was passed. The number of cocaine and heroin addicts—it was mostly heroin in this country—was fewer than 1,000. After 35 years of the harshest drug laws and penalties in Europe, we now have not 1,000 addicts, but 280,000 addicts. Holland, after 25 years of regulated, policed decriminalisation has a fraction of the drug use that takes place in this country. Probably the most spectacular evidence of all comes from Portugal, where, in 2005, a courageous Government took on the prejudice of the time, without the support of the press or even many of their parliamentary colleagues, and depenalised drug use. As a result, Portugal has halved the number of drug deaths in that country. The evidence has been independently verified by people from another state.

Can the UK Government not get it through their head that what they have been doing, sitting in their comfortable armchair of traditional policy—so that they do not have to think about anything; they just make the same mistakes as their predecessors—is killing people? This is our responsibility, because it is not people outside who are causing these deaths. We are causing them through our failure to examine rationally policies that work.

The policies that work are those that involve health outcomes—for example, needle exchanges. The Conservatives, to their credit, introduced one pragmatic policy on needle exchanges, but why not have the shooting-up galleries as well? We know that they have been effective when they have been tried in Europe and elsewhere. They keep people away from street heroin, allowing them to use heroin of known purity and quality in controlled conditions, and help is available afterwards. In our country, addicts take heroin of unknown quality using dirty needles in foul surroundings—no wonder they have a short life expectancy. In contrast, countries such as the Netherlands have homes for geriatric addicts who have become addicted for life.

We as politicians have a terrible record in this area. I heard the optimistic comments of the hon. Member for Harrogate and Knaresborough about the possibility of our getting an answer today that contains some evidence of the Government's policy. I have no hope that that will take place. I remember labouring for years trying to persuade this House to ban bull bars. I managed to bore the nation stiff about that subject for many years. I introduced a Bill, as did many other hon. Members—I am going back to 1994 and 1996 here—and although we now have a ban on the manufacture and sale of bull bars, it came not from this House, but from Europe.

In a fortnight's time, I shall be before the Council of Europe as rapporteur on a report that seeks a new convention on drugs. The report says that relying on the criminal justice system does not work, is hugely expensive, causes a great number of deaths and increases the amount of drug crime. We need to heed the health outcomes of needle exchanges and treatment. I should give the Government some credit because they have done something on treatment. Progress has been made in that regard but not in any other area, because the mindset remains the same.

Where are the politicians? In 40 years, not a single politician has stood up and agreed with all these reports—as I have said, this is the latest of many. We have been shown the rational argument and the way to reduce the number of deaths and drug crime. No rational argument is presented by the Government response, and that is a disgrace. The Ministers who continue in this job are not ones who deserve the respect of this House.

This House has not behaved in a reasonable way for many years. We have let down the families of the tens of thousands of people who have died as a result of drug use since 1971. When I have put that argument before the present Minister and many other Ministers in the past, it has never been heeded. There is a way of reducing the harm of drugs, but that way is not MPs, politicians and parties behaving in a way that ignores rationality, ignores the evidence and ignores the truth.

3.43 pm

Dr. Evan Harris (Oxford, West and Abingdon) (LD): I speak with two hats on today: I have been a member of the Science and Technology Committee, including during this extremely enjoyable inquiry into evidence-based policy making and this particular case study, and I speak as the Liberal Democrat Front-Bench spokesman.

May I say that it is a pleasure once again to serve under your chairmanship, Mr. Bercow? Had you not been in the Chair, I suspect that although you are a scrupulously neutral Chairman, you might have participated in this debate speaking from the Conservative Benches. I am not sure, because sadly we shall never know, whether you would have agreed with everything that Front Benchers said in this area.

I ought to say a number of things at the outset. First, we have had an interesting and good but one-sided debate. It would appear that the Back Benchers who have been inspired to turn up are highly critical of the current system and of the Government and the Conservative Front Bench team's support for it. It is important to note that not a single Labour or Conservative Back Bencher can come to support their policy, particularly given that there are easy headlines to be grabbed. The hon. Member for Newport, West (Paul Flynn) made it clear that much of the posturing in this area results from a desire to attract good headlines and a keenness to avoid bad ones. It is remarkable that people have such a lack of interest in coming to support their policy.

It is important to pay tribute to my hon. Friend the Member for Harrogate and Knaresborough (Mr. Willis) for the way in which he chaired the inquiry, as well as for how he introduced this debate. He made a number of important points, thus saving me from having to make them both as a member of the Committee and, where they agreed with Liberal Democrat policy, as a Liberal Democrat spokesman.

I do not know whether it is appropriate to declare an interest in terms of past drug use. In a sense, this has become fashionable, but in another it has become unfashionable. I am prepared to confess that I am one of what is probably a minority of MPs who are willing to admit that they have never taken illicit drugs. I accept that, at least among parliamentarians of my age, and having gone to university, I am unusual in that regard. That at least means that I do not have a vested interest in trying to protect my past and the prospect of criminal sanction when I seek a much more effective way of tackling the drug problem. My approach does not criminalise users as much as the current system does, and it targets the dealers and the people who exploit the vulnerable in the illicit drug trade.

The current system simply is not working. Whenever I read the adverse press comments—they have been mentioned by the hon. Member for Newport, West—about Liberal Democrat drug policy being too liberal and not tough enough, I am always reassured by the fact that the current system is not working, and that every independent inquiry that has examined it recognises that it is not working. Lists of such inquiries were given by the hon. Member for Bolton, South-East (Dr. Iddon) and my hon. Friend the Member for Harrogate and Knaresborough, who set out the fact that every independent inquiry that has looked at this system accepts that it is not working because of its failure to recognise the problems of an approach that is so reliant on the criminal justice system and that does not recognise that drug users need medical help and not the services of the prison system. I find that situation reassuring.

I accept that our approach enables headlines in the right-wing tabloid press to attack an effective drugs policy as being weak, and allows the Labour and Conservative parties, during parliamentary by-elections, to produce cheap leaflet headlines about people being soft on drugs. Without being defensive, I can say that our party is tough on drugs, because we back effective policies. Such policies work in other countries in which they have been tried and there is a huge amount of evidence that they would work well in this country.

I want to make it clear how much importance I attach to the role of evidence in policy. This has two levels, and the wider report of the Science and Technology Committee on evidence-based policy making, which I commend to hon. Members, makes these points clearly. Self-evidently, it is best if policy that can be made on the basis of evidence is made in that way. Clearly, there are some policies for which there is no evidence or for which an evidence base is unhelpful, and we are not talking about those. There are some policies where evidence is a factor, but where economic and ideological considerations are involved. I understand that if a manifesto commitment is made to something that is not evidence-based, it is more difficult to berate the Government for not following the evidence. I accept that there is a hierarchy of policies that can be based on evidence.

The key point is that where the Government claim that a policy is evidence-based, it must be evidence-based, otherwise a deceit takes place that undermines faith in the Government's scientific advisory system and in politics itself. When the Government have a policy that is not evidence-based, or that is evidence-free when it might or would benefit from the evidence, such as drugs enforcement policy, the Government have a duty to say that it is not an evidence-based policy and that it is ideological, economic or media-based. I would have far more respect for the Government's position—although I have enormous respect for the Minister—if they said, "This isn't evidence-based. We're doing it because it's political." Then we could all stop wasting our time trying to persuade the Government of the evidence, and the ACMD could go home. My hon. Friend the Member for Harrogate and Knaresborough referred to a number of instances in which the views of the ACMD and its members in the literature are at variance with the Government's policy.

The one thing that I look forward to hearing the Minister say, other than that the Government have changed their policy on any of the issues introduced by my hon. Friend, is that he accepts that the policy of refusing even to consider reclassifying ecstasy, for example, from class A to class B is based not on any semblance of evidence or willingness to hear evidence, but on raw politics. I feel strongly about this matter, because I feel passionately about the issue of evidence, and the drug classification system is one in which evidence can apply.

When I was employed in public health medicine in a training role, there was an old joke about an epidemiologist in court on a charge. The judge said, "How do you plead—guilty or not guilty?" The epidemiologist said, "I don't know. I can't answer that question; I haven't heard the evidence yet." I accept that one can sometimes go too far in thinking that everything must be evidence-based, but in this area we must accept it. I hope that *Hansard* will note that there was laughter at that point—well, chuckles.

One can get carried away, but not on this issue, because so many lives are affected—those of the victims of the health effects of both legal and illegal drugs and of their families—and such a huge amount

[Dr. Evan Harris]

of resource is spent on a criminal justice approach that could be spent on treatment and education. It is a tragedy all the way around, and my colleagues and I feel strongly about it.

My hon. Friend raised a number of issues, and I shall pick up a couple. One of my questions for the Minister concerns research. During his evidence session in the Committee on 22 November 2006, in question No. 66, we pointed out that the Home Office was said to have commissioned secondary research. We wanted a list of the commissioning, particularly in response to the ACMD's 2002 report on cannabis, its 2003 report on hidden harm and its 2004 report on ketamine, as we had been told that the ACMD had requested research on all those matters.

The Minister said that he would write and, as a man of his word, he did. His letter of 30 November noted that the ACMD had called for research. It said:

"We will consider these carefully when preparing the Government response"

to the ACMD report "Pathways to Problems"

"for publication in the new year."

The letter also listed what the reports stated; but I still do not think that we have seen research specifically commissioned by the Home Office in response to recommendations from the ACMD, which has limited capacity for research, if any. It is sad for such a body to be reliant on a Department to do research when we do not hear whether that research is being properly commissioned.

During our inquiry, we made a number of strongly worded recommendations. I have re-read the report, and—this is not always the case—I would stand by almost all of them, although a couple were looser than they might have been. I was particularly disappointed personally to read the ACMD's response to our report. To use the words of the Chairman himself, that response was defensive to the point of being paranoid about the criticisms made in our report.

For example, the ACMD regarded our report as a "disappointment" and said:

"The Committee's discussion and conclusions go much further than its own terms of reference—and investigations—permit."

I know that the ACMD is full of distinguished people, but for it to tell a parliamentary Committee what it should inquire into and what it can recommend is remarkable. I admire the chairman of the ACMD, who puts up with much more criticism than we ever gave him in his role as the chairman of the National Institute for Health and Clinical Excellence. I hope that he is as robust in his dealings with the Minister as the ACMD was in its bizarre response to our report.

The report made a number of criticisms of how the ACMD works. In particular, it criticised the role of the ACMD. For example, we argued that there was a concern about whether that role was understood. Given that the then Home Secretary seemed not to understand what it was, we repeatedly asserted that

"clinical, medical harm is the advisory council's predominant consideration"

and concluded that it is perturbing that the chairman of the ACMD, who pointed out that social harms were given equal weight in its deliberations, and the then Home Secretary have publicly expressed contradictory views about the council's remit.

The ACMD's response was:

"It is unfortunate that the previous Home Secretary was inadequately briefed on the breadth of the remit of the ACMD."

I do not know what evidence it had that the briefing was inadequate rather than that those were just the then Home Secretary's views. In another part of the report, we expressed regret that Association of Chief Police Officers members on the ACMD appeared not to understand their role. The report pointed out:

"There is no point ACPO having a seat on the ACMD if its representatives do not bring their expertise to bear on the problems under discussion...It is highly disconcerting that the Chair of the ACPO Drugs Committee appears to be labouring under a misapprehension about his role on the ACMD more than four years into his term of office."

In response to that reasonably fair criticism, and given that we had heard direct evidence from the ACMD, that organisation sought to point out that the ACPO members are not representatives, and that we were wrong to call them so. In fact, in using the word "representatives", we were quoting directly from the then Home Office Minister, who said in evidence to us:

"Two representatives of the Association of Chief Police Officers (ACPO) are full members of the Advisory Council on the Misuse of Drugs and contribute their expertise and knowledge of policing issues to the council".

The ACMD lashed out in its response against the Government's misapprehensions, not ours.

It was extremely disappointing to see an apparently independent advisory council such as this being so defensive as not even to concentrate on the main points that we were making and to err in its own response by trying to be pedantic. When being pedantic, one must be right. Otherwise, it is unnecessary pedantry. At the risk of being accused, I shall move on.

The report raised a number of other issues in its recommendations, many of which were covered by the other hon. Members who have spoken. I agree with what was said about the report in *The Lancet* in March this year. It is a significant step for active senior members of the ACMD such as David Nutt and Colin Blakemore to publish in the medical literature a peer-reviewed paper so critical of the basis for the drug classification system. It is key. They said:

"Our findings raise questions about the validity of the current Misuse of Drugs Act classification, despite the fact that it is nominally based on an assessment of risk to users and society. The discrepancies between our findings and current classifications are especially striking in relation to psychedelic-type drugs."

I do not think that it is right that the ACMD, at the time that we published our report, should never have considered whether the classification system to which it worked was appropriate, but at least some of its members took the initiative in doing research and publishing their findings in peer-reviewed journals. Surely that will give the Minister pause for thought and make him sit up and say, "Perhaps something is wrong with our existing policy, it needs looking at and the then Home Secretary's decision all those months ago is worth revisiting." It can only be disappointing for a Select Committee to hold an inquiry, to be boosted by an announcement of Government policy during that

inquiry, to hear that a draft consultation paper is being prepared and to agree with the premise of that consultation paper, only for the Government to cancel their decision. That is extremely disappointing.

Mr. Willis: Does my hon. Friend agree that one of the Government's difficulties is the public perception that the classification system is so linked to the criminal justice system that to decouple the two would cause irreparable harm to their fight against drugs? The Committee was suggesting—there is a genuine misunderstanding—not that the criminal justice system should not be looked at with regard to drugs, but that the classification system, in being decoupled, should have a clear evidence base for where drugs are placed in relation to each other in a classification of harm, leaving the Home Office, the Minister and his colleagues to look at policy on the criminal justice system. That is a real difficulty.

Dr. Harris: Indeed. It is important to say that the Select Committee's report did not say that there should not be a criminal justice approach. That was not within its remit, and I do not want to give the impression that it was. It made it clear that the current system of linking the scale of harm to penalties is flawed, and that sending out messages with no evidence is also flawed, as my hon. Friend made clear in his excellent opening speech. Even without the Minister accepting that pursuing the criminal justice-based approach to the exclusion or detriment of any other approaches is wrong, it is easy for the Government to accept the report's recommendations. It is a unanimous report from people who do not all share my view or that of my party colleagues that the focus of the Government's approach is wrong. I am grateful to my hon. Friend for making that point.

The report raised concerns about the relationship between the ACMD and Departments. Again and inevitably, the ACMD was extremely defensive in its response and argued that there were perfectly good links with other Departments. It stated:

"The council has numerous and extensive interactions...with the Department of Health".

It continued:

"It is unclear...how, or why, the Committee considers the links between the ACMD and other Departments are deficient."

There are good reasons for the Committee thinking that. The Department for Education and Skills seems keen to promote random drug testing in schools. When I heard that that was happening in a Kent school where someone had been given a role in that work by the Government and had resigned as head teacher in order to carry it out, I looked at the evidence base. I noted that the ACMD report "Pathways to Problems" states:

"We recommend that drug testing and sniffer dogs should not be used in schools. We consider that the complex ethical, technical and organisational issues, the potential impact on the school-pupil relationship and the costs would not be offset by the potential gains."

Dr. Iddon: I understand that that Kent school has now dropped the idea. It was extremely costly in the first place because the tests had to be paid for, and the outcomes were almost non-existent. Only one or two cases involving children who had used drugs materialised, if that. The evidence from America shows that putting sniffer dogs into schools is a bad idea.

Dr. Harris: Indeed. I am grateful to the hon. Gentleman, and I am aware of the evidence. On 31 May 2006, BBC Online said:

"Peter Walker has resigned as head teacher of the Kent school where the pilot was conducted, and is appointed as the UK Government ambassador for random drug testing."

It went on to say that he had

"travelled to Washington to meet US drugs tsar John Walters."

As I understand it, the Department for Education and Skills was going to announce funding for more schools to sign up to random testing. If the project had been properly researched or was a trial that was to be properly evaluated with a clear protocol, rather than a case of seeking to fund something because it sounded good, I would not criticise it. However, given that the ACMD did not recommend piloting a scheme, but was against that, it is not unreasonable for the Select Committee to question its links with the Department for Education and Skills, particularly if a clear recommendation seems to have been ignored in respect of one of the few policies relating to the ACMD's work that the Department for Education and Skills has promoted.

I want to talk about politicians' approach to the matter. It is important, and I hope that you will bear with me, Mr. Bercow. As has been said, the failure to grasp the importance of the need to tackle the problem properly and honestly is depressing. I want to set out Liberal Democrat policy, if only to reassure the hon. Member for Newport, West that we are very clear about it.

We want to re-establish the existing ACMD as a standing drugs commission with a remit to look at the effects and abuse of all drugs, including alcohol and tobacco, to reallocate resources to drugs treatment, education and rehabilitation facilities, to introduce measures to reduce drug dependency, including specialist heroin treatment clinics, and to allow GPs to prescribe emergency doses of heroin in certain circumstances.

There is good evidence from other countries to show that allowing the health care system to help users who are not deterred by the prospect of prosecution and imprisonment would do far more to fight crime, because of the impact of acquisitive crime by drug addicts. I look forward to the Minister giving me some comfort on that.

The Parliamentary Under-Secretary of State for the Home Department (Mr. Vernon Coaker): I apologise for intervening, because it is often better to listen to the whole debate and to respond at the end, but this may be helpful to the hon. Gentleman. Of the people who enter drug treatment, 80 per cent. do so through the NHS and health programmes, and 20 per cent. do so through the criminal justice system. I wanted to highlight that point, because there is often a misconception among the general public that the vast majority of people who enter treatment do so through the criminal justice system. I accept the hon. Gentleman's point about treatment, and part of our success has been significantly to increase the number who enter treatment.

Dr. Harris: That is an interesting intervention, and I am afraid that I shall become epidemiological again. I am grateful to the Minister for engaging, but an increased number of people coming forward for treatment might reflect an increased number of users, so that might not be a sign of winning the war. I think he would accept that, and I am not criticising him. Raw numbers do not necessarily provide the answer. I am not sure whether he is saying that an increased proportion is coming through the health care sector rather than the enforcement sector, which might indicate that more resources are going into the health care side and that the enforcement approach is failing relatively speaking, or it could mean that people are less deterred by fear of being criminalised and are coming forward. It is not clear what the figures mean.

However, it is clear—this should at least be tried—that if hard-drug-users were told that they could be treated with replacement therapy before reduction therapy and without being sent to prison or being charged, and we went after the dealers rather than the users, there would be a huge incentive for people not to resort to prostitution and acquisitive crime, because they could get their fix from a doctor, even if they did not yet want to come off drugs. I accept that that needs resources, but the scale of acquisitive crime in terms of shoplifting is remarkable.

I am conscious of the fact that we are discussing drug classification rather than general enforcement issues, but I wanted briefly to set out some of the key issues. It would be good for enforcement if ecstasy were reclassified from class A to class B, separating it from the most dangerous drugs such as heroin and crack cocaine. At the very least, we would want to see the evidence, otherwise it would be wrong of us to criticise the Government for not listening to the evidence. If the ACMD considered it and argued that ecstasy should remain as class A on a basis that we supported, rather than a basis framed by the Government's approach, we would reconsider the issue. Let us be clear about that. It is clear that if people have to go to class A drug dealers to get hold of ecstasy, which young people use on such a widespread scale, the dealers might want to sell them stuff that was even more addictive, and which produced even higher returns for them. That must be understood.

We strongly support the Government's position on cannabis as a class C drug. In fact, as the Minister knows, we would go further. The Conservative party feel strongly about the issue, but I say to the hon. and learned Member for Harborough (Mr. Garnier) that we the Liberal Democrats recognise that it is a dangerous drug, and that I as a doctor realise that it is bad for people. I have never taken it, because I do not see why I should put my health at risk through those means.

The question is not about cannabis being harmful, however, because if we were rational about that issue, measures on cigarettes and alcohol would be enforced to a greater extent. I recognise the scientific expertise of the hon. Member for Bolton, South-East, but the question is not about how strong cannabis is or about what evidence there is about its contribution to psychosis. The whole issue plays on the need to educate, not to enforce, given the number of people who are at risk.

I do not understand why politicians want to get into that posturing—that Dutch auction. I remember when, some time ago, the Conservative party, at the behest of the right hon. Member for Maidstone and The Weald (Miss Widdecombe), wanted to take a very tough line, which was derailed by the fact that many of the shadow Cabinet then admitted that they had been cannabis users. That fact is not relevant, however; the policy was wrong. The fact that they had taken it shows that the policy was wrong, but they should have dropped the policy not because of that fact, but because it was wrong.

Paul Flynn: The right hon. Member for Maidstone and The Weald was making what was to her a powerful point, saying that there was a slippery slope, and that if somebody started taking cannabis, they would end up in terrible degradation. The seven people who made the admission said "We took cannabis, and we ended up on the Tory Front Bench." Did not that support her policy?

Dr. Harris: Yes, indeed. The hon. Gentleman brings me to the case of the hon. Member for Henley (Mr. Johnson), a constituency neighbour of mine, whom I greatly admire. However, I see in the *Oxford Mail* the headline, "Boris: I took cocaine and cannabis". The article says:

"Top Tory MP Boris Johnson has admitted to smoking cannabis and snorting cocaine, but few of his Oxfordshire colleagues shared his candour when approached last night."

None of the Oxfordshire MPs, other than myself, was prepared to discuss their past, and if the Conservative party wants to take an enforcement-based approach, it should call for the hon. Gentleman's prosecution. I must say that I would rush to his defence, but it seems that with his confession, he is bang to rights. Unless Conservative policy is for a statute of limitations, it would not seem sensible that people who have possessed and used class A drugs should be exempt 10 or 20 years on because they took them only at university. I do not understand the rationale behind that idea.

Why should a politician—let us not be too specific—want to condemn potentially tens or hundreds of thousands of young people to a criminal record, but then say that they are entitled to privacy themselves? A defendant cannot say, "It is a private matter. Before I became a bricklayer, I was at college, and I am entitled to keep private my life before I became a bricklayer" or, indeed, "I am entitled to keep private my life before I became unemployed." Why should the suggestion that one is entitled to a private life before one becomes an MP be used as a defence by a party that wants to prosecute without any exceptions? I think I have made my point.

I applaud the Science and Technology Committee, the other members—not myself—of the Committee, the staff and the Chairman. No greater honour may be given to the Chairman, the Committee members and the staff than that which Lord Cobbold gave in the House of Lords in January, when he said:

"I am of course aware of the excellent report of the House of Commons Science and Technology Committee, *Drug Classification: Making a hash of it?*"—[*Official Report, House of Lords*, 16 January 2007; Vol. 688, c. 563.]

The report's title stated that current drug classification policy was not fit for purpose, and the Government face an enormous challenge to change its direction. I accept that it will not happen overnight, but I hope that, at the very least, the Government will identify which parts of their policies are evidence-based and which are politics-based, because they are entitled to do so. I hope also that they will agree not to attack other parties for having evidence-based policies, which scientists, scientific advisers and the published medical literature support, when they themselves do not have policies that stand up to the same scrutiny.

4.15 pm

Mr. Edward Garnier (Harborough) (Con): It is a pleasure to see you in the Chair, Mr. Bercow.

I begin by thanking the Committee Chairman, the hon. Member for Harrogate and Knaresborough (Mr. Willis), for his report and his colleagues for their work in producing it. I thank him also for the measured way in which he introduced the subject, which cannot be said of all speeches this afternoon. The title of the report, which was published last July, "Drug classification: making a hash of it?", demonstrates not only that he has—to a certain extent—a sense of humour, but that he is critical of the Government's approach to illegal drug classification.

If one turns to part 7 of the report, one sees on page 42 the way in which the Advisory Council on the Misuse of Drugs approaches classification. There are three categories: "Physical harm", "Dependence", and "Social harms". Within those are the types of harm, or factors, that influence the ACMD's approach. In relation to physical harm, the ACMD talks about "Acute", "Chronic" or "Parenteral"; in relation to dependence, it talks about the "Intensity of pleasure", "Psychological dependence" and "Physical dependence"; and in relation to social harms, it talks about "Intoxication", "Other social harms" and "Healthcare costs".

Paragraph 94 of the report says:

> "It is important to note that most of the current classifications of drugs were not decided on the basis of the risk assessment process described above. This is reflected in the conclusion drawn by the RAND report that 'classification is not based upon a set of standards for harm caused by a drug; it varies depending on the drug in question'. DrugScope also told us: 'there is no standard assessment tool or set of criteria of harm against which to match the different drugs'."

That seems to be a perfectly fair and legitimate criticism, which is based on evidence.

The report goes on to make another fair and legitimate criticism. It notes that on 19 January 2006, the then Home Secretary, the right hon. Member for Norwich, South (Mr. Clarke), said:

> "The more that I have considered these matters, the more concerned I have become about the limitations of our current system...I will in the next few weeks publish a consultation paper with suggestions for a review of the drug classification system, on the basis of which I will make proposals in due course."—[*Official Report*, 19 January 2006; Vol. 441, c. 983.]

As three or perhaps four hon. Members have said, the review has not been undertaken, or if it has, it has not been publicly referred to. If it has been undertaken, I do not believe that we have seen any of its results. Such a legitimate criticism can be made of the Government on this difficult issue.

Let me declare an interest of sorts: I still sit as a Crown court recorder—a part-time Crown court judge. You will not be surprised to hear, Mr. Bercow, that a huge proportion of the cases with which the Crown court deals concern illegal drugs. We know, because there has been plenty of discussion of this today, that the Misuse of Drugs Act 1971 approaches the question of drugs through the ABC classification. As a sentencer, I have to consider, among other things, the classification of the drug involved in the offence before me as a guide to sentencing.

Paul Flynn: As a sentencer, is the hon. and learned Gentleman at ease with the fact that although someone might be sentenced to prison for drug use, there is not a single prison in Britain that is free of illegal drug use?

Mr. Garnier: The hon. Gentleman anticipates me and his intervention invites me to get ahead of myself. I congratulate him on the consistency of his approach to the issue. I do not always share his views, but it is important that the House of Commons contains people with different views. It is important that Government Back Benchers should feel free—indeed, ferociously free—to say the sorts of things that the hon. Gentleman has said on this issue, not just today, but on other occasions. I have seen him being severely put down by his Front-Bench colleagues over the 15 years in which I have been a Member of the House. It is a pity when people resort to ad hominem attacks, when arguments that might or might not be agreeable—

John Bercow (in the Chair): Order. I apologise for interrupting the hon. and learned Gentleman, but once again I have become aware that there is a Division in the House—unfortunately, the Division bell is not ringing in here today, but there is a Division. Therefore, I suspend the sitting for 15 minutes. The debate will resume at 4.37 pm.

4.22 pm

Sitting suspended for a Division in the House.

4.37 pm

On resuming—

Mr. Garnier: By the time that I finish, hon. Members might think that it is not a bad idea to have a 15-minute break every now and then during my speeches so that they can recover.

I shall not return to my initial remarks about the intervention made by the hon. Member for Newport, West (Paul Flynn)—I think he got my point. I shall deal with my position as a sentencer in detail a bit later, but I make it clear to the hon. Gentleman that what I do as a Member of Parliament and what I do as a judge are entirely separate. As a judge, I do what Parliament and the law require of me; as a Member of Parliament, I hope that I make policy and law—whether as an Opposition or Government Member. As is proper, the two functions are entirely separate. I hope that the hon. Gentleman will forgive me if I do not give him a running commentary on every sentence that I have passed in respect of the Misuse of Drugs Act 1971.

However, I invite the hon. Gentleman and other hon. Members present to look—not now, perhaps, but later—at Ev 113, a page towards the end of the

[Mr. Garnier]

evidence section of the report. It contains a table that lists the drugs covered by the schedules to the 1971 Act and sets out the classifications of ecstasy, LSD, cocaine, heroin and the class B and class C drugs.

Notwithstanding the concern of the hon. Member for Bolton, South-East (Dr. Iddon) about magic mushrooms, the most controversial drugs issue for the past year, or perhaps longer, has been cannabis. I shall not repeat the facts because that would be tedious and I am insufficiently well versed in the science. Various arguments have been made about what I would call modern cannabis, as opposed to the sort that the hon. Member for Oxford, West and Abingdon (Dr. Harris) did not take as an undergraduate some 20 years ago. The table that I mentioned contains a helpful list of illegal drugs and the way in which they are categorised, and despite the fact that the report is critical of the approach of the Advisory Council on the Misuse of Drugs to classification, there must have been some form of intellectual process behind the grading of drugs under the ABC system. All I have to say on that subject is that the classes are a guide to sentencing. I shall not talk about a particular case, but when the courts are sentencing, they clearly need to know Parliament's view of the seriousness of the harm—be it public, social or personal harm—caused by a drug as a matter of public policy.

When a judge sentences, he looks not only at the schedules, but to previous authorities from the Court of Appeal and, now, the Sentencing Guidelines Council to see what the higher courts consider to be the correct way in which to deal with an offender who has committed a drug offence. One considers the defendant's previous history, the quantity of the drug that he has in his possession, the value of the drug—one often has to listen to expert, or less than expert, evidence about the street value of that drug—and the purpose for which he had the drugs.

It might be of some comfort to the hon. Member for Newport, West, although probably not much, to hear that if a defendant had a small amount of a class C drug in his possession purely for personal use, the court would, because Parliament advises it to do so, take a less punitive view than it would if the defendant was an industrial importer of a class A drug and the huge quantities of drugs with which he was caught were for resale. That is not a terribly difficult concept to grasp. It seems, at least from a criminal justice point of view—the debate is being answered by a Home Office Minister and I am a Home Office shadow Minister—perfectly legitimate to have a classification system for drugs so long as we continue to believe, and Parliament decides, that the possession of certain substances should be against the law.

Although I know that the hon. Member for Newport, West would like to have such a debate in Government time, today is not the day to discuss whether the drugs in classes A, B and C, or any other drug—alcohol, for example—should or should not be illegal. I urge hon. Members who have so carefully contributed to the debate and the report to bear in mind that that is at least one of the purposes of the classification system, albeit that I suspect that many of them have some disagreement about whether the drugs are in the right box of that system.

I do not want to be personally offensive to the hon. Member for Harrogate and Knaresborough, although I was tempted to be personally offensive to his colleague, the hon. Member for Oxford, West and Abingdon. However, I chide the hon. Member for Harrogate and Knaresborough as Chairman of the Committee. Although I do not think that he intended to be rude about the witnesses who appeared before him, and while I dare say that he was probably frustrated by the answers that he received, when one is preparing and publishing an important Select Committee report—I hope that he does not take this badly—it sometimes helps the discussion if one reduces the personal and increases the impersonal. That is my only criticism of his most valuable report.

When I say that that is my only criticism, I do not mean to suggest that I wholly agree or disagree with many of the recommendations. I agree with some, while some need further study and others probably will not be taken much further. None the less, the report is valuable and deserves the Government's consideration. I could tell that the hon. Gentleman was a little cross with some of the responses that he received in the follow-up document and the evidence session with the Minister and the two witnesses from the Advisory Council on the Misuse of Drugs.

That aside, we are considering one of the most problematic issues with which any set of public policy makers or any Department—whether it is the Home Office, the Department of Health, the Department for Education and Skills or one of the ancillary agencies that take an interest in drug use, abuse and addiction—have to grapple. Irrespective of the ABC classifications, drugs are one of the causes of most problems in our criminal justice and health systems.

My right hon. Friend the Member for Chingford and Woodford Green (Mr. Duncan Smith) set up a body called the Social Justice Policy Group, which reported earlier this year that there are 325,000 adult problem drug users in the United Kingdom. The report termed it "an explosion in addiction". It has been found that Britain has a higher recorded use of opiate use—opiates are predominately class A—than anywhere else in the world. This country has the highest use rates for cocaine, another class A drug, in Europe and 6.8 per cent. of UK adults, more than 3 million people, have tried cocaine at least once—the hon. Member for Oxford, West and Abingdon proudly told us that he was not part of that 6.8 per cent. That information comes from an annual report by the European Monitoring Centre for Drugs and Drug Addiction, "The state of the drugs problem in Europe", which was published in November 2005.

Another factor that we must bear in mind is that the street price of heroin, a class A drug under the 1971 Act, has dropped by 45 per cent. over the past five years and the price of cocaine, another class A drug, has dropped by 22 per cent. Drug deaths have risen a hundredfold since 1968, when there were only nine drug deaths. One can see that in the past 40 years or so the effects of the misuse of drugs have become a huge social and public policy problem that has to be dealt

with. According to the Home Office, the cost of dealing with drug abuse in Britain is between £10 billion and £17 billion a year.

How do I see the problem? As the shadow Minister for home affairs who deals with prisons, and as someone who has visited nearly 25 custodial institutions—adult prisons and young offender institutions—over the past 15 or 16 months, I have seen the evidence of drug abuse and addiction. I see people who are sent to prison who, it seems, do not care very much whether they are inside for the use of a class A, B or C drugs. They are inside, and this returns to the point about which the hon. Member for Newport, West asked—

4.48 pm

Sitting suspended for a Division in the House.

5.3 pm

On resuming—

Mr. Garnier: According to the 2004-05 British crime survey published by the Home Office in October 2005, there are more than 1 million class A drug users in Britain. Since 1996, the number of cocaine offences has quadrupled—again, that is information from the Home Office. A total of 142,338 drug offences were recorded by the police in 2004-05, an increase of more than one quarter since 2001-02, when there were 113,500.

The hon. Member for Bolton, South-East remarked on the connection, or disconnection, between mental health and cannabis use. According to a recent written answer to my hon. Friend the Member for South Cambridgeshire (Mr. Lansley), the shadow Health Secretary, there has been an 85 per cent. increase in hospital admissions on mental health grounds resulting from the use of cannabis since 1997, and a 63 per cent. increase in the past five years. That information came from the Minister of State, Department of Health, the right hon. Member for Doncaster, Central (Ms Winterton).

To some extent, classification is important because it helps the sentencer, but I dare say it also helps the police and the Crown Prosecution Service to work out what is to be done within the criminal justice setting. The greatest cause of crime is drugs, followed closely by alcohol. The number of people in prison for drugs offences has nearly doubled in the past 10 years. What is more, although the prison population has grown, the proportion of the prison population who are drug offenders is also growing.

I have no information to verify this, but I suspect, by virtue of the fact that those people are in prison, that they are either industrial importers or sellers of class C drugs, or users of class A drugs, and the courts have reached a stage where there is little more that can be done with those individuals to prevent them from reoffending on the outside. The courts do not send people to prison lightly or on a whim. They fully understand that many people who are arrested for drug use and possession would do far better in residential rehabilitation centres outside prison, but there are not enough of them. Unfortunately, the courts have to deal with people who, for good reason or ill, are serial abusers of drugs and the drug laws, and there are not sufficient places for them to be dealt with outside the criminal justice system.

That is regrettable. People who offend simply because of drug use would be far better dealt with not by sending them to prison but by sending them to places where they can be cured of their drug addiction. It is addicts who commit crimes; it is not criminals, by and large, who become drug addicts. As long as we understand that, and as long as we fail to do something about it, the overcrowding of our prisons will continue, if the figures continue on an upward trend as they have in the past.

There is, of course, a hidden drug problem in prisons. There are those who are in prison because they were found guilty of possession or dealing, or even burgling because of a drug habit, be it an A, B or C drug habit, and there are plenty of people in prison who manage to continue to use drugs. The hon. Member for Newport, West pointed out that there is no such a thing as a drug-free prison.

Dr. Evan Harris: Of course, I agree with the hon. and learned Gentleman about the indisputable importance of using residential drug rehabilitation centres for the treatment of people who are addicted to illegal drugs, but is there not a consequence to what he is saying? First, would he say that our laws or the drug classification system that we are debating today must change as a result of what he identified as the failure of the prison approach? Secondly, does he think that there is a case for prescribing hard drugs to addicts to stop them committing criminal acts if there were evidence that that would be effective and cost-effective, and if that seemed more appropriate than a residential treatment centre; or does he want only residential treatment centres?

Mr. Garnier: The short answer to the hon. Gentleman's last question is that I simply do not know. I do not have enough evidence to be able to reach a sensible conclusion on the best thing to do with such people or on whether the remedy that he suggests would be the right one. All that I do know is that what is happening in prisons at present is not working. It is not working for the prison system because huge numbers of short-term prisoners go in and out of, for example, our big London prisons, and the health staff inside those prisons can do very little for them. The prisoners are not there long enough to go on a rehabilitation course and be brought off drugs. They are kept alive, literally, because the prison health system is able to provide them with a replacement—for example, methadone—for the short period that they are in prison. If people are in prison for only one, two, three or four months and are then released back on to the streets of London, it is hardly surprising that they resort to the class A drug habit that may have put them in prison in the first place.

I stress that that is not a criticism of the people who work in the Prison Service. They have an impossible job. We need to think more intelligently about what we do with people who are affected by drug abuse and whether it is more appropriate to provide places for such people to be looked after somewhere other than Pentonville, Holloway, Wormwood Scrubs, Brixton or Wandsworth. We would then receive better value for money. There would also be better outcomes and a real reduction in crime.

[Mr. Garnier]

That is not something that the present Government or a future Conservative Government could do overnight, but we should try, in a collaborative spirit, to adopt such an approach because our constituents are paying £50,000 a year in taxes to house every individual offender in prison—the cost for every young offender is about £75,000 or £80,000 a year—and the rate of reoffending within two years of their leaving prison is just over 65 per cent.. The percentage figure for young offenders is actually a little higher, in the high 70s. We are wasting money and fooling ourselves if we think that we are increasing public protection. In fact, we are clogging up a prison system that needs to look after, reform and incarcerate dangerous, violent and deeply antisocial and damaging offenders who, despite their nasty habits and criminal conduct, do not receive the necessary programmes or education to make them better citizens. The proportion of prisoners who never come out of prison at all is very small—probably less than 2 per cent. or perhaps even less than 1 per cent. of the 81,000 people in adult prisons will never come out again. I am not suggesting that the Government should rush into sorting out the problems but, collaboratively, we need to take a different approach to how we deal with drug abusers inside prison and those who are inside because of their drug abuse.

I am acutely conscious that I have an awful lot to say about this subject and about the comments of the hon. Member for Harrogate and Knaresborough, the Committee's report and the wider policy issues that affect the classification of drugs. I should also have liked to discuss what we should do within the criminal justice system, with which my shadow Department and the Minister's real Department have to deal. However, I am concerned about leaving time for the Chairman, the hon. Member for Harrogate and Knaresborough, to reply, particularly to what the Minister has to say. The Minister knows perfectly well what my views on the matter are—he probably knows better than many members of the Committee. If I bring my remarks to a close now, I hope to engage the sympathy of hon. Members. My speech has suffered from two 15-minute suspensions, and that has thrown the flow of the debate out of kilter. Let me take advantage of that by stopping. However, in doing so, I hope that others will not misunderstand what I personally and as a representative of my party intend and mean on this issue. I hope that there will be other occasions when we can discuss the subject more fully.

In conclusion, I repeat my thanks and congratulations to the Chairman of the Committee and his colleagues for their work. In addition, I hope that my somewhat critical remarks about the manner of some of the recommendations and comments in the report are taken in the spirit in which they were intended. Despite the differences of opinion among Government Back Benchers and others in this Chamber—I notice that the hon. Member for Oxford, West and Abingdon has not brought any of his party's Back Benchers with him—I ask the Government to think carefully about how to make progress on this aspect of public policy. The issue should be dealt with in a way that benefits the public, the taxpayer and those who are wracked by drug abuse and addiction—not just individual drug users, but their families and the communities in which they live.

5.14 pm

The Parliamentary Under-Secretary of State for the Home Department (Mr. Vernon Coaker): I welcome you to the Chair, Mr. Bercow. I also welcome other hon. Members who have contributed to the debate.

This is an extremely important debate. I congratulate the hon. Member for Harrogate and Knaresborough (Mr. Willis), the Chairman of the Committee, on the tone of his remarks. It augurs well for progress when a debate can be held in which passionate views are expressed and there are serious disagreements between people. Let it never be said, however, that there is any disagreement about the policy outcome that every hon. Member wants. There is real credibility among hon. Members who have turned up this afternoon, when there are many other things happening, to discuss one of the most important social policy issues that confronts our country and many of our communities.

The contribution of the hon. Member for Harrogate and Knaresborough and the Committee is rightly to challenge the Government and the ACMD to justify their policies. That means that there will sometimes be passionate disagreement, but the important point—I know that the hon. Gentleman will agree—is that it is not a clash of personality, but a clash of opinion, out of which comes better public policy and a better outcome. I know how passionately my hon. Friend the Member for Newport, West (Paul Flynn) feels about these issues. He has been one of the most passionate advocates of a particular way of addressing the problem and he knows that there are disagreements with him in his own party and within the Government. However, that in no way detracts from the integrity with which my hon. Friend put his points across. He has made an important contribution, as has my hon. Friend the Member for Bolton, South-East (Dr. Iddon), the hon. Member for Oxford, West and Abingdon (Dr. Harris) and the hon. and learned Member for Harborough (Mr. Garnier). It important to state that at the beginning—and it is not a patronising remark to the Committee.

It might be helpful to the hon. Member for Harrogate and Knaresborough if I go through some of the differences that the report has already made to the way in which the Government conduct their business in this area and to some of our policy objectives, before I go on to other matters; as he will know, we disagree with one of the Committee's major recommendations. I want to show that my remarks about the difference that Select Committee reports make to public policy is not an empty, vacuous, rhetorical statement made in Westminster Hall at 5.17 pm on a Thursday afternoon, but a real statement of the influence that he and his Committee have had.

I hope that hon. Members will not mind, but I think that it is important to proceed point by point, rather than making great, rhetorical flourishes that may sound good, but sometimes do not mean an awful lot. The Committee asked us to ensure greater transparency about the various factors that influence classification decisions. I hope that hon. Members realised that when we reclassified methamphetamine—crystal meth—as a class A drug on 18 January 2007 we set out in clear terms the reasons for the reclassification

in Parliament and in the Home Office circular. We tried to take on board the point that the hon. Member for Harrogate and Knaresborough made about that.

The Committee called for the rationalisation of differential classification depending on the route of administration. For example, amphetamines are a class B drug, but they are class A when in a form prepared for injection to be applied to other drugs. We have asked the ACMD to provide advice on whether other drugs should be reclassified depending on the route of administration. That work is likely to be carried out in the ACMD's systematic review, to which I will refer in a moment.

The Committee asked for greater openness and transparency for the ACMD. I say to the hon. Member for Harrogate and Knaresborough that, irrespective of what is on the ACMD's website, which he mentioned, it will publish the minutes of its meetings on the Home Office website. That will commence—I shall ask why it is not on the website already—with the most recent ACMD meeting held in May. I expect that to appear on the website in the very near future.

Another aspect of the Committee's call for ACMD openness and transparency was the suggestion that it should hold open meetings. I can tell the hon. Gentleman that those will commence in the autumn. Parts of those meetings might be closed, but the general presumption will be that wherever possible the meetings will be open. Members of the public will be invited to observe proceedings, as indeed any Member of Parliament will be able to do, and have the opportunity to ask questions of the council. Alongside that, the ACMD is developing a publication strategy in order to inform the public in more detail about how it is trying to improve openness.

The Committee called for greater involvement from the Home Office scientific adviser. Already, the secretariat of the ACMD has moved under the management of Professor Wiles, the Home Office chief scientific adviser. He will oversee the expertise required on the council in any forthcoming recruitment round—another move that the Committee was anxious to see. Furthermore, under the chief scientific officer, the council will strengthen its links with research councils. As the hon. Gentleman knows, Professor Wiles holds regular meetings with the chief executives of all the relevant research councils, and as I said, we expect him to continue his meetings with the chief scientific advisers of other Departments.

The Committee recommended in particular that the ACMD conduct a systematic review of individual drugs. It is looking into doing that. Furthermore—this point was raised by the hon. Member for Oxford, West and Abingdon—as part of that systematic review of individual drugs and their classifications, it will undertake a review of ecstasy. I can tell my hon. Friend the Member for Bolton, South-East that it will look also at magic mushrooms, which he mentioned. The important point to make about the systematic review of individual drugs, as appropriate and determined by the ACMD, is that it will consider both classification and harm reduction.

Dr. Evan Harris: I know that the Government have no plans to reclassify ecstasy. That is taken as read. However, the Minister said that the ACMD will reconsider the classification of ecstasy. If that is the case, does he rule out reclassifying it, if it recommends doing so?

Mr. Coaker: We will have to wait and see, but the Government have no intention of reclassifying ecstasy. I was asked to confirm that the ACMD was going to look at ecstasy as part of its systematic review. I can confirm that it will. Furthermore, in respect of the Committee's report, I point out that the systematic review of individual drugs within the classification system is an important step forward. I hope that that is helpful.

I know that it is a bit pedantic—that seems to be the favourite word at the moment—but I shall continue with the approach that I have taken so far. It is very important that I go through all the points that have been made; I know that a lot of people are listening with particular interest.

The report said that there was a need for better engagement between the ACMD and other Departments. Recently, the council has held meetings with officials from five Departments—the Department for Education and Skills, the Department for Transport, the Department for Culture, Media and Sport, the Department of Health and the Home Office. The hon. Member for Oxford, West and Abingdon spoke about how best to deal with drugs in schools. Such issues could be on the agenda of those more frequent interdepartmental meetings, particularly between the Home Office and the DFES. Hopefully those issues can be addressed. Recently, the ACMD held discussions with the DCMS on steroids and other performance-enhancing drugs in the run-up to the Olympics. There is also an ongoing invitation to officials from the DFES and the DOH to attend ACMD meetings. I hope that that will start to address some of the fears and concerns of the hon. Member for Harrogate and Knaresborough and his Committee about the lack of liaison between Departments.

The hon. Gentleman wanted the ACMD to look more at social harm and to engage with stakeholders. I can confirm that it will do that. He asked also about how the ACMD operates. I can tell him that the Home Office non-departmental public body review has taken place and the results are currently with the Home Secretary for his consideration. That is an important point, but I cannot say any more than that.

Let me turn to what I think is the crux of the matter. I hope that the hon. Gentleman will have a couple of minutes to respond and to express agreement with this: of all the recommendations in the Committee's report, the point about our drugs policy needing to address not only the classification system, but harm reduction, has had the greatest impact. I say to my hon. Friend the Member for Newport, West that we accept absolutely that we need more than just a criminal justice solution to the drugs problem. As the hon. and learned Member for Harborough knows from his court experience, that is obvious to everyone. A criminal justice solution alone is not appropriate.

The Committee said that it wanted greater emphasis on harm reduction, treatment and other alternatives. We agree with that absolutely. We are trying to increase the number of people receiving treatment and to ensure that that treatment is more effective. However,

[Mr. Coaker]

alongside that, we want a strong law enforcement and criminal justice approach. At the risk of repeating myself, in my view—I say this as Minister with responsibility for drugs as well as an individual—the debate is plagued by the "either/or" argument. Of course, we need a criminal justice approach.

When I went to the all-party group on drugs misuse, my hon. Friend the Member for Bolton, South-East heard me say that we need a strong criminal justice and law enforcement approach to deal with those who deal drugs in our communities. All of our constituents would expect that; they do not want people dealing drugs with nothing done about it. On the other hand, however, they accept that those arrested, charged by the police or who come into contact with the criminal justice system do not suddenly stop being addicts. They know that as well as we do. The criminal justice system must deal with those individuals—both dealers and users—in the best way possible, which is why we set up the drugs intervention programme in order to strike a balance between relying on the criminal justice system and encouraging more people into treatment. Alongside a tough law-enforcement approach we have tried to improve, and increase the level of, treatment.

We have tried to back that up with money. Let us consider the pooled treatment budget, which comes mainly from the DOH, but also from the Home Office. In 2001-02, expenditure in this area was £142 million. This year it is £398 million—a 280 per cent increase. The budget for the drugs intervention programme, which did not exist until 2003, is now £149 million. We also have the £55 million budget for the young persons substance misuse plan.

Our task is to relate the classification system to the drugs intervention programme, about which I shall say more in a moment. We know that if we want a successful drugs policy, the classification system must be robust—we have tried to start to take account of the points made by the Select Committee—but alongside that must be a plethora of other policies and a welter of other initiatives. We need not only a criminal justice system that is based on the classification system, but a treatment system whereby people go into treatment and are kept in treatment, and in which there are wraparound services to improve people's chances of success with that treatment. This is about not only treatment, but all the other measures, such as employment, benefits, housing, confidence and self-esteem.

Yes, we can talk about how drugs should be classified in the system. We could have a huge debate on virtually every drug and whether it should be in class A, B or C, but we are plagued by that debate. Of course, the criminal justice system, linked to the classification system, has a role to play, but alongside that all the other aspects of policy are necessary and important. That is why we have a wide-ranging drugs strategy, of which the classification system is one part. We have tried to develop the other strands to it and we will certainly continue to do so.

I welcome the Select Committee report. I hope that what I have said shows that what the Committee said in its report has led to changes in the Government's policy and practice and caused us to think about the operation of the classification system, even without the fundamental review that I know the hon. Member for Harrogate and Knaresborough was hoping for and expecting.

Dr. Evan Harris: I think that the Minister is coming to the end of his remarks. Before he does, I want him to return to something that I think my hon. Friend the Member for Harrogate and Knaresborough (Mr. Willis) would agree was critical to the report: the question of whether policy is evidence-based. The Minister has just restated his policy. It is not the case that he has no plans. However, the Government do not intend to reclassify ecstasy. Is that an evidence-based policy, a policy that is ideologically or economically based—I gave him that option and he could not be criticised for it if he was clear about it—or a policy with some other base? The report wanted the Government to be clear about the basis of their policy when there is evidence around.

Mr. Coaker: The hon. Gentleman keeps returning to the issue of ecstasy. I have said that the ACMD will consider ecstasy. We set out how the ACMD comes to its view about whether a drug should be in class A, B or C on page 16 of our response to the report and laid out the various factors that the ACMD takes into account. We always listen carefully. In fact, from memory, I think that we have never disagreed with any recommendation that the ACMD has made to us. We shall have to wait and see what happens when the ACMD makes a recommendation. The hon. Gentleman seems to be presuming that it will recommend changing the classification, but we shall wait and see what happens. I look forward to him welcoming the ACMD report, should it make such a recommendation.

I want to give the hon. Member for Harrogate and Knaresborough a couple of minutes to respond to the debate, but I have a few other remarks to make first. The Government maintain that the classification system has stood the test of time and that it continues to discharge its function fully and effectively. Its single purpose is to provide a legal framework in which criminal penalties are set by reference to the harmfulness of a drug to the individual and to society, and to the type of illegal activity undertaken. The criminal justice system expects a stable and enduring system and the Government must provide that. The classification of any drug must be a reliable fact of law, which was a point made by the hon. and learned Member for Harborough. Our tripartite classification system allows clear and meaningful distinctions to be made between drugs. Its familiarity and brand recognition should not be dismissed.

In deciding not to pursue a review of the classification system, the Government took two key factors into consideration. First, there is no optimum system of control, or even a system of structuring drug harm classifications, that is obviously better than the present one. That was the conclusion of the Police Foundation report and it remains as true today as it was in 2000, when that report was published.

Secondly, it is the job of the Government to identify and set the priorities that will have the most impact on achieving our shared aim of reducing the harm caused by drugs. There is no evidence to show that a change in the way in which we classify drugs would contribute to

that aim. Indeed, the evidence supports the position that we set out in our response: the drugs strategy as a whole is having real impact on the harm caused by drug misuse to individuals, their families and communities.

Such harm is beginning to reduce. Overall drug misuse has fallen by 16 per cent. since 1998, while the misuse of class A drugs has stabilised. Drug misuse among young people has fallen by more than a fifth in the past 10 years. Since the onset of the drug interventions programme, recorded acquisitive crime, to which drug-related crime makes a significant contribution, has fallen by 20 per cent.

More and more people are entering and staying in treatment. Nearly four fifths of the 181,000 people who have undergone drug treatment programmes in the past financial year completed their programmes. As a Minister with responsibility for drugs, I want to know what constitutes the successful completion of a drug treatment programme. Indeed, I would ask that important question of all of us because it is a crucial issue. It is possible to make the situation look very good, but we need to understand what is meant by the successful completion of a drug treatment programme.

Although the classification system has a necessary part to play in our drugs strategy, it is not the most important part. That is not just the Government's view because it has become increasingly clear to me that that view is shared by many, although not all, professionals and service users involved in drug treatment. At the many stakeholder events in which I have participated throughout the country, I do not remember having once been asked about the classification system as a whole, although I have been asked about the classification of an individual drug. Our judgment is that the delivery of the drugs strategy as a whole must be our priority. Prioritising our resources in that way to achieve the greatest impact will be the key to our continued success.

As we have seen this afternoon, there will always be lively debate and disagreement about whether certain drugs are in the right category of the ABC system. The Government agree that, as far as possible, individual classifications should be evidence-based. We rely on the Advisory Council on the Misuse of Drugs, which is an expert and respected independent body, to provide us with advice that is based on its assessment of the evidence of the harm caused by a drug to the individual and to society. That advice constitutes the most significant input into any classification decision, and it is noteworthy that in the 10 years of the present Government, we have accepted all the ACMD's recommendations on classification.

We recognised from the Select Committee report that we needed to build our evidence base. In particular, the Committee called on the Government to gather evidence on the deterrent effect to which we refer. I can tell the hon. Member for Harrogate and Knaresborough that we have done some scoping work on that and we are considering how we can take it forward.

I shall rush through some of the other points that were made. The Government recognise the harm caused to individuals by alcohol and tobacco, and we have policies outside the classification system that deal with alcohol and tobacco. The hon. Gentleman and other members of the Committee in the Chamber will have seen the new alcohol strategy that the Government published last week called "Safe. Sensible. Social. The next steps in the National Alcohol Strategy".

I can say for the benefit of everyone that we will consult shortly on a new drugs strategy. We expect the consultation document to be published in the next few weeks and that will lead to a revised drugs strategy to commence in April 2008. We know that all hon. Members in the Chamber will participate in the development of the new drugs strategy. I will welcome the hon. and learned Member for Harborough to that process. I agree with his comment that when we can collaborate, we should do so. In developing the strategy, we shall not forget the contribution that the Committee chaired by the hon. Member for Harrogate and Knaresborough makes and the ongoing work that we need to do to take account of its recommendations.

May I say to my hon. Friends the Members for Newport, West and for Bolton, South-East that although I do not agree with some of the points that they made, I do not dismiss them? Just because someone says something with which we do not agree, it does not mean that we should not let them challenge our views. If we allow them to challenge our views, we move further along the road of having the public policy that we all want: one that reduces the harm in our communities caused by the use of illegal and legal drugs.

5.41 pm

Mr. Willis: I do not wish to detain hon. Members for too long. I thank the Minister enormously for the way in which he responded to this debate, for the open and honest way in which he addressed the areas on which we do not agree, and for reading the report and reporting that the Government intend to make many changes. I do not think that any hon. Member who had listened to this debate and the Minister's response would criticise him for his enthusiasm and commitment to this issue. He was right that we are all committed to reducing harm. We are talking about not simply harm to the individual, but harm to the whole of society.

Despite the slight criticism that the hon. and learned Member for Harborough (Mr. Garnier) made of me, which I do not take personally, the measured way in which he examined the formulation of the Conservative party's policy on this incredibly difficult area gives me a lot of heart. Whenever we use this matter as a political football, we further entrench views, rather than seek sensible solutions.

On the Advisory Council on the Misuse of Drugs, and in response to the hon. and learned Gentleman, I should say that one of our great frustrations was the fact that we felt that there was a lack of transparency. There was a sense that we were being told, "We hold this information and you have to prise it from us." There did not seem to be the view that we were partners in this, which was not acceptable. However, the Minister's response was positive.

As a former educationalist, the thing that hurt me most—I shall go no further than this and I am sure that the Minister knows this one, too—was the lack of connection between the ACMD and the Department for Education and Skills. However, our schools will

[Mr. Willis]

make the big impact on educating young people about the misuse of drugs and other substances. That goes to the heart of what we were trying to do in our report. We want to ensure that the public at large, especially our young people, are educated about a scale of harm that includes tobacco and alcohol and puts other things in context. Our approach contrasts with one of people thinking that because those things are legal, they can get as drunk and cause as much damage as they like on a Saturday night, and smoke as much as they like without it mattering.

Mr. Coaker: In rushing through my remarks, I failed to make an extremely important point. The hon. Gentleman's comment pricked my conscience because, like him, I was an educationalist. We have done some research, which is called the blueprint programme, on what constitutes effective drug education in schools. We hope to publish the first report in the next few months and a further report in summer 2008. I am sure that he will agree that the key issue is not only the drug education that is taking place in schools, but what constitutes effective drug education in schools. We hope that the blueprint programme will help us on that.

Mr. Willis: I thank the Minister for that intervention, which highlights the issue of research. One of the report's central themes is the question of where the research is. My hon. Friend the Member for Oxford, West and Abingdon (Dr. Harris) is right to ask continually where the evidence is to support the conclusions that are given in every one of our reports. Social science is just as important as chemistry—the hon. Member for Bolton, South-East (Dr. Iddon) constantly reminds our Committee about that subject. It is important to get evidence to support one's policy, whether that is social policy or something else. One needs to say what works and ensure that that is put in the public domain, and, more importantly, to say what does not work. Our report came to the conclusion that all political parties constantly hide the things that do not work. We see it as a failure when we try something and it does not work, instead of saying that we have tried it and are going to move on to something else.

The aspect of the Minister's response that disappointed me—I am sure that he would not expect me to say anything other than this—was his dismissal of the proposals of Blakemore et al, which the hon. Member for Bolton, South-East mentioned. They include a new scale of harm and, in particular, a decoupling from the criminal justice system. We will return to that because we have set out our policies.

We welcome the systematic review. It is important to review each of the drugs in the categories because, for example, although ecstasy is a glorified amphetamine, it is in class A, while other amphetamines are in class B. There is no justification for that, not because it is the drug of the moment for clubbers, but because there is no evidence base to support it. The Minister might say that even if we have the review and proposals are put forward, the Government will not accept them, but if that happens, both ACMD and Government policy will be damaged. There needs to be a commitment to an independent body who advise the Government and whose advice is capable of changing policy. If such a body is not capable of doing so, the system does not work.

This has been an excellent debate. I thank you for your chairmanship, Mr. Bercow, which, as always, was superb, despite the interruptions. I thank hon. Members for their contributions and look forward to continuing this debate in the future.

Question put and agreed to.

Adjourned accordingly at thirteen minutes to Six o'clock.

Westminster Hall

Tuesday 19 June 2007

[MR. CHRISTOPHER CHOPE *in the Chair*]

Planning Conditions

Motion made, and Question proposed, That the sitting be now adjourned.—*[Mr. Michael Foster.]*

9.30 am

Steve Webb (Northavon) (LD): Good morning, Mr. Chope. It is a pleasure to serve under your chairmanship this morning.

I am pleased to have the opportunity to raise in the Chamber this morning the issue of planning enforcement. Although I shall provide one particular example of an issue that has arisen from planning applications that are under consideration with my local authority, I fully understand that the Minister is not expected to comment on individual applications. Nor, indeed, do I expect the Chamber to have the intimate knowledge of my constituency that one would need in order to assess them. Therefore, I seek to raise a much broader issue.

In summary, I seek to discuss the planning system's credibility when the public see that what appear to be flagrant breaches of planning rules are neither punished nor dealt with. I am increasingly finding that in different contexts, my constituents are losing faith in the planning process, because their perception is that, to put it colloquially, people get away with it when they breach planning conditions. There is a particular set of circumstances in which it appears to be easy—in the vernacular—to get away with it. When a new planning application is pending, the authority takes the view that because it will have to assess the application, which might in principle be used to regularise the situation, there is no point enforcing in the meantime.

If all planning applications went through in eight weeks, one might say, "That is a reasonable thing to do." However, the reality is that the period during which a council knows that an application might be made, it is made, the site visits take place, and the planning committee meetings—including delays—take place, can become protracted. During that period, residents feel that planning obligations are not being enforced. The not unreasonable assumption is that, if one is about to sort out the issue through a planning application anyway, one does not want to spend taxpayers' money on legal action. However, is that not a potential loophole? That is the perception of my constituents.

I shall provide two different examples. The first relates to a quarry in my constituency. My constituency has several quarries. Quarrying is a significant local employer, and when most people buy a house in the area, they know that there is a quarry. This is not an anti-quarrying speech. Many residents recognise that quarrying has to take place somewhere, and there is a relatively limited number of places where it can happen, because one has to dig in the right place. People in my area understand the need for quarries, and recognise that quarrying cannot take place silently, that there are traffic implications and so on.

However, my constituents also need to know that when limits are placed on that activity, particularly on hours worked, the volume and the scale, they will be observed. My example is a quarry, near a village called Wickwar in my constituency, which is operated by a Mexican company called Cemex, which took it over from RMC a couple of years ago. The quarry has permission to extract 400,000 tonnes of limestone a year. It extracts 750,000 tonnes of limestone a year, and it publicly admits that it has done so for more than a decade.

We have the rather strange situation that everybody knows that the quarry is breaking its planning conditions. It extracts almost double what it is allowed to extract, and its operating hours go beyond what is allowed. It is not meant to start until 6.30 am, but it starts at 6 am. That may be considered a marginal difference, but if one is woken up at 6 am, it is not that marginal. Residents understandably feel aggrieved.

The quarry company has put in three planning applications to try to regularise the situation. The first application is to expand the area in which it quarries; the second is to extend the operating hours of the coating plant, which coats the stone that is extracted for use in tarmac on motorways and so on; and the third is to expand the hours during which crushing and screening takes place. Some of those applications would regularise the existing situation. If they went through, the quarry would be allowed to work the hours that it already works, and extract the volume of limestone that it already extracts.

I have been swamped with comments from residents of the neighbouring villages of Wickwar, Churchend, Charfield and Cromhall, who are on the whole concerned about the applications. They are particularly concerned about the fact that the breaches seem to have been going on for a considerable amount of time. The feeling is that nothing is being done, which is the issue that I want to raise today.

I shall tell the story by providing the perspectives of the three different parties—the residents, the quarry company, with which I had a very constructive meeting yesterday, and the local authority. Each party sees the situation differently. The residents know that there is a quarry, and that it implies traffic noise. By and large, they recognise and accept that fact. However, they did not know that the higher levels of noise, traffic, dust and the rest of it were the result of a breach of the planning conditions.

We had a public meeting. I do not often chair public meetings about such issues, but many people were strongly concerned about the situation. At the meeting, somebody—I shall not say who—said, "Nobody has complained," and there was almost a riot, because everybody had complained. However, they had complained about the noise, dust or traffic, rather than about a breach of planning conditions to the planning enforcement section. As far as the planning enforcement people were concerned, nobody had complained, which raises issues about the local authority's complaints handling process, which I have subsequently raised with the authority.

The situation is interesting, because the public have said to me, "We assumed that if there are all these lorries and all this volume, it must be okay, because somebody must be checking that they are obeying the rules." The public do not complain to the planning

[Steve Webb]

department about a breach of planning conditions. They assume that there could not have been any breach, because if there had been, something would have been done about it. When they discover that nothing has been done about it for 10 years, they are understandably aggrieved.

I shall provide some excerpts from residents' letters. One resident wrote:

"If they"—

the quarry company—

"are prepared to breach the current rules, what is to stop them pushing the boundaries even further than the extended planning applications requested?"

In other words, residents are saying, "We had this meeting, and we said, 'All right, they might get the new application or they might not, but if they do, there will be conditions attached'." Everyone rolls their eyes, however, and says, 'Yeah. They paid so much attention to the last conditions, how can we have any confidence that they will pay attention to the next lot?" They are rather sceptical about the process.

In another letter, a different resident wrote:

"The Authority has proved unable or unwilling to enforce existing parameters so the public has grounds to feel vulnerable about the future."

On the day that the applications are decided, some conditions will be set, but the public do not believe that they will be adhered to, which undermines the credibility of the planning process.

I shall give the Chamber a feel for what I am talking about. One resident wrote:

"The noise from the operating machinery and Lorries cause disturbance to local residents, we do need to sleep! The dust…is constantly on windows… The road outside the quarry is breaking up."

The concluding sentence mirrored them all:

"I understand the Quarry is already working outside their current permitted planning conditions, why has this been allowed to happen? How are planning conditions monitored?"

I could go on, because I have dozens of letters. I shall not read them all out, but in a fourth letter, a resident writes:

"Can you please advise me as to what action is to be taken against Cemex in respect of these breaches and how their activities are to be monitored in future to ensure compliance with the existing planning constraints?"

Andrew George (St. Ives) (LD): My hon. Friend makes an excellent point, but does he agree that the problem with planning enforcement is that when they monitor compliance, enforcement departments in district councils—certainly in my constituency, where there are three—appear to be reactive rather than proactive? It requires local people and neighbours to complain in order to be well informed, to double-guess the way in which the system works and to go beyond what they might normally do in order to investigate the issue themselves. That work puts a great deal of pressure on ordinary citizens, and it is surely something that planning departments should do themselves.

Steve Webb: I am grateful to my hon. Friend. That very point was made by residents at the meeting, who asked why it was down to them to complain. Even when they have complained, their complaints have not been handled in a way that has prompted planning enforcement. I shall come to the council's perspective shortly, however. At the moment I am being anti-the quarry and anti-the council, but hon. Members will soon see that the picture is slightly more complicated than that.

I have described how the residents see the situation. One can imagine the scene. There is WRAG—Wickwar residents action group—as well as various websites and petitions. Interestingly, not everybody wants to stop the expansion altogether. Charfield parish council thinks that a more limited expansion might be appropriate, so the issue is not black and white, even for those who have concerns about the applications. However, the process has raised a lot of concern, and I said at the public meeting that I would raise that concern with Ministers. I wrote to Ministers towards the end of last week, although I do not know whether they have received the letters yet, and I have been fortunate to have this opportunity to raise the issue today.

It is difficult not to have a lot of sympathy with the residents. They pay their council tax and they know that there is a limited amount of activity at the quarry, but they also want a quiet life, clean roads and so forth. However, the quarry has a different perspective, as one might imagine, and it is quite an interesting perspective, which is worth putting on record. I met the quarry company yesterday and was told, "It's true that we've been operating on this scale for a decade or more, but the first thing you have to recognise is that there's a quarry down the road that's shut. If you add together us and the neighbouring quarry, the volume of activity now is no different from what it was when the two were running together and we were operating on a smaller scale." The company's argument was that the volume of traffic, dust and noise is pretty similar, but distributed slightly differently.

Although that is probably true of the traffic, I suspect that that is a flexible view of planning. The company says, "Well, you know, the broad impact's kind of the same, so we won't worry that we're breaking our planning rules." That is a defence, as it were, but I do not think that it will reassure residents. If the activity can be regularised, which is what is happening now, that is clearly the right way to proceed. The company's argument was, first, that the volume of activity is not very different from what it was 10 years ago; it is just distributed differently.

The second thing that the quarry company said was, "We are now effectively the good guys. We have taken over this company. We have observed that we've been operating in breach of planning conditions for 10 years and we're now trying to put it right. We're trying to do the decent thing, by putting in an application that specifies what we are actually doing, and thereby regularising the situation." In a sense, to attack the current company for submitting the application is a little harsh, because it is trying to sort the situation out. I am not in the business of apportioning blame, but to be fair to the company, it is at least trying to regularise the situation, so that whatever planning conditions are attached, they will hopefully be observed. Everybody should accept that that must be the outcome that we want.

As for operating outside the opening hours, the company said, "Well, yes it's true we start a bit early; but actually we finish earlier than we're allowed to as well, so overall

we're not operating for as many hours as we could." Again, that is a creative way of looking at things. My view is that if the restrictions are there, they are there for a reason and they should be observed. If companies want to change their operating practices, they should do so formally, rather than just saying that they will decide what is appropriate and what is not. So that sort of variation cannot be justified.

The quarry company's principal argument is that it has a minerals plan for the area. All the quarries are part of that plan, and the expansion that the company wants to make is broadly within the preferred area that has been identified, although it goes slightly beyond it, which is a source of considerable contention. However, the company's argument is that if it does not develop in the place that has been identified on the plan, the stone will still be needed and will therefore just have to be quarried somewhere else. The argument is that it is better to quarry the stone in places that have been identified in a plan that has been debated and discussed, rather than saying no to any application to extend within a preferred area. That is the quarry company's perspective. It points out that some local residents have signed a different petition, in support of the applications—including, obviously, those who work at the quarry—and that it is not simply the case that residents are anti and the company is pro. Again, the situation is more complex.

What is interesting is the council's perspective. I have raised the issue with the council, as have local residents, and we have received two responses. In a letter dated 16 May, the senior planning officer for minerals and waste says:

"The issue of existing planning restrictions being ignored and no enforcement action being taken is noted. However, whilst these applications are under consideration it is not considered expedient"—

that is obviously the key word—

"for the Council to take formal enforcement action against the matters that are the subject of these submissions."

One can imagine how thrilled residents were to receive a letter saying that the fact that existing planning restrictions were being ignored and that no enforcement action was being taken had been "noted". That did not go down terribly well.

However, there is a slightly expanded version of that letter, referring to Government guidance, which is part of the reason for raising the issue today, and from which it is worth reading a couple of excerpts. The same official says:

"The Council has received similar letters raising concern about operations at the quarry taking place outside permitted hours and seeking immediate enforcement action to remedy the breaches before the current application...is considered."

That is what people want—in other words, to say, "That's an application, that's different. Let's enforce the existing rules now." The official also says:

"Government guidance in PPG18 advises that where it is possible that planning permission (subject to conditions) may be granted to regularise the situation, that Local Planning Authorities should request the submission of retrospective planning applications."

That is what has happened—the quarry company has been talking to the council, they have both accepted that the conditions have been breached and it has been agreed that, in effect, a retrospective application should go in, in order to deal with the breach. The officer continues:

"In this instance the Council has pursued this approach and is currently dealing with three planning applications...Whilst these applications are under consideration, it is not considered expedient for the Council to take formal enforcement action against the matters that are the subject of these submissions."

That does not mean that absolutely nothing is being done—environmental health is looking at a few bits and pieces—but the central planning enforcement action is on hold.

As I mentioned, one of the problems is that there is not just an eight-week wait involved. The council has been in discussions with the quarry for some years about regularising the situation and it has known that the applications were to be submitted. Therefore, no enforcement action was taken over the period when the council knew that they were to be submitted, none has been taken while they are under consideration and until they are considered in July—even that might be deferred; we do not know—none will be taken. One can see the logic that says, "If it's all going to be sorted out in a few weeks, don't waste time", but if the situation has gone on for so long, one can see why the residents are frustrated.

To return to the comment that my hon. Friend the Member for St. Ives (Andrew George) made, the council's perspective is that it has a relatively small planning department, in a rapidly growing unitary authority, with masses of planning applications and a lot of development on the go. For the council, even simply to process what comes in and then to deal reactively with complaints is a struggle. I have some sympathy for the people involved in planning enforcement, but the council's view is that it simply does not have the resources to be as proactive as it would like to be. The issue, particularly for growing authorities, is whether enough recognition is given in, for example, the funding formula for local authorities of an area's growth and the planning burden that it brings. With many planning applications, we are not talking patios; we are talking out-of-town developments, new towns and major road network changes.

Planning departments are therefore in a demanding position, and I have some sympathy with the council's enforcement officers. However, the bottom line is that the guidance that enforcement officers receive is not to enforce while an application is live, so we are left in a kind of limbo. My question for the Minister is whether he is satisfied that PPG18 is working as it should be in practice. I know that there has been a big review of planning, which reported last November, the conclusion of which was that the current balance is broadly right. However, I still get the impression from my constituents that they do not think that the balance is right, and that there should be more incentives and processes for existing conditions to be enforced. The worry is that putting in applications can be used as a loophole to allow irregular situations to continue.

Andrew George: I am listening to the case that my hon. Friend is describing and, although the council is understandably cogitating, debating and negotiating with the quarry, planning enforcement action can be taken only within 10 years of a condition first being breached, as he is no doubt aware. Given that the quarry has apparently been in breach for about 10 years, the longer cogitation and negotiation continues, the more likely it is that the quarry will be able to ignore any enforcement action.

Steve Webb: I am grateful to my hon. Friend for mentioning that. He obviously has good eyesight and can see over my shoulder, because the quarry company wrote to me last night and said precisely that:

> "We could have sought immunity due to the length of time the exceedances had been apparent; however, we did not believe that this approach would have been in the best interests of the community, the company or the local authority."

The company's point is, like my hon. Friend's, that the issue has gone on for so long that the company could have just carried on. However, to its credit, it has decided to regularise the situation. I should also say that the quarry company has recognised that its liaison with the local community could have been a lot better. It is now starting to meet all the residents who have complained to consider the issues of noise, dust, traffic and so on. I hope that, whatever the outcome, relations between the quarry company and the other parties will be better and that some of the initial concerns will be addressed.

I want to give a second, very different example, which is also big in my constituency. I was not able to forewarn the Minister that I was going to raise it, although I hope that he will be able to give some initial reaction. The same sort of issues arise from it.

Obviously, my constituency is the most attractive in the country—with the obvious exception of yours, Mr. Chope. My constituency has some attractive green belt land and lots of villages, and lots of people want to live in the area. There are good motorway connections to the rest of the country—we are at the junction of the M4 and the M5—so the area is popular for Travellers. Many people want to travel around the country as part of their lifestyle, and I see no reason why they should not. We are a good base for them. The council has a couple of official council Traveller sites. However, a planning issue that relates to Travellers is arising now; such issues are sensitive and controversial, but this one is germane.

Normally, when we talk about Travellers and planning, one thinks about people pitching up on a highway verge or a farmer's field and needing to be moved on. That is not what I am talking about. My example is of a Traveller who buys a piece of green belt land on the edge of a settlement and moves a caravan and a mobile home or two on to the site. Obviously, doing so breaches planning regulations, so it is reported to the council. The Travellers unit goes to see the families to find out their intentions, whether there are any children on the site and so on. We should remember that the Travellers own the land, so there has been no trespass and there is no question of their being evicted. However, they are in breach of planning regulations.

Someone objects to the fact that the Travellers have put the mobile home or caravan on the site and an enforcement process begins. At that point, a planning application is made for a house, caravan or mobile home on the site. The council then says, "Hang on, a planning application has been made. We will not take enforcement action because it would not be expedient to do so." Such applications often go on for a long time. Inevitably, social needs assessments of the families are made and there is assessment of the availability of Traveller sites elsewhere in the area and so on.

That is why I mention Travellers. My example is not about anybody pitching up on a greenfield site; there are particular issues about such applications that mean that they are handled differently. The issue is not only about where the pitching takes place; who does the pitching is also germane. What tends to happen is that after the application goes in, there is no enforcement. The process can be slow. One, two, three or six months go by and local residents start to say, "Hang on a minute. This is a lovely village, and we would all like to have a nice house on its edges in one of those fields, but we can't. We want somewhere for our kids to live in the village, but there is nowhere—an extra house or two around the edge would be lovely, but we know that we cannot have them. How can somebody else do that?"

The planning application goes in and may well be turned down—routinely, such applications are. One imagines that enforcement would then happen. It would, except that an appeal is then made. The appeal can take months and months—such appeals are, in fact, often successful because of the shortage of official sites. However, whether it is successful or not is irrelevant. What happens in practice is that the breach of planning regulations goes on for months and months, if not years and years, and creates real resentment. Effectively, no enforcement takes place because planning applications are live. If, at the end of the entire process, the application and appeal fail, 18 months have gone by. What do the Travellers do? They sell their plot of land, buy the next-door one and start all over again.

The worry is that the planning system falls into disrepute. Every time that somebody complains to me about a breach of planning on the edge of a village and I write to the council to say, "Come on, the rules have to be the same for everybody," it writes back to say that it will not take enforcement action because a planning action or appeal are pending.

The strategic planning of the area is gradually being undermined by such piecemeal developments, but in any case the public increasingly feel that the rules are not being followed. I have absolutely no problem with diversity and different people having different lifestyles; the issue is not about that, but about people feeling that the rules are not being followed and their frustration at the fact that there seems to be no way to enforce them.

That second example was very different from my first; the quarry company was not too thrilled at my using it in the same context as their case. It says, not unreasonably, that the issues are different. However, the underlying issue is linked. We need a planning system in which the public can have confidence. The public need to know that when a restriction is placed on something, it will be enforced, and that just as they would not be allowed to put a house on a green field next to a village, so others will not be able to. The public need to have confidence that the taxes that they pay for planning enforcement are money well spent and that there is consistency. The worry, which I hope the Minister will address, is that given how the rules and guidelines are interpreted, councils—not just mine; I am sure that we shall hear about others in this debate—are judging that it is not expedient to enforce them, and the public are feeling let down.

I am grateful for the opportunity to raise my principal point—that we all want consistency. We all want rules, where they exist, to be followed. As my hon. Friend the Member for St. Ives said, the public do not want to have

to report breaches or to look up planning conditions all the time to make sure that they are being followed. They expect that work to be done, but that is not happening. I know that there has been a big review that concluded that things were kind of okay, but is the Minister satisfied that the system is working as it should? My constituents are clear that it is not. Does the Minister have any views on how we can more effectively ensure that the tabling of a planning application does not become a loophole? That happened in my second example. More generally, how do we ensure that when conditions are imposed, they are effectively and consistently enforced?

9.57 am

Mr. David Drew (Stroud) (Lab/Co-op): I am delighted to follow my near-neighbour, the hon. Member for Northavon (Steve Webb), in this important debate; I am glad that he managed to secure it. I do not want to speak for long, but the issues are of concern. I shall raise a couple of cases that are different from but share a number of common features with the ones that he raised.

Planning is a difficult issue, and there are notorious cases in which planning enforcement officers have lost their lives because of the nature of the conflict in which they had to engage. However, if the law is to mean anything, it has to be enforced. I am sure that we all, as constituency representatives, have faced individuals who have said, "Well, if I had sought planning on a bigger scale, I would have got away with it even if I had broken the rules." I declare an interest as a town councillor; we spend a lot of time seeking retrospective action against people who have built a conservatory, shed or even a small extension without having sought planning permission. However, some developers have blatantly broken the rules but apparently are able to get away with it. There is an issue of scale; enforcement is often used against people who break the rules on a smaller scale, while the way in which bigger-scale issues are sometimes dealt with is almost tantamount to causing the law to be treated with contempt. That is not acceptable.

Andrew George: Does the hon. Gentleman agree that it would be sensible to amend PPG18 and the regulations so that if an applicant finds that they have to make a retrospective application because of the commencement of enforcement action, they should lose their right to have costs awarded against the council as the result of any appeal? That might at least concentrate people's minds so that they follow the proper procedures rather than trying to flout them in the way that many developers, both small and large, do.

Mr. Drew: I support that. I hope that the Minister will say something about the way in which some people deliberately—there is no other way to say it—contravene planning policy by building something, then putting in a retrospective planning application if action is taken against them. More often than not, those people do not bear the council's costs for taking action against them. It is galling to know that enforcement is about to be taken but that developers can defend themselves by seeking another planning application, even if the original was turned down. This is a grey area, and unless we get into the legal process the problem is often never resolved satisfactorily, and the next-door neighbour ends up saying, "Why don't I do the same?" That is the biggest problem, as it leads to planning by neglect.

I have two interesting cases. I do not want to have a go at Stroud district council—the people who carry out enforcement are friends of mine—but it is under-resourced and under-powered. Taking enforcement action is dangerous and difficult, but if the process is to mean anything it has to be done and someone has to do it. One of the biggest problems is section 106 agreements, as councils often try to get jurisdiction over them, as they would like to see some amenity value properly delivered from a bigger development. The problem with section 106 agreements, I have found—I cannot believe that I am alone in this—is that they are signed by one developer but are often delivered by the second or third developer to take on the site. Lo and behold, that developer is often not keen to deliver the section 106 agreement. The council comes along and tries to enforce it, only to be told, "I'm sorry, but we never signed that agreement. We signed a subsequent agreement." That brings the planning process into disrepute. The council may choose to take enforcement action, but any developer worth their salt will have a skilled lawyer who will make the point that the developer did not think that it was taking on the agreement when they took on the site.

Let me show how ludicrous the problem can become. A development is taking place in Dursley, not a million miles from the constituency of the hon. Member for Northavon. Crest Nicholson, one of the country's biggest developers, has worked to the letter of the law, I presume, but certainly not to the spirit of the law. During the course of development at the site, the developer prevented businesses and the public from gaining access to it. It was abundantly clear what was going on, and a so-called enforcement action was pursued. The problem was that Crest Nicholson batted it away. That was frustrating for those businesses, as they received little or no compensation for all the disruption that they suffered when the site was being developed. Why was effective enforcement action not taken? The reality is that a small district council was taking on a big developer, which was able to play for time and use the legal process to say, "I'm sorry, but what do you expect with a difficult site?"

The situation became even more ludicrous. The scouts had a hut next door to the development, and it provides one of the most graphic demonstrations of how planning can go wrong. The hut is now isolated, 20 ft away from the rest of the site. The developer dug away at the side of the scout hut, leaving it 20 ft up in the air so that the scouts could not get any proper access to it, saying that that was in the original agreement. The council tried to take enforcement action, but once more it was left to the media to highlight how unfair the process was. The argument is that the amenity is being delivered in other ways, but as far as I am concerned an existing amenity, such as a scout hut, is important. We tried to take action against Crest Nicholson, but it merely said, "When the development is finished, we will get proper access restored." That is not acceptable.

Another case concerns a Gypsy site that was won, effectively, through the back door. The Gypsies had a good reputation in Moreton Valence, where they were before, but they moved on to a site in Brookthorpe, bang up against Gloucester city, so there was much more impact on Gloucester city than on Stroud district. Despite the unease of the local population about the

[Mr. Drew]

way in which the planning was won, they let it go and in the early months there were few problems. Three years down the line, I went to a protest meeting a month ago in Brookthorpe. The original Gypsy site has now become a transit camp. The planning agreement, under which foul drainage arrangements should have been put in place, has clearly never been adhered to. The planting of trees has not been fulfilled and the site is in such a mess that we have called on the council to take action against the development, which is clearly outwith what was intended by the planning agreement. All the ill feeling in the locality, which was against the original Gypsy settlement, has returned with knobs on. Locals believe that the planning process has been completely overruled and that enforcement action is rather late, if it has taken place at all, and weak.

Those are only two examples of how enforcement, if it is not properly carried out, can lead to all sorts of problems. The difficulty is that it is unclear whether the problem is purely a planning matter. Environmental health services, the police and the Environment Agency are all involved in considering the need for enforcement action, but no single agency can deliver it. If they all turned up mob-handed, I suppose that that would have an impact, but that is not how the planning process should operate. There is a lack of clarity about how planning should be delivered and, where it is not delivered properly, who should take enforcement action.

The examples I have given are typical of what can happen and what can go wrong. Will my hon. Friend the Minister say something about the need to finesse the planning system so that if there is a break in the planning process and enforcement has to be used, councils regard that process as important, and provide sufficient resources to ensure that integrated action follows when needed? I agree with the White Paper that we need to remove some of the unnecessary burdens on councils when they deal with small developments, but if we are to remove those burdens from councils they have to be given real powers to deal with larger cases of clear breaches of the planning rule, or people will take the law into their own hands more frequently in the belief that they can get away with it. There are too many cases in the Strouds and Northavons of this world that show that planning is held in contempt by many local people. If their application is turned down, but if they see that others have got through the back door and that no enforcement action was taken, they get the message that it is one law for some, but a completely different law for others.

10.9 am

Bob Spink (Castle Point) (Con): It is a pleasure to follow the hon. Member for Stroud (Mr. Drew), and I congratulate the hon. Member for Northavon (Steve Webb) on securing the debate. It is timely given the White Paper and the concerns of many of our constituents, particularly in the south-east, where planning is becoming one of the big issues that deeply worries people, who write to me about it.

My constituents and I feel that the Government's plans to deregulate planning are bad for local democracy, communities and our environment, not just for protecting our green belt but for our carbon footprint as well. Their proposals for a national policy statement on major infrastructure projects are at odds with their support for local democracy and their efforts to reduce carbon output. The White Paper will cause a surge in major, carbon-intensive developments such as airport expansions, like the one that is threatened for Stansted in Essex, major road schemes, massive incinerators and major non-renewable energy projects across the UK. The Government must try to square that circle and make their policies make sense.

I know that the Minister is keen on local democracy and bringing control down to the grass-roots level to empower local people to have meaningful control over what happens in their communities. I totally agree and support him on that, and have heard him speak eloquently about it in the House. I wonder whether the Government's proposals in the White Paper will conflict with that objective. I know that there are difficult questions to answer and that the national interest in infrastructure and energy generation projects must be considered, but a careful balance must be struck. We still need to respect true local democracy and to keep local people empowered.

The planning system, as it is at the moment, is biased against local communities. If a planning application goes in and is knocked back, the developer can appeal at very little cost and trouble to himself. If it is approved, the local community cannot appeal. There are no circumstances in which a community can say, "You've got this one wrong. We want it looked at independently, because we think something has gone wrong in the planning system." My constituents regularly feel that something has gone wrong in the planning system in Castle Point and that bad decisions have been made, but they have no means of challenging those decisions unless the procedure was got wrong. In general, the local council does not get it wrong, and even if it does residents only have a compensation route and cannot change the planning decision.

The planning system needs to be rebalanced. We need to empower local communities to challenge major planning applications. I know that we cannot have a next-door neighbour fighting another next-door neighbour—that would be rather silly—but there needs to be a system of challenging major decisions that affect a community, such as the planning application in my community to enable the building of 320 houses on green belt land. Many of the planning committee did not turn up to vote on it, and people from another community voted and approved it against the expectations of the local community, the local media and myself. We need to rebalance power and to give it back to local communities.

The debate is about enforcement. It seems that the enforcement rules are complicated and muddled. I pulled out the Library debate pack "Enforcement of planning conditions". It states, quite rightly, that

"domestic building work that has not been challenged during the four years after its substantial completion is safe from enforcement action by the local authority."

That is clear, and we all understand it. It also states that the limit for a breach of conditions is 10 years, after which enforcement action cannot be taken. The same report says that, with some exclusions, unauthorised change of use is not excluded from enforcement action for 10 years, but that action on a breach of planning control through a change of use has to be taken within

four years. I am now confused—is it four years or 10 years for a change of use? In deciding on such a matter, a judge was also confused and there was a lot of controversy about what constituted a change of use rather than a breach of condition. There is room to clarify such matters and have clear, simple principles against which planning decisions can be judged.

Retrospective planning applications, which were mentioned by the hon. Member for Northavon and others, are often used to legitimise unauthorised developments. I know that the Minister is considering whether we might have some controls on that, such as a change in the fees for retrospective planning applications so that they are made more difficult and controlled.

I was going to talk about other issues, but I see that other hon. Members want to speak. I hope that the Minister will consider one or two of my points.

10.17 am

Mr. John Leech (Manchester, Withington) (LD): I congratulate my hon. Friend the Member for Northavon (Steve Webb) on securing the debate on a matter that affects every right hon. and hon. Member. I am sure that it is regularly raised in every postbag.

I agree with what hon. Members said about the lack of enforcement. There is no doubt that the planning departments of local authorities are overstretched and that the action that they take is reactive rather than proactive. All too often, they rely on local residents or residents' groups to inform them of when planning conditions are breached. I wish to give one example from my constituency—the old Withington hospital site.

Withington and West Didsbury have the very active West Didsbury residents association, which takes a keen interest in planning matters. When the hospital site was being redeveloped, some of the trees there were protected to retain as many of them as possible. Unfortunately, the conditions that were put on the application to protect the trees during construction were flouted. It was only because of the work of Alison Hunt, the environmental officer for the residents association, that it was ever brought to the attention of the planning department that the developers were putting building materials right up against protected trees, potentially damaging their roots. Without that hard work by local residents, some of those trees could have been damaged and might have ended up dying.

The problem is that it is okay where there are strong, proactive residents' groups to do that work and keep an eye on developers, but all too often areas do not have such groups to take action and inform local councillors, local MPs and the planning department when regulations are being flouted. Clearly, there are some areas where developers will always get away with ignoring the planning conditions. The areas with strong residents' groups are the only ones where action is actually taken.

In raising a specific issue that relates to Manchester, I should like some steer from the Minister as to whether it is a national problem. I am not a big fan of the new executive and scrutiny structure in local government, but one of the good things that has come out of it in Manchester is that the physical environment scrutiny committee, which is chaired by one of my colleagues, Councillor Simon Wheale, conducted an inquiry into the enforcement of planning regulations. The inquiry made it clear that there is a lack of enforcement in Manchester, and, as a result, extra resources were found to fund two additional enforcement officers in the planning department.

Unfortunately, 12 months later, those two enforcement officers have still not been recruited. My question is whether this is a problem with the Manchester recruiting process, or whether across the country there is a lack of people who have the necessary enforcement skills. If there is a lack of skills, perhaps it should be addressed.

We must deal with penalties for breaking conditions. The one way to improve compliance with planning conditions is to impose tougher penalties on developers. Currently, they think that they can get away with flouting conditions. If they are caught, the penalties are so insignificant that it is worth their taking the risk. Others assume that if they are caught, all they need to do is put in another planning application and get permission. I shall give two examples from my constituency.

Two or three years ago, a developer built a block of flats in Didsbury several feet higher than it was supposed to be. As soon as local residents and councillors—not planning enforcement officers who had noticed the problem themselves—made the planning department aware of the contravention, the developers were forced to put in another planning application. The planning department did not think that the cost of forcing the developer to chop off the top part of the building was justifiable, so section 106 was introduced instead, and the developer spent thousands of pounds on improving the environment in the street. Of course, the developer thought that that was a price worth paying because building a larger development would result in additional money when the flats were sold. That amount far outweighed what the developer paid to improve the local environment.

A more recent example is from the Chorlton end of my constituency. The council gave permission for a coach house on Edge lane to be demolished and rebuilt in a similar fashion but slightly bigger. That permission was given on the understanding that the existing bricks would be retained during demolition of the old building and reused for the new building, and that bricks that matched the original ones would have to be sourced if additional bricks were required.

The developer sent in the bulldozers and made no attempt to retain any of the bricks. He then used brand-new bricks of a completely different colour. The planning department was informed by local residents and councillors, and what happened? It approved an application to use new bricks, despite the strong condition attached to the earlier application. The only reason why the developer was allowed to demolish the original coach house was that the original bricks would be retained for the new building. It was in the interests of the developer to bulldoze the building and not worry about retaining the bricks because it was much cheaper to use brand-new bricks, and, of course, he then got away with it. Tougher penalties are needed so that financially it will not be in the interests of developers to flout the conditions.

I end by raising a point that has not yet been made. It is to do with the restrictions on opening times. In Manchester—certainly in my constituency—many applications are made to convert shops or buildings

[Mr. John Leech]

into bars, restaurants and take-aways. I am sure that hon. Members would agree that such applications are often fairly controversial with local residents; that is certainly the case in my constituency. Because they are controversial, and because there is an impact on local residents, conditions are usually imposed on such developments to restrict the hours and to ensure that local people do not suffer too much disamenity as a result of late-night drinking or noise.

The problem is that we now have new licensing laws, and owners of bars and restaurants are applying for later licences, which are often approved. They then use their licensing hours as justification for extending the opening times and for requesting a change in how long they can stay open under their planning conditions. Councils—Manchester is certainly one of them—worry about refusing such applications on the basis that if the applicant appeals, they will almost certainly be granted the additional time because they have been granted a licence for later hours.

I want an assurance from the Minister that the Department will consider the impact that the new licensing laws have had on planning conditions to restrict hours of operation, and whether they have resulted in hours of operation being extended when conditions had been imposed to restrict the level of disamenity to local residents.

10.27 am

Andrew George (St. Ives) (LD): My hon. Friend the Member for North Cornwall (Mr. Rogerson) has allowed me a little leeway should I spill over my allotted time, but I will do my best not to take advantage of his kindness.

It is a pleasure to follow my hon. Friend the Member for Manchester, Withington (Mr. Leech). I congratulate my hon. Friend the Member for Northavon (Steve Webb) on securing the debate. He made some strong arguments for reviewing how the Government approach the matter and for finding ways to strengthen the integrity of the planning system, particularly in the area of enforcement. I hope that the Minister will take those points on board.

As many of us know, the planning system is fuelled more by greed than by need. When planning committees grant permission, they in fact write cheques to those who are successful in the process, whether or not they bamboozled the local committee. The fact is that the system itself is often driven by the wrong motivations. One of the results is that some developers will go to extreme degrees to avoid proper process.

Michael Gove (Surrey Heath) (Con): The hon. Gentleman says that the planning system is driven by greed, not need, but is he aware of a pamphlet recently published by the Liberal Democrat think-tank CentreForum? It was written by the distinguished economic historian Dr. Tim Leunig, and it was endorsed by Front-Bench Liberal Democrat spokesmen. It argues that the planning system should harness what the hon. Gentleman describes as greed by allowing community land options so that local authorities and developers both gain from the uplift in value when land is auctioned. Does he, like his party's Front-Bench spokesmen, consider that an enlightened way to harness greed for community benefit, or does he reject it?

Andrew George: As a humble Back Bencher, it is not for me to comment on matters on which my Front Bench has commented.

Clearly, a significant element is driving the planning process that is to do not with talent or the hard slog of work, but with simply converting land from one use to another, which is in fact a privilege granted to the successful applicant by the community. As a society, whether our political parties do this or not—I urge my Front-Benchers to do it—we need to acknowledge that a value goes into private pockets as a result of such decisions. We should ensure that the community shares in any benefit from decisions made.

On the enforcement process, I am arguing not for a nimbyist's charter, but for finding ways to achieve balance. The hon. Member for Castle Point (Bob Spink) spoke about balancing the process and argued for third-party rights of appeal. I hope that the hon. Member for Surrey Heath (Michael Gove), who speaks for the Conservatives from the Front Bench, will reflect on whether he considers that a wise and constructive contribution. Failure to comply is a criminal offence, yet because it is a crime against the environment, it is considered a low-order crime. In fact, many people consider failure to comply to be an acceptable crime. They do not consider it to be an embarrassment to themselves in society.

The system lacks targets. Yes, there are targets to deal with the speed with which planning applications are dealt, but there are no targets to deal with compliance, monitoring or enforcement. I hope that the Government and the Minister reflect on that. I said that the system is reactive; in fact, it depends on a complaint being made. Very few planning departments proactively engage in the enforcement process; instead, they simply wait for complaints to be made. As my hon. Friend the Member for Northavon argued, even when people complain, complaints are often not taken to the enforcement department, which is frequently regarded as a mediation service for disputes between neighbours. Many neighbours who wish to complain do not want to harm the relationship that they have with their neighbour and are therefore forced to stand back and not to complain. That allows breaches in planning law to continue because people fear that they will harm their relationship with a neighbour for ever. The planning department should be given the powers and have the resources to take enforcement action.

I have two proposals for the Minister, one of which I mentioned in an intervention on the hon. Member for Stroud (Mr. Drew). Those who consciously and knowingly flagrantly abuse the planning process either by failing to apply for permission or by not applying conditions of planning permission should lose the right to have costs awarded against them if their subsequent application results in an appeal to the Secretary of State and an inspector. If people knew that they would lose that entitlement, it would strengthen the position of the local authority and weaken the position of those who flagrantly abuse the system. The other proposal, which

the Minister has heard me mention before and with which I know he has sympathy, is that parish councils should be given an enhanced role in monitoring the planning system and ensuring that matters are brought forward, which would avoid the need for neighbours to complain against each other.

10.33 am

Mr. Dan Rogerson (North Cornwall) (LD): I am sure that all hon. Members would agree that it was time well spent hearing the comments of my hon. Friend the Member for St. Ives (Andrew George). I congratulate my hon. Friend the Member for Northavon (Steve Webb) on securing the debate, which has examined an aspect of the planning system that we often hear discussed at a local level, but rarely at a national level. It is particularly important that we discuss the matter because we are considering the Government's proposals for reform of the planning system announced in the recent White Paper.

If people are big enough and know the rules and the loopholes, they feel that they can get away with abusing the planning system, and my hon. Friend the Member for Northavon concentrated on that. If people are to have any confidence that the planning system is there for them and is seriously doing what it should, it is crucial that we overcome that problem. To enable us to plan for the sustainable future of communities around the country, we must have a watertight, fair and transparent system.

My hon. Friend mentioned enforcements being delayed by further applications, and I am sure that all hon. Members are familiar with that issue, which is echoed in the problems faced by people who want to lodge objections against applications. For example, when an application is submitted and it is objected to, it can be withdrawn and on the same day a second application can be submitted. Local people think that they have objected to the planning application that has been considered in the committee when in fact there is a second application that differs by 1 ft and their objection has not been taken into account. That is another example of the types of problems that my hon. Friend raised.

My hon. Friend also said how relations with the community and the local authority have a crucial role to play in dealing with that problem. That should be borne in mind when we consider how constructive companies and developers are at dealing with planning issues. There are good examples of how those conversations can be had with local employers, as in the case of the quarry in his constituency.

As my hon. Friend said, communication is also important within local authorities. When a department—whether it is environmental health or another department that is liaising with the Environment Agency—is aware of a breach, it should immediately pass the information on to the planning enforcement section in the local authority. Does the Minister have any views on what could be done in local authorities to encourage them to ensure that such information is exchanged more freely? Community involvement is vital, and that is the message that I will take away from my hon. Friend's speech.

The hon. Member for Stroud raised similar points to my hon. Friend and reminded us how high passions can run on some of the issues. If people are faced with even a very minor planning scheme on a day-to-day basis, it grinds them down and can undermine their quality of life. What may seem a minor problem to the developer or a busy local authority officer who is dealing with a huge caseload could be a huge problem for the person affected and it should be dealt with. The hon. Gentleman echoes what my hon. Friend said about how the piecemeal breakdown of the planning system undermines the whole system.

The hon. Member for Castle Point (Bob Spink) suggested looking at the fee structure to discourage retrospective planning applications and I am sure that the Minister will want to consider that. My hon. Friend the Member for Manchester, Withington (Mr. Leech) made some strong points, particularly about the aesthetic aspects of planning applications, which are usually vital in finally winning the support of a community for a controversial development. As they are often crucial to the successful acceptance of the final development, there should be some enforcement of them. That was a good point to raise. In his intervention, my hon. Friend the Member for St. Ives talked about the benefits of development being shared by the local community. As all hon. Members are aware, my party thoroughly supports that principle.

As the Minister has studied the planning White Paper at length, I am sure he will correct me if enforcement is mentioned a great deal, but although I am aware that we have PPG18, which I am sure will be replaced by a planning policy statement in due course, I do not think that the White Paper tackles the problem of enforcement in any detail. As we want to consider how local authorities manage their resources and how we encourage them to become more proactive in dealing with planning issues, I hope that the Minister will reassure us that when planning legislation is introduced, perhaps in the next Session, enforcement will be covered more thoroughly than it is in the White Paper.

I have a couple of brief questions for the Minister. What assessment has he made of the resources that are available to local authorities? Obviously, he wrestles with that issue on a daily basis and when he considers bids for unitary government. We heard about the quarry in the constituency of my hon. Friend the Member for Northavon. In two-tier areas, mineral and waste applications are dealt with at a county level and the district deals with other matters. That is a further level of complication that needs to be addressed when considering enforcement. What assessment has the Minister made of the level of resources and of the incentives and disincentives for local authorities to carry out their roles as enforcers, if I may call them that—it might paint a slightly unpleasant picture of local government officers? That comes back, in particular, to what my hon. Friend the Member for Manchester, Withington said: often developers or businesses make a financial calculation. Is it cheaper to flout the law and break the conditions of a planning application than to fulfil the obligations undertaken when the application was submitted and considered?

I would be grateful if the Minister could address some of those concerns, and I reiterate my congratulations to my hon. Friend the Member for Northavon on securing the debate. I hope that, as we consider the restructuring of the planning system, enforcement will be given its fair share of the discussion.

10.40 am

Michael Gove (Surrey Heath) (Con): It is a pleasure to serve under your chairmanship, Mr. Chope. First, I would like to join other hon. Members in paying tribute to the hon. Member for Northavon (Steve Webb) for securing the debate this morning. He laid out the challenges in front of us in an exemplary fashion with reference to two hard, complex cases. I appreciate the difficulty that the Minister will have in referring in detail to either of them, but the hon. Gentleman used them to illustrate broad, general principles.

In particular, I appreciated the sensitive way in which the hon. Gentleman outlined the range of views on the vexed question of quarrying and quarrying development in his constituency. While it is undoubtedly the case that his constituents suffer disturbance and annoyance—which are very far from trivial—as a result of quarry working, it is also the case, as he was right to acknowledge, that many of those residents were aware when they bought their houses and moved to the area that quarry work was going on there. I would like to raise a broader point about the built environment, however, with which I hope that the hon. Gentleman agrees. Many of us believe that housing development should be organic—in sympathy and in tune with the local neighbourhood—so local materials should be used. The hon. Member for Manchester, Withington (Mr. Leech) made a very good point in a different context about the appropriateness of maintaining high aesthetic standards in development.

The quality of limestone found in the constituency of the hon. Member for Northavon, and across the west country, is of the sort to allow sympathetic development elsewhere in the area. If we are to ensure that the necessary additional housing in the south-west is built in harmony with existing housing and in a way that wins the consent of local people, quarrying, such as that which takes place in his constituency, will have to continue. There is another layer of complexity, therefore, that means that the whole planning system has to take into account and balance a variety of conflicting or overlapping objectives.

This debate is taking place because the planning system is dysfunctional. Everyone who has spoken in our debate has addressed the way in which, not just planning enforcement, but the planning system overall, is not seen to serve the interests of our constituents, to underpin faith in local democracy, to reinforce faith in the rule of law or, indeed, to allow prompt and effective commercial development when it is in the interests of the community or the broader economy. The planning system has been tried and found wanting in almost every area.

The hon. Gentleman mentioned an unauthorised development in the green belt in his constituency, which was consequent on the actions of a small group of Travellers. Once again, I congratulate him on the sensitive way in which he dealt with that issue. Everyone who I know—certainly everyone in the Chamber—understands that the country has benefited from the rich diversity of traditions and cultures that make up the tapestry of British life. Some aspects of British life would have been impossible without Travellers and, as it is Ascot week, we should recognise that. Many of the events in the traditional British season, whether major racing events or local village fêtes and fairs, would be impossible without the services provided by Travellers and showmen, so we should pay tribute to their contribution to British society.

Once again, however, as the hon. Gentleman pointed out, an appreciation of what Travellers and showmen have brought to our society is undermined by the actions of a small minority using the planning system in the way that he accurately described—they are playing fast and loose with the rules to push through unauthorised developments of a kind that make many local communities exceptionally irritated and lead them to believe that the law does not defend their interests. We heard, too, from the hon. Members for Stroud (Mr. Drew), for Manchester, Withington, and for St. Ives (Andrew George), as well as from my hon. Friend the Member for Castle Point (Bob Spink) about the way in which local people's faith in the planning system is tested when unscrupulous individuals or large developers think that it is more economical to ignore the law, take the hit, and profit elsewhere. That brings me back to something that we need to understand about the planning system. It is a legal framework. The rule of law matters in this country, and if people are to have faith in the system they need to see that laws are applied consistently and fairly.

You will appreciate, Mr. Chope, having had the good fortune to serve alongside Nicholas Ridley—a genuinely enlightened figure in that role—in the Department of the Environment, that the planning system is about economics, too. If it is to work, it must work rationally and ensure that incentives for developers and others are aligned with good behaviour. At the moment, that is not the case. We heard interesting suggestions from the hon. Member for St. Ives and from my hon. Friend the Member for Castle Point about how we might better align the planning system to ensure that penalties and incentives make developers behave appropriately. I would be very interested to hear the Minister's response to that.

The hon. Member for North Cornwall (Mr. Rogerson) pointed out that one of many disappointments in the planning White Paper, which was a well-intended but disappointing document, was the lack of detail about how enforcement might be better secured. As he pointed out, there is a serious question about capacity in the planning system. Do we have enough sufficiently trained planning professionals to deliver enforcement? I would be very interested in the Minister's remarks on that, as well as his response to the initial questions posed by the hon. Member for Northavon about the way in which guidance has been framed to encourage and incentivise local authorities to be proactive.

Of course, those two questions are interrelated. As the hon. Gentleman pointed out, if a planning department is run off its feet dealing with a rash of new planning applications, sometimes enforcement takes second place to the processing of those applications. However, I am sure that anyone here with experience of local government, such as the hon. Member for Manchester, Withington, would say that guidance and resourcing go together. Adequate resourcing and clear, empowering guidance can provide local authorities with the means to do what I suspect every Member in this debate would like them to do—apply the law in such a way as to restore faith in the planning system.

10.48 am

The Minister for Local Government (Mr. Phil Woolas): Once again, it is a pleasure to serve under your chairmanship, Mr. Chope. I congratulate the hon. Member for Northavon (Steve Webb) on the extremely helpful way in which he approached the debate and described the problem from the point of view of residents, the local authority and the developers. Obviously, the issue has raised emotions in his constituency and I have read the background to the issues that he introduced. As he and the hon. Member for Surrey Heath (Michael Gove) said, I am limited in what I can say, but I shall try to be helpful.

Given the short time available, it will be helpful if I set out our policy before trying to answer the questions that have been asked, but I apologise in advance if some go unanswered. I suspect that we are entering a period in which debates on planning policy will rise up the policy agenda following the publication of the White Paper. Therefore, if I do not answer all the questions today, I am sure that they will be dealt with by my hon. Friend the Member for Castleford and Normanton—I am sorry, I mean my hon. Friend the Member for Pontefract and Castleford (Yvette Cooper), who is the Minister for Housing and Planning: those constituencies are easy to confuse. I am sure that either she or her successors, or I or my successors, will return to the point.

Bob Spink: Will the Minister give way?

Mr. Woolas: The hon. Gentleman is eating up time, but I can never resist his interventions.

Bob Spink: The Minister is a real gentleman. As he said that the Minister for Housing and Planning may write to us to answer our questions, will he add this question to the list? If a local authority fails to take enforcement action against breaches or irregularities, in effect ignoring complaints, what sanctions are available to communities or complainants against that local authority?

Mr. Woolas: A wide range of powers are available, and there are even more in the Local Government and Public Involvement in Health Bill, if a local authority is deemed not to be doing its job. Of course, I recognise the frustration that residents can experience in such circumstances.

Let me set out the policy. Under successive Governments, local authorities have had very wide powers to impose planning conditions, which are an important development control instrument that can be used to overcome a broad range of issues that might otherwise lead to refusal of planning permission. More generally, conditions can be used to improve the overall quality of a completed development. In deciding whether to impose conditions in any particular instance, we expect—and Parliament expects—local planning authorities to follow guidance in "Circular 11/95: the use of conditions in planning permission", which was issued by the former Department of the Environment, and is the key guidance document to which we all refer. It requires the following policy tests to be applied to the use of conditions. They should be necessary; relevant to planning; relevant to the development to be permitted; enforceable—that is a key criterion; precise; and "reasonable in all other respects."

That last test is a definition of which I am especially fond, as it is good guidance in any policy area.

The guidance advises that local planning authorities should give careful consideration to the need for a condition before imposing it. In particular, they should ask themselves whether planning permission would have to be refused if that condition were not imposed. If it would not, the condition needs special and precise justification. If a condition is considered necessary and is imposed, only to be flouted, authorities can enforce compliance by serving a breach of condition notice. If a valid breach of condition notice is contravened, the resulting offence is open to summary prosecution. We would not expect authorities to impose conditions if they had no intention of enforcing them should that prove necessary. There is no evidence, in our opinion, of widespread non-compliance with conditions, or that local planning authorities have any particular difficulties in using the statutory powers available to them properly. Planning conditions remain in force until they are revoked, amended or discharged. That is the basic system.

Mr. Rogerson: The issue of evidence is obviously crucial if we are to consider enforcement as we proceed with the planning White Paper. As it is not part of the consultation, because it is not in the current document, what is the best route to stimulate the gathering of evidence so that we can make progress?

Mr. Woolas: The Local Government Association and the Department meet regularly and planning policy is one of the issues raised. It is for local authorities to raise the matter with us if they believe that their powers are inadequate, and obviously it is open to Members of Parliament to do so as well. The debate today is an important cross-party contribution to discussions about people's concerns. We have heard examples ranging from very significant developments, such as the quarry that was mentioned, through to smaller matters at local and, indeed, household level.

Hon. Members may find it helpful if I complete the point about policy, as it is important both to the debate as it goes forward and to today's debate. Other provisions can come into play. Section 73 of the Town and Country Planning Act 1990 provides for applications for planning permission to develop land without complying with conditions previously imposed by an earlier planning permission. That seems to be the position in the case described by the hon. Member for Northavon. The local planning authority can grant such permission unconditionally, or subject to different conditions, or it can refuse the application if it decides that the original condition or conditions should continue. The original planning permission will continue to exist and apply until the outcome of the application under section 73 is decided, at which point it will supersede the original planning permission.

With regard to the Wickwar quarry, Government guidance does not tell the council—the hon. Gentleman did not make this accusation, but it is part of the debate—that because there is a pending application that could regularise the situation, it should not take enforcement action. Our advice is that, although it is unsatisfactory for anyone to carry out development without first obtaining the required planning permission, an enforcement notice

[Mr. Woolas]

should not normally be issued solely to regularise development that is acceptable on its planning merits but for which permission has not been sought. If, however, it is not clear whether development is acceptable, it is open to the local planning authority to take enforcement action. Although enforcement is discretionary, we would certainly expect local planning authorities to take enforcement action in cases in which the amenity or the environment was threatened.

As I said, planning conditions remain in force until they are revoked, amended or discharged, and the conditions attached to the existing planning permission remain in force until any new planning permission with the same and/or different conditions takes effect. Local planning authorities therefore have a full range of statutory powers available to them, backed up by Government guidance on how to ensure that planning conditions are used properly. Where necessary, planning conditions can be enforced if there is non-compliance, but if planning conditions are breached, it is for the local planning authority to decide whether to take enforcement action. The hon. Member for Northavon asked a general question whether PPG18 is working in practice. Clearly, in publishing a White Paper, we believe that the time is right to develop policy, but to describe the planning system as dysfunctional is over the top.

Michael Gove: How can the Minister possibly be happy with the planning system when, as we know, household growth is running at the rate of some 223,000 a year, yet we are delivering new housing only at the level of about 160,000 a year, and housing starts in the three months to March of this year are down 9 per cent. on the previous year? He cannot be either happy with, or willing to commend, that system.

Mr. Woolas: I will not be tempted down that road, because it is outside the remit of the debate, but my contention is that, while the planning system has been described as dysfunctional, it is not so.

Hon. Members have made a number of suggestions as to how we could improve the situation. The hon. Member for St. Ives (Andrew George) mentioned the role of parishes, which are statutory consultees. The hon. Member for Castle Point (Bob Spink) accused us of deregulating the planning system. Incidentally, I would expect him to welcome deregulation; perhaps he would do so in a different context. The question that the White Paper raises is this: at what level should planning decisions be taken? The hon. Gentleman's point is obviously important in that regard. He had one other suggestion, which may raise practical problems. Briefly, the answer to his question is that the period is four years for dwelling houses and 10 years for other changes of use.

We have had a useful debate. I have tried, in the time available, to answer the questions that were raised, but I look forward to further debate on planning policy, the White Paper and the important issue of enforcement.

Sugar and Obesity

11 am

Dr. Ashok Kumar (Middlesbrough, South and East Cleveland) (Lab): I thank Mr. Speaker for granting me this Adjournment debate, in which I wish to explore some aspects of the relationship between sugar and obesity.

I am happy to see the Under-Secretary of State for Health in his place, because this is the first time that he has replied to one of my debates. We have been colleagues for a long time, and I have great respect for him and praise him for the way in which he does his job. If I say anything too controversial, I hope that he will forgive me, because I mean only to highlight some contradictions, not to criticise the Government. I hope that he will take my comments in that spirit and perhaps take a couple of them away to think about, given that I have, without being sycophantic, supported my Government on every occasion.

Sugar is a crucial ingredient in many foods that are enjoyed by millions of people in the UK every day, but consuming large amounts of it can lead to obesity. It is only recently that we have recognised the scale of the obesity problem, and I congratulate the Government on having responded energetically and quickly. The evidence clearly shows that obesity has become a real problem. The number of obese people increases by more than 1,000 a month on average, and the Eurostat yearbook published earlier this year revealed that UK adult obesity levels were the worst in Europe.

A summary provided by the British Medical Association highlights the severity of the problem, stating:

> "In the UK there are around 1 million obese children under 16 years of age...estimates indicate that, if current trends continue, at least one fifth of boys and one third of girls will be obese by 2020."

Every year, the health service spends at least £2 billion on treating ill health caused by poor diet. Soaring rates of obesity have led to an increase in childhood type 2 diabetes and will lead to more cases of heart disease, osteoarthritis and some cancers. The rise in type 2 diabetes among children parallels the steadily rising rate of obesity. Type 2 diabetes was once seen only among adults—the average age for developing it is 52—so the increase among children is worrying. In the five years between 1996 and 2001, the proportion of children aged between 6 and 15 who are obese rose by 3.5 per cent.

Obesity is responsible for 9,000 premature deaths a year in England and reduces life expectancy by an average of nine years. The National Audit Office estimates that 18,000 sick days a year are linked to obesity, costing the economy at least £2.5 billion a year, which includes the cost to the NHS and the cost of sickness absence to industry. According to the Department of Health, the rise in obesity, particularly among children, "threatens disastrous consequences." If it continues, it could cost the economy £3.5 billion a year by 2010. The threat is therefore considerable, and the momentum behind increasing obesity means that it will be hard to stop, let alone to reverse. There is no doubt that the Government are responding to this great challenge, and I praise the Secretary of State and all the Ministers involved. However, the Under-Secretary will agree when

I say that all available levers will have to be used effectively if success is to be achieved.

I want to draw attention to the school drinks regime, which needs to be looked at. Strictly speaking, it is a matter for the Department for Education and Skills, but that Department is taking advice on it from the Department of Health. Two of the most important factors to consider when deciding what drinks should be readily available in schools are calorie content and hydration. The effects of dehydration on learning have been shown in many studies, but they are not widely recognised or acted on. The UK expert group on hydration reported on a study conducted at Leeds university that showed that children's ability to do arithmetic was impaired even if they were only between 1 and 2 per cent. dehydrated. The group advises that 40 per cent. of 11 to 18-year-olds do not drink the minimum amount of 1.2 litres a day recommended by the Food Standards Agency. It concluded that children should have access to a wide variety of beverages to encourage them to drink frequently.

The Government have recently addressed the issue of the range of drinks available in schools by setting out lists of foods and drinks that are prohibited in schools. Smoothies and fruit juices, which are high in nutrition, are still sold in schools, and rightly so, but they are expensive, fairly high in calories and not particularly good for hydration. However, low-calorie soft drinks, which are good for hydration and which tend to cost less, are prohibited. In effect, the school drinks regime bans all low-calorie cold drinks apart from water. Put simply, that means that one of the only options available to children who are thirsty but who are reluctant to drink water is expensive calorific drinks that will not hydrate them sufficiently. An alternative is for youngsters to bring high-sugar drinks from home or to buy them from off-school premises.

It is not too late to make adjustments to the school drinks regime. It would be absurd to be concerned about overweight and obese children, but to introduce a drinks regime that became part of the problem rather than part of the solution. The genesis of the new school food programme took place before our awareness of obesity increased, so the drinks regime might not take obesity into account to the extent that we surely now require. A recent undated "Dear Stakeholder" letter from the School Food Trust details several difficulties. It says that translating the school meals review panel recommendation on "pure" drinks is difficult given that European legislation sets safety standards for ingredients, and adds that changes might be required to the EU legislative framework. Does that mean that UK regulations covering drinks in schools cannot yet be tabled?

If the review panel had asked parents whether they wanted pure drinks, I am sure that it would have got a lot of positive responses. However, I am equally sure that if it went to parents now and asked whether they wanted to ban all low-calorie cold drinks apart from water from schools, bearing in mind the perils of dehydration and weight gain, the answer would be no. Such confusion is in clear contrast to the formula adopted by Ofcom in restricting television advertising to children of foods that are high in fat, sugar or salt. The definition of such products has not led to arguments with industry or conflicts with the EU legislative framework, and I commend it to the Department of Health and the Department for Education and Skills as a way ahead, in contrast to their more complex attempt to set menus. Of course, such an approach would lead to a different list of cold drinks that were allowed in schools. That is not to say that juices and smoothies, or other higher-calorie but nutritious drinks, should not be allowed. However, they should be available along with low-calorie options so that they are not used to prevent dehydration.

Recently we have become more aware of sugar in our diet, but I was surprised by the Government's response when last year in the other place, Earl Howe raised the question of the link between sugar and body weight. Lord Warner replied:

> "The available evidence on the relationship between sugar and body weight is not clear. More evidence of whether sugar is associated with body weight and obesity is required before definitive conclusions can be drawn." [*Official Report, House of Lords*, 4 May 2006; Vol. 681, c. WA96.]

That alarmed me a little. It is obvious to everyone that high consumption of high-calorie foods such as sugar has an effect on weight gain. We can surely all agree on that.

In the past two decades UK sugar consumption has increased by 31 per cent., to 1.25 lb per person per week. A comparison of the 1978 and 2002 editions of the industry handbook on the nutritional value of foods, McCance and Widdowson's "The Composition of Foods" shows that many foods that were previously thought to be healthy and largely sugar-free are anything but. For instance, in 1978 Kellogg's Special K had 9.6 g of sugar per 100 g: it has since risen to 17 g per 100 g. In crude terms, that means that that breakfast cereal now contains almost as much sugar as vanilla ice cream.

The Food Standards Agency wants food companies to reduce the amount of sugar in their products, and is so worried about the trend that it is considering imposing legal limits. Sainsbury's says that it is looking at the products that it sells to see whether it can reduce sugar and salt levels, but earlier this month it announced a reformulation of its own brand of regular soft drinks, replacing all low-calorie sweeteners with sugar. The timing is particularly surprising, given that both the European Union and our own FSA are considering how to encourage reformulation to limit sugar content. If progress is to be made in that respect, the Government must have a constructive relationship with food manufacturers. I believe that we can do slightly better.

I shall now focus on the role of low-calorie sweeteners. In previous statements about tackling obesity, the Department of Health and the Food Standards Agency advised against fizzy drinks, but that blanket condemnation failed to recognise that sales of diet colas containing virtually no calories outstrip sales of full sugar versions in the UK. To lump all fizzy drinks together when talking about obesity is misleading. Late last year, at a meeting with the FSA, industry representatives were told that future FSA advice would be against sugary drinks, not fizzy drinks. There seems to be a contradiction between that advice and the school drinks regime. If the FSA is advising against sugary drinks, how is it that smoothies and juices are still on the menu? That question highlights the need to focus on the properties of the drinks that are prohibited, rather than the broad categories that they fall into, as currently happens.

One of the arguments that are used against low-calorie sweeteners is that they encourage a sweet tooth. I have not seen any studies or scientific evidence to demonstrate

[Dr. Ashok Kumar]

that. I am happy to apologise to the Under-Secretary if he can produce such evidence. Any studies that have been done have rejected such a conclusion. Following through on those studies, the School Food Trust amended its advice on its website, and even the National Institute for Health and Clinical Excellence was asked to clarify its advice to the public. I assume that if industry were to come up with a salt substitute that passed all the safety tests, the Government would give it a warm welcome. Yet at the moment there are safe sugar substitutes and the Government are hesitant about endorsing or encouraging them.

I have received a briefing from Ajinomoto, the largest food manufacturing company in Japan, which manufactures the low-calorie sweetener aspartame. Aspartame is the most widely studied food additive, with more than 200 published papers about it. Any paper that has raised a serious health concern has failed at basic peer review level. Most recently, in May 2006, the European Food Safety Authority reconfirmed its safety. It is unsurprising that aspartame should be safe, given that it is a simple combination of two amino acids that occur naturally in our bodies.

Professor Jack Winkler, director of the nutrition policy unit at London Metropolitan university has said:

"The choice between sugared and sugarfree drinks represents one of the fundamental choices you face in nutrition policy. Do you try to encourage people to adopt the ideal diet for the human animal (the principled approach) or do you start from where people are at and lead them slowly in the right direction (the pragmatic approach)? Translating that into terms of sugar, do you try to deny people the sweet foods they love but do not need, or do you accept their preference for sweet foods, but try to restrict the adverse consequences for weight and teeth by substituting some of the sugar with sweeteners? I am an unapologetic pragmatist."

Experience has taught us politicians that we must usually take the pragmatic approach, but there is a good argument for saying that officials have been inclined to take what Professor Winkler describes as the principled approach. Perhaps that has led to some of the lack of agreement with industry on the school drinks regime.

Again, the clarity of Ofcom's definition,

"high in fat, sugar and salt"

commends itself. The benefits of sugar substitution in the fight against obesity are widely recognised by clinicians, academics, slimming organisations and of course the general public. The Minister of State, Department of Health, my hon. Friend the Member for Don Valley (Caroline Flint), has acknowledged that sugar substitution with low-calorie sweeteners has a role to play in reducing energy intake. I therefore urge the Under-Secretary to reconsider which drinks are allowed in schools.

I praise the Government for being proactive in tackling obesity, which is a huge public health concern in the UK today. I know that this is not in the Under-Secretary's remit, but in that of the Minister of State, Department of Health, my hon. Friend the Member for Don Valley. However, if he thinks that there is room for further discussion and that we can make progress, I shall be happy to seek a meeting with him and bring with me some of the people who have made me aware of the issue, to explore it further. If, on the other hand, he thinks that it would be a waste of time, I shall be happy for him to tell me, "You go your way and I will go mine on this issue."

My hon. Friend has always been very helpful, and I want to make it clear to him that my comments are meant to be helpful to the Government. This issue has been raised with me by youngsters in my constituency, and I raise it today to ask the Government to focus a little more sharply on policy and to eliminate contradictions. However, I know that there are different considerations to balance. In conclusion, I reiterate that I am trying to be helpful and to make progress. I will be happy if my hon. Friend goes away and thinks about my comments, because it is not often that I get up and say that the Government have got things slightly wrong. I generally praise them from the rooftops.

Mr. Christopher Chope (in the Chair): We come to the Front-Bench speakers, who have a limit of 23 minutes each.

11.20 am

Norman Lamb (North Norfolk) (LD): Thank you, Mr. Chope, but I suspect that I shall not take up all of that generous offer.

I congratulate the hon. Member for Middlesbrough, South and East Cleveland (Dr. Kumar) on securing this debate on an important issue, even though other hon. Members have not seen it as such. I do not intend to blame all of the problem on the Government or to be partisan about it, because there are genuine and serious issues involved that need proper, rational discussion. I was interested to hear the hon. Gentleman's comments on sugar substitutes, and I learned a lot from listening to him.

I start with the problem of obesity. The hon. Gentleman gave some frightening statistics, especially about the youngest children. Of children aged between two and 10, some 9.9 per cent. were obese in 1995, and 13.4 per cent. were obese in 2004. That is an alarming rise. I shall go on to discuss the public service agreements that three Departments entered into in 2004 to halt that trend by 2010, but the trend is very much in the other direction at the moment and is extremely alarming.

Thirty-one per cent. of English 15-year-olds are overweight. As the parent of two teenage sons, I know that parents see this problem all around them among their children's friends. There is a balance to be struck between diet and exercise, which are equally important, but I shall return to that point. Too many youngsters are overweight, and one increasingly has the sense that parents do not notice what is happening to their children, which I find alarming. An extraordinary 17 per cent. of 15-year-olds are obese. Not only this country is affected. I understand that British children are among the fattest in the world, but the trends are similar across the developed world—the number of obese children across the whole of the developed world almost doubled between the 1980s and the 1990s.

What are the effects of those alarming trends? The life expectancy of anyone who becomes obese is reduced by an average of nine years, which contradicts all the trends in the other direction as countries develop. As the hon. Gentleman said, there is also an impact on health in the form of type 2 diabetes, cardiovascular

disease and certain cancers, as well as the mental health problems that are associated with obesity, which should not be forgotten. Another effect is the cost both to the individuals concerned and to society as a whole. It is estimated that up to 7 per cent. of health care costs across the EU is committed to dealing with obesity-related illnesses. That is extraordinary.

Let us consider the role of sugar. I was alarmed by the quote from Lord Warner, which I had not heard before, that no clear link had been established between sugar and body weight. The Government ought to be working on the precautionary principle, and such an apparently complacent attitude on the part of a Minister rather contradicts the whole approach of the Food Standards Agency, which is pushing for action to reduce levels of sugar in food. I would be grateful if the Minister would specifically address Lord Warner's comments. Does he accept them, or does he think that even if the evidence is not all there yet, we have to work on the basis that there is a link and that we must take action to reduce sugar levels?

Sugar consumption has implications not just for obesity but for tooth decay. I had the pleasure of visiting my dentist yesterday, and he commented on the extent of work that had been done in my mouth. He told me that things had improved an awful lot for children's dental care in the years since I was born, but there is a danger that things will slip in the other direction because of the significant increase in sugar in our diets.

In an article in the *British Medical Journal*, an academic likened sugar to a hard drug and said that it was addictive and harmful—potentially as damaging as tobacco. There is a danger of us all becoming food fascists, and my general approach to such issues is that we should take everything in moderation and that sugar can play a proper part in a balanced diet.

Dr. Andrew Murrison (Westbury) (Con): I would not for one moment accuse the hon. Gentleman of being a food fascist, but if he were to remove sugar from people's diets, what would he replace it with, given the relative calorific value of the alternatives?

Norman Lamb: I was about to discuss the changes in the sugar content of certain familiar products in the past few years. Perhaps I can deal with that first. There is an excessive amount of sugar in our diets. I am no expert—the hon. Member for Westbury (Dr. Murrison) is much more of an expert than me, and I shall welcome his contribution—but there has been a lot of analysis of the sugar content of foods in the past 30 years. The hon. Member for Middlesbrough, South and East Cleveland also raised this issue.

It seems that the sugar content of many foods has doubled. There is a particular problem with foods such as cereals, because there is a widespread assumption that they are a good, healthy food. The hon. Gentleman told us that the sugar content of Special K, which I think everyone assumes is broadly a healthy food, has doubled since 1978. Most consumers would also think of wholemeal bread as a healthy product, but Hovis wholemeal has 3.7 g of sugar per 100 g—three teaspoons of sugar per three slices of bread. That is amazing; I had no idea that its sugar content was so high.

Which? has discussed the sugar content in many ready meals. We live in an ever more frenetic society in which, often, both parents work and so increasingly rely on ready meals. However, the sugar content of ready meals is much higher than that of the food that families would previously have cooked themselves. Many ready meals have a sugar content as high as 23 g per 100 g. I would never have realised when I sat eating my Waitrose tomato soup that it contained 6.4 g of sugar per 100g. So, the trend of the past 30 years has been that many food manufacturers have dramatically increased the sugar content of their foods.

What should we do about it? In a sense, there is a conflict between concerns about the nanny state and the Government seeking to control or heavily influence behaviour, and the imperative to tackle a serious public health issue. The trends are so serious that we must do something, and Government, industry, other public sector bodies, such as local government, and individuals all have a role to play.

The Public Accounts Committee examined the Government's situation, referring, in December, to the public service agreement of 2004. That was signed up to by the Department of Health, the Department for Education and Skills and the Department for Culture, Media and Sport. The particular commitment was to halt

> "the year-on-year rise in obesity among children under 11 by 2010 in the context of a broader strategy to tackle obesity in the population as a whole."

We may be most concerned about obesity in children, but the trend also very much afflicts the rest of the population.

The Public Accounts Committee drew attention to the fact that there were no ring-fenced budgets or specific programmes, and that the approach was to try to influence existing Government programmes and the food industry to change the formulation of products. I fully appreciate that the PAC was commenting on a previous period, that things have moved on since and that some things have improved. However, its conclusion was that "little concrete action" had been taken.

Since then, we have seen the traffic lights initiative on food labelling and the Ofcom rules on advertising in respect of children's programmes. Both measures have been controversial and there has been pressure on Government and regulators from both sides to push in one or other direction.

Some products show guideline daily amounts—the alternative, industry solution—as opposed to the traffic lights system promoted by the Food Standards Agency. I am conscious that the food industry is spending a fortune on fighting its corner, because it recognises the potential financial impact in relation to some of these products. I understand its concerns that as products are reformulated, they need to maintain their attractiveness so that they can sell them. It is legitimate for the industry not to want massively to damage its business. There must be an objective assessment of the evidence during this, in a sense, trial period involving the two competing approaches. The industry says that it wants eventually to implement whatever is most effective, so there is an onus on it to demonstrate that its scheme is effective. It is important that it works closely with Government and the FSA to ensure that whatever emerges is based on objective evidence and a rational decision about what works best.

[Norman Lamb]

Judging by what I have seen so far, we need something that is simple, that consumers understand and that guides behaviour. That pushes me, perhaps rather reluctantly, in the direction of a traffic lights system. There appears to be some evidence that consumers are changing their purchasing habits and identifying the information on the packaging.

There is a duty on the food industry to behave responsibly. Large companies all sign up to the concept of corporate social responsibility. In this regard, their corporate social responsibility is to take a lead, rather than just be pushed, to ensure that their products are as healthy as possible and to reformulate as much as they can in order to address the dangerous trends that we are witnessing.

As for the Ofcom measures, there is a lot of pressure to go further than Ofcom has gone and to adopt the 9 pm watershed prohibition. As policymakers, the Government, the FSA and Ofcom ought to make a rational, objective assessment of how the regime is working before deciding whether more draconian measures are necessary.

In February, one of the Minister's ministerial colleagues said:

"We now look to the Committee on Advertising Practice to put in place similar rules for…cinema, magazines and the internet."

I would be most grateful if the Minister could update us on exactly what has happened in that regard. Are those rules in place or likely to be in place soon? That commitment was made back in February, so it would be valuable to know whether action had been taken.

I said that other public bodies had a role to play. In preparing for this debate, I noted that Liverpool city council, a good Liberal Democrat council, is taking the sensible step of removing drinks machines that sell very sugary products from its main sports facilities. The Norfolk and Norwich university hospital has Coca Cola machines throughout its buildings, and in this day and age, that is rather bizarre. My concern is that the hospital is driven by the money that the machines provide rather than what is in patients' interests.

Some valuable trends are occurring in schools, and the Government have played a part in those. However, I know of schools in my constituency that have rejected the dismal food that comes from the county council's provider and have opted for their own, in-house cooked meals, which are of a high standard. I enjoyed a meal at Stalham middle school, where the quality of the food was tremendous. This is happening all over the place, and it is a good thing.

I want to end by again making a point about exercise. This debate is about one part of the equation, the importance of exercise being the other. Disturbing trends can also be seen in that regard, because there are lots of pressures on families, particularly given the development of the internet. There is a trend for children to remain sedentary and not go out and get enough exercise. Some children and teenagers have an embarrassment factor that puts them off some of the traditional sports, so we must be open-minded about the whole range of sports and exercises in which they can engage. It is crucial to get the message across, through schools, sports clubs and so on, that exercise is important.

I am practising what I preach, because I am training for the great London run on 1 July. Incidentally, I am accepting sponsorship for Cruse Bereavement Care, which is an excellent charity. Last night, I ran 9 km around the course—I am still here to tell the tale, although my body has somewhat seized up. Exercise is incredibly important for children and adults, and the Government must keep repeating that message.

11.38 am

Dr. Andrew Murrison (Westbury) (Con): I shall try not to expand my contribution to fit the time available. I congratulate the hon. Member for Middlesbrough, South and East Cleveland (Dr. Kumar) on raising this important subject and on his having consistently done so over several years by way of parliamentary questions and early-day motions.

It is important to avoid junk science and drawing easy conclusions. We know several things about the subject, without fear of peradventure. We know that obesity is dramatically on the rise, and we have a particular problem in this country according to the Eurostat data that has recently become available. We are on safe ground in asserting that obesity can lead to conditions such as type 2 diabetes, coronary heart disease, cerebral vascular disease, various forms of arthritis, cancer and probably some forms of mental ill health, but in 2002, the National Academy of Sciences concluded:

"There is no clear and consistent association between increased intake of added sugar and BMI"—

that is, body mass index. The hon. Gentleman alluded to that, and it is central to any debate about obesity and sugar.

Although the hon. Member for North Norfolk (Norman Lamb) was kind enough to say that I am an expert, I am not. It is important not to draw easy conclusions. As the hon. Gentleman said, relativity comes into it, but most of us as lay people probably feel that sugar does lead to obesity. Indeed, a core sugar has a calorific value, but so do many other substances. My intervention was aimed at establishing that we should not necessarily assume that sugar will lead automatically to obesity. If sugar is removed from the diet, what is it replaced with?

I hesitate to mention the Sugar Association because it clearly has an interest in a debate about sugar. Nevertheless, it points out legitimately that fats deliver more than twice the number of calories per gram than the carbohydrate sugar. Furthermore, and probably more importantly, fat is laid down while energy from other sources is quickly burned off. It would be beneficial to think a little more laterally about the contribution that sugar and other forms of energy-providing substances make to obesity.

When trying to work out what is fact and what is fiction, it is probably worth while reflecting on energy in and energy out. There has been a recent series of interesting results from academic institutions that have looked at the energy-out side of the equation. We cannot consider energy in—sugar—without considering energy out. The Minister will be aware of Plymouth's prospective EarlyBird study and the recent cross-sectional study at Bristol university. On first examination, they appear to be contradictory, but when taken together

they show that there is a difficulty in the assumption that providing exercise for schoolchildren will alter behaviour in the long term.

I was disappointed to read the results of the prospective study from Plymouth because I would like to believe, as I am sure would the Minister, that providing sports facilities and exercise in schools will lead to a long-term change in people's behaviour so that they enhance the energy-out side of the equation. Unfortunately, that research suggests that the pattern is more complex. I would like to know where we are with the "Choosing Activity, a physical activity plan" of March 2004, which was relaunched in August last year, particularly in the context of focusing on energy out and taking into account those two important studies, the results of which we had earlier this year.

The hon. Member for Middlesbrough, South and East Cleveland mentioned fruit juices and smoothies. Most of us assume that smoothies are a good thing. Certainly the packaging suggests that they are full of good stuff and sometimes that they contain as much as five pieces of fruit compressed into a little bottle. Therefore, they seem to be a good thing and an easy way of satisfying the Government's insistence that we should consume five pieces of fruit or veg a day. They are, of course, high in good things such as antioxidants, but they may also be high in substances such as sugar, so how do we play one off against the other?

The hon. Gentleman also mentioned dehydration. I have had correspondence from various authorities on the subject, but I am having difficulty in working out what part dehydration plays, particularly as we live in a temperate climate. I am not aware that the Food Standards Agency has looked at the issue, and I would be interested to know what it makes of it and particularly what it thinks about reports that dehydration degrades people's ability to do maths in schools.

The school fruit and vegetable scheme was launched three years ago at a cost of £77 million, and I understand that the Department of Health is reviewing that. Will the Minister comment on where we have got to with that review and with emerging reports that it has not significantly changed behaviour? I would be interested to know whether the Minister, on the basis of the evidence available to him now, intends to change the school fruit and vegetable scheme and, if so, in what way. While he is about it, perhaps he would comment on other initiatives that have been launched since the White Paper "Choosing Health"—for example, the teen life check and the obesity toolkit.

Initiatives introduced by the Government and their agencies often have unintended consequences, and I am thinking particularly of the FSA's attack on salt, which I fully support. However, it seems that there is a conflict between salt and sugar. As I said about the competing benefits of various substances in smoothies and fruit drinks, we must compare and contrast, and work out what is for the best. Kellogg's has been up front and said that it is adding sugar to some of its cereals because salt is being reduced, presumably because of pressure from the Government and their agencies.

We have heard about Special K, which I do not recall having had for a long time, but my parents and grandparents used to have it and it seems that it was a lot less sugary back in 1978 when the data started to be gathered for the Widdowson textbook, which is the trade text. The sugar content has risen dramatically since then.

Various other foodstuffs were discussed by the hon. Members for North Norfolk and for Middlesbrough, South and East Cleveland, and I shall not repeat what they said, but I am a little alarmed to find that fruit and even vegetables are now being bred to enhance their sugar content. The carrots that I ate in 1978 contained 5.4 g of sugar per 100 g, but that increased alarmingly to 7.4 g of sugar per 100 g in 2002 to match consumers' palates.

Waitrose soup has been mentioned but, unlike the hon. Member for North Norfolk, I do not eat it as I do not have a Waitrose near my house. I have an Asda, and its sticky chilli chicken contains 19.2 g of sugar per 100 g. Tesco's crispy beef and sweet chilli sauce contains 23.1 g per 100 g, which is a remarkable amount of added sugar. Neither of those products appeals to me, but clearly they cater for consumers' tastes. If other palatable ingredients, such as salt, are driven down, inevitably they must be replaced with something if the company is to continue to sell its products. I am slightly concerned that in forcing down one ingredient, we are driving up others without having first assessed which ingredient is more damaging.

It seems that the link between sugar and obesity has not been established, so the FSA might reasonably take the view that salt, which is proven to be harmful, must be its prime focus, rather than sugar.

Norman Lamb: My impression is that the FSA has moved on to sugar. Is the hon. Gentleman saying that it is not wise to do so, and that it ought to stick with salt? The FSA gives the impression that it must tackle sugar.

Dr. Murrison: I am not sure that the FSA has moved on, and I hope that it does not move on as the hon. Gentleman suggests, because that would be the wrong way to consider the problem. We cannot leap from one substance to another; we must consider the issues holistically. That is the guts of what I was trying to put across.

There is, however, clear and largely uncontroversial evidence to link high salt content with various forms of ill health, hypertension and the sequelae of that. We hear from various authorities that the link between sugar intake and increased BMI is not so well established, and it would be a pity if in chasing down sugar, we drove up salt, which is uncontrovertibly linked to ill health. That would be a dangerous thing indeed.

The question is about balancing one with the other, and I am not sure that even the FSA—sage organisation that it is—would have either the answers or the ability, given our knowledge about the subject, to strike a reasonable balance between the two. I accept that it is important for the FSA to consider sugar, and that it tries to improve our evidence base, but I am pretty clear that its chief target recently has been and continues to be salt. If that is true, that approach is entirely rational.

I suspect that there is a link between sugar content and cost, and I should be interested to know the Minister's view on that. The hon. Member for Middlesbrough, South and East Cleveland referred to Professor Jack Winkler of London Metropolitan university, who blames European trade reforms for making sugar cheaper and

[Dr. Murrison]

for contributing to obesity. He has made the link between sugar and obesity; others may be more cautious about doing so. However, I need no encouragement to attack the evils of the European Union and its doings, and I should be interested to hear whether the Minister shares Jack Winkler's concerns about its impact on the price of sugar, and therefore, according to Professor Winkler, on obesity in this country.

The hon. Member for Middlesbrough, South and East Cleveland mentioned sweeteners, and like me he has received a briefing from Ajinomoto about aspartame. Does the Minister believe that low calorie sweeteners of the sort referred to by the hon. Gentleman and approved by the European Food Safety Authority in May 2006 are to be encouraged? If so, how does the Minister think they might be used as a replacement for sugar, sucrose and dextrose in the UK diet?

Advertising is important in the debate. The Minister called on the Committee of Advertising Practice in February to put in place rules governing the advertising of food high in fat, sugar and salt in non-TV media, and the hon. Member for North Norfolk referred to that. I believe that rules concerning magazines and cinema will come into force in a few days' time, but I am less clear about rules relating to the internet, computer games and mobile phones. I should be interested to hear whether the Minister's call on the committee a little while ago has resulted in the drafting of any rules for the advertising of products high in fat, sugar and salt to children through those novel media.

In the large amount of time remaining to me, I shall mention briefly the impact of labelling. It is important for people to understand as fully as possible what they are buying and consuming. The Food and Drink Federation wrote to me, essentially supporting the guideline daily amounts method of front-pack labelling. I suspect that it wrote to other hon. Members, too. It provided many obliging statistics, and pointed out that

"50 per cent. of UK retail food and drink packs now carry this"—

GDA—

"information."

The other major means of providing such information is through the traffic light scheme that the FSA has been—up to this point—very keen on, has been trialling, and, we understand, will be reviewing to determine whether it needs to alter its tack or remain on its set course. Whichever scheme ultimately emerges as the victor, it must be the one that is most user-friendly, most likely to alter people's purchasing preferences, and thereby the products that are available on predominantly supermarket shelves.

However, I sound a cautionary note about nutrient profiling, for all the predictable reasons. We have heard about the red-lighting of dairy products such as milk and cheese, and of other products such as Marmite and tomato ketchup, which is based on the nutrients that they contain in 100 g of product. I do not know about you, Mr. Hood, but the last time I consumed 100 g of ketchup or Marmite at one sitting was a very long time ago. Such information does not seem to be terribly relevant to what people actually consume and how they actually behave. That is one of my chief problems with nutrient profiling.

In 2005, "Commissioning Obesity Services: PCTs' Services and Strategies" was published. Its methods for tackling obesity do not appear to have been rolled out terribly well, and I should be interested to hear how the Minister feels about the prescription of various forms of weight reduction, such as those that Weight Watchers and Slimming World provide, which appear to be cost-effective when compared with the cost of medication for dealing with obesity.

How is the quality and outcomes framework being used to tackle obesity? GPs get very few points for addressing obesity through the QOF, and given the scale of the problem, which we heard about from the hon. Members for Middlesbrough, South and East Cleveland and for North Norfolk, it seems strange that a mechanism that was set up to improve health should fail so signally to address one of the biggest public health problems that we face today—obesity.

11.58 am

The Parliamentary Under-Secretary of State for Health (Mr. Ivan Lewis): I congratulate my hon. Friend the Member for Middlesbrough, South and East Cleveland (Dr. Kumar) on securing this Adjournment debate and on campaigning on the issue for a long period. As well as being my hon. Friend, he is a very good friend, and he says quite rightly that, usually, he praises fully the Government's achievements. Today, however, he has raised some extremely important issues that are worthy of serious consideration.

The Minister of State, Department of Health, my hon. Friend the Member for Don Valley (Caroline Flint), who leads on public health issues, would welcome the opportunity to meet my hon. Friend, and anybody else whom he felt useful, to discuss the issues that he has raised. It is always good to offer meetings on behalf of colleagues; whether they thank me for it is an entirely different matter. However, it would be useful if such a face-to-face meeting were to take place.

All hon. Members who have contributed to this debate have defined the scale of the problem. It is serious for the individual affected and a major challenge for families in this country. It also presents new questions for our society and raises significant issues for our economic well-being going forward. Tackling such issues must, however, be a shared responsibility. There is no one partner in society who alone can tackle and resolve these fundamental and profound issues. The Government must of course fulfil their responsibility, but so must parents, in the case of young people. In the case of older people and adults, there is a responsibility on citizens. There is also the question of the role of the regulatory authorities and the behaviour, in respect of both self-regulation and corporate responsibility, of industry and the private sector in those regulatory regimes. Every partner needs to play their full part if we are to have a chance of tackling the issue on a long-term and sustained basis.

To turn to some of the progress made, this country's strategy is acknowledged internationally as being progressive and positive. Progress has been slow, but it has been significant. There has undoubtedly been a positive change in people's awareness of the importance of healthy living, and there are signs that children and adults are beginning deliberately to adopt healthier eating and

physical activity habits. The fact that we as a society debate the issue, as well as the fact that people reflect on their behaviour and the impact that it has on their health, the quality of their lives and, in the most extreme cases, their life chances, is an important advance. A few years ago, such issues were not at the forefront of people's minds or anywhere near the public policy agenda, so we have made significant progress.

There are also many statistics that reinforce that belief. For example, there has been a 7.7 per cent. increase in expenditure on fruit and vegetables, which is the biggest increase for more than 20 years, alongside a 6.1 per cent. decrease in expenditure on confectionery. In 2006, 72 per cent. of people were aware that they should eat at least five portions of fruit and vegetables a day, which was an increase from 51 per cent. in 2002. In 2005-06, 80 per cent. of schoolchildren did at least two hours of school sport a week, which is up from an estimated 25 per cent. in 2002. The figure is also higher than our target for that period, which was only 75 per cent. There is also no doubt that children's fruit and vegetable consumption is increasing, with 17 per cent. consuming at least five portions a day in 2005, which is up from 10 per cent. in 2001. There is therefore evidence that significant progress is being made.

Dr. Murrison: What would the Minister say to the National Foundation for Education Research and the university of Leeds, which seem to think that the schools fruit and vegetable scheme has not succeeded in its stated intentions?

Mr. Lewis: The hon. Gentleman raised that issue earlier, which I shall deal with head-on in a few moments. It is as though he would be pleased if what he has described was the case, which I find alarming for an hon. Member trying to make a mature contribution to the debate. However, I shall deal with the point directly in due course.

A lot of changes have been made. For instance, the Ofcom changes have restricted TV advertising of food and drink high in fat, salt and sugar to children, while new rules from the Committee of Advertising Practice will come into effect on 1 July. Tougher nutritional standards for school food have been announced and front-of-pack labelling now makes it much easier for consumers to understand the nutritional value of processed foods. NICE published guidance on the prevention, identification, assessment and management of overweight and obesity in adults and children in December last year. There has also been partnership working with the National Heart Forum on revising its toolkit, "Lightening the load: Tackling overweight and obesity", which aims to support local areas in developing local strategies to tackle overweight and obesity in children and adults.

There has also been the new "Healthy Start" scheme, as well as new care pathways for NHS primary care professionals and self-help guides for patients. The Government launched the national step-o-meter programme, which has trained 4,000 primary care health professionals across 220 PCTs in motivational interviewing and the use of pedometers as a motivational tool. Nearly 20,000 schools have volunteered to be "Healthy Schools" or are working towards becoming one, which is more than 85 per cent. of schools in this country. That is incredibly important, if we think about the potential for long-term and sustained change that it gives us. There is now also a coalition of 150 organisations in the public and private sectors, working together and using social marketing techniques to develop a deep understanding of the drivers of families' food and physical activity habits. Significant progress has been made, but it is important to acknowledge, as hon. Members have done, that we still have a long way to go in tackling the challenge.

I should like to turn to some of the points that my hon. Friend and other hon. Members made about sugar, drinks and obesity. There is limited scientific evidence regarding intakes of sugar-sweetened drinks and weight gain, and it is unclear whether an association exists. It is hard for me as the Minister to relate to that, but that is what the scientific evidence suggests and we cannot afford to ignore that scientific and expert evidence.

Dr. Kumar: Has my hon. Friend the Minister commissioned studies through his Department or is he relying on external research work? If he is saying that he cannot see the evidence, surely the sensible thing, given the size of the Department's budget, is to commission its own research work. That would keep the researchers occupied for a long while.

Mr. Lewis: I should like to refer to other research that has been conducted on the issue. For example, the World Health Organisation report on chronic diseases, which was published in 2003, did not directly link sugar with weight gain, but suggested that a high intake of free sugars in soft drinks possibly promotes weight gain, which is an important nuance. The Food Standards Agency considers there to be insufficient evidence to make a judgment on sugar-sweetened drinks and obesity, but continues to monitor the evidence as it emerges, which is important.

Norman Lamb: The Minister mentioned the Food Standards Agency, but as *The Sunday Times* reported in May:

> "The Food Standards Agency...which launched a crackdown on salt two years ago, wants companies to reduce the amount of added sugar in food products and is even considering imposing legal limits."

Does he fully support the FSA in pursuing the level of sugar in some products or is he saying that there is insufficient evidence for us to adopt a precautionary approach and seek to reduce levels?

Mr. Lewis: I agree entirely with the hon. Gentleman, who made the point about the precautionary principle in his earlier contribution. That is why we as a Department are working with the FSA and the industry to reduce sugar in a range of foods. The Department for Education and Skills and the School Foods Trust are also working to take the issue forward. I agree with the hon. Gentleman's point that we should proceed on the precautionary principle. I support what the FSA has said recently; its point is that we need to assess evidence as it emerges and adjust our strategy accordingly. We need to proceed by using the precautionary principle as the basis for moving forward.

The World Health Organisation report did not directly link sugar with weight gain, but did suggest that a high

[Mr. Ivan Lewis]

intake of free sugars in soft drinks possibly promotes weight gain; I made that point earlier. The physiological effect of energy intake on satiation and satiety from sugar in fluids was found to be different from that from sugar in solids. Sugar in fluids was found to be less well detected by the body, leading to incomplete compensation of energy at subsequent meals.

A systematic review of sugar-sweetened drinks, weight gain and obesity, published by Malik et al. in 2006, has also been helpful. It assessed 30 studies and concluded that, in general, greater consumption of sugar-sweetened drinks is associated with weight gain and obesity. However, several of the epidemiological studies reviewed had inherent problems, including small sample size and short follow-up, and were confounded by other dietary factors.

With the possible exception of some fruit juices, sugar-sweetened drinks provide little nutritional benefit, and their consumption should be discouraged in favour of healthier options such as water and milk. We need to take greater note of the emerging evidence as the strategy and debate continue.

Dr. Murrison: The Minister has just cited advice from experts about milk. What are we to make of the fact that, according to nutrient profiling, milk would get a red light under the traffic light system. What are we to do about that?

Mr. Lewis: We have to consider the evidence that is emerging. As my hon. Friend the Member for Middlesbrough, South and East Cleveland said, there can be inconsistencies and unintended consequences. We need to try to align policy and strategy and ensure that they are based on evidence. All the time we are collecting more and more evidence that will influence, shape and refocus policy. That is the only answer that I can give the hon. Gentleman at this stage.

The hon. Member for North Norfolk (Norman Lamb) mentioned his concern about teenagers, and that is important. Obviously, we share a responsibility with parents, schools, role models and others for the influences on teenagers. The hon. Gentleman also rightly referred to the importance of exercise. We live in a society of the internet and iPods; many activities in which young people want to participate do not necessarily involve exercise. Young people's behaviour, attitudes and how they choose to spend their leisure lives are changing. We need to consider the implications and impact of that and make sure that there are other influences.

The issue is often about making a direct link between what teenagers care about and aspire to and their behaviour. If we simply hector and lecture young people about why exercise and healthy eating are good, it is unlikely that we will get through to many of them. If we make the link between young people's ambitions, aspirations and hopes for their lives and the potential damage that obesity and excess weight can cause them, we are more likely to make progress.

The hon. Gentleman also raised the issue of advertising in cinemas, magazines and the internet. The rules announced—in April, I think—will apply to all food and drink, except fruit and vegetables, and they will come into effect on 1 July; he wanted a specific answer on that. As a Department, we will monitor their impact with reference to Ofcom rules.

Norman Lamb: Will the Minister clarify whether that will apply to the whole range—cinema, internet, magazines and so on?

Mr. Lewis: Yes, I can confirm that.

I move on to the comments made by the hon. Member for Westbury (Dr. Murrison), who seems to blame the European Union for obesity. It seems that the lunatics remain in charge of the asylum—the faces may be new and smiling, but the same ideological lunacy remains, with the belief that the European Union is somehow evil and responsible for the obesity problems of our society and our world.

I shall try to take the hon. Gentleman's other points a little more seriously. He asked about "Choosing Activity", and I shall update him on that. By January 2007, 57 of the 99 commitments set out in the plan had been achieved. For example, every school in England is now part of a school sports partnership, and 80 per cent. of pupils now take part in at least two hours of high-quality physical education and sport a week. As I said, that exceeds the 75 per cent. target that we originally set. The Government are clear that the root cause of obesity is calories in and calories out; the hon. Gentleman himself mentioned that in his speech. We have a comprehensive strategy on physical activity and diet. There is good evidence that "Choosing Activity" is beginning to make a real difference.

Dr. Murrison: With all due respect, the Minister has made some silly and fatuous statements in this debate; this is his chance to redeem himself. He will, of course, be aware of the Plymouth EarlyBird programme and the Bristol university cross-sectional study on obesity—at least, I hope that he is. How does he reconcile those with the school sport strategy, which, I assume, will be updated or reviewed to incorporate that research? If my assumption is correct, will the Minister outline how that will be taken forward?

Mr. Lewis: Of course we will take account of that research and consider its implications for the school sport strategy. Most people would say that we are making significant progress on changing the culture around school sports. There was a period in our history as a country when competitive sports, certainly in the state system, were downgraded and not encouraged. We had a problem with teachers' ability and willingness to work outside the school day, but we are seeing a significant step change. Extended schools will make a tremendous difference to the range of opportunities for children and young people to participate in sporting activities and a whole range of extra-curricular activities that have been taken for granted in the private sector through the generations. Of course we will reflect on the implications of those studies, but we are firm on the benefits and progress of the school sport strategy.

The hon. Gentleman referred to dehydration. The FSA has not undertaken a specific research project on the issue, but other evidence supports the notion that hydration is important for good health and concentration. We do not have hard evidence on that, but the anecdotal

evidence is there. The hon. Gentleman raised the school fruit and vegetable scheme. He said that it cost £77 million, but it actually cost about £38 million. The first evaluation showed that children on the scheme increased their consumption, but that that dropped off when they left the scheme. Further evaluation is to be published by the end of this month, and at this stage the Government have no plans to change the scheme.

The hon. Gentleman, as well as other hon. Members, raised the question of artificial sweeteners. The Government recognise that low-calorie sweeteners such as aspartame have the potential to help to reduce some people's energy intake, particularly if the food or drink that contains them replaces products that contain sugar. That is a clear position. Did the hon. Gentleman want any further clarification?

Dr. Murrison *indicated dissent.*

Mr. Lewis: Clearly not.

We have evidence that we have a robust national strategy. We also have evidence that the issue is incredibly difficult to tackle effectively. It will require a long-term sustained commitment from all stakeholders. There needs to be an acceptance that, although the Government have major responsibilities, so do the private sector and families, as well as the community through the status that it gives the issue and the importance that it places on it. There is no doubt that obesity undermines individuals' quality of life, length of life and life chances. There is no doubt that it places massive pressure on our public services. Equally, it undermines our economy in a global era when we need the full talents of all our citizens to be used to maximum potential if we are to compete with the Indias and Chinas of this world. Obesity should not be seen as a stand-alone or marginal issue. It is right at the heart of social and economic policy and of the health and well-being of individuals and our population. We have done a lot, but there is still a long way to go.

12.22 pm

Sitting suspended.

Village Halls

12.26 pm

Sir Paul Beresford (Mole Valley) (Con): I am delighted to have the opportunity to press a little subject about which I have been nagging for some time.

It is my contention that the Government overtax us and, in particular, that they over-regulate our everyday way of life. However, today I am considering rural villages and specifically village halls. The White Paper of April 2000, on which the Licensing Act 2003 is based, sounded quite hopeful. It started with a few interesting points. It stated that the key aims of the proposals were

"to reduce crime and disorder…to encourage tourism…to reduce alcohol misuse…and…to encourage self-sufficient rural communities."

The White Paper also set out

"proposals for reducing the burden of unnecessary regulation."

That was too good to be true.

Geographically, I have the largest Surrey constituency. It is predominantly rural, with two market towns and about 32 villages. Under this Government, many of them feel under threat. Although they are not far from major roads, many are reclusive and some even feel remote. All have telephones and electricity except during some storms, when the supply may be disrupted. Not all of them have the internet, and many do not have broadband. Perhaps it is a virtue, but a number are so situated that even mobile phones cannot be used. Most have post offices, village stores, delightful pubs—after the last debate, perhaps we ought to re-emphasise the presence of gastro-pubs—and village halls. Some also have small village sports grounds, such as cricket clubs, bowls clubs and so forth, that have halls attached.

The halls are almost all, if not all, run as charities, and they are used for village functions by the village repertory society and local dancers, and for birthday parties, wedding functions, photographic society showings and so on. Many, if not all, of those events—except perhaps for the children's parties—provide bars, or at least they used to. Two of the halls are substantial in size, and are sufficiently large to employ caretakers. All of them, including those large halls, are run by a volunteer committee, generally a local residents' or village association. Most are small and some are tiny. Some are so small that one could fit three on to the floor of this Chamber. Some are close to homes in the village, many are more remote and at least one is up a long narrow lane and in the clearing of a small forest. That is hardly an area where there is going to be a riot.

Not one village hall in my constituency is renowned for crime, disorder or drunkenness. If they are known to the police, it is generally because the policemen and women live in those villages and use the facility as members of the village community. The halls are a functional part of the village communities, which should have welcomed the sweet sound of

"proposals for reducing the burden of unnecessary regulation."

However, the effect of the wretched 2003 Act on village halls has been a nightmare for the local people who manage them. They volunteer to do so for the sake of the village. They do not expect a bureaucratic nightmare of plans, forms and teachings on legislation.

[Sir Paul Beresford]

The halls are run on the traditional shoestring, and money is raised for their operation by hiring them out to village groups, which in turn make a tiny profit on nibbles, cakes, wine and so forth sold at their functions. Added to that, on many occasions the Act creates the problem of finding some poor soul who has to agree to be the responsible individual or designated licence holder for the hall. There is the problem, too, of the annual restriction of 12 temporary event notices. As the halls have found, a TEN can be obtained without giving notice to the hall committee, thus depleting that already meagre dozen.

Then there is the cost of notices in the local papers, of licences, of TENs and of plans. Understandably, that cost is substantial for larger halls, but the relative cost for tiny halls is huge. I remind the Minister of a quotation from the website of the Department for Culture, Media and Sport:

"A plan of the premises will have to be submitted with every application for a premises licence. Unless previously agreed with the relevant licensing authority in writing that an alternative scale plan is acceptable to it, the plan should be drawn in standard scale, where 1 millimetre represents 100 millimetres. The plan will need to show:

The boundary of the building, if relevant, and any external and internal walls of the building and, if different, the perimeter of the premises; points of access and exits from the premises, and the location of escape routes if different; where the premises is to be used for more than one licensable activity, the area within the premises used for each activity; fixed structures (including furniture) or similar objects temporarily in a fixed location (but not furniture) which may impact on exits and escape routes; the location and height of any stage or raised area or area relative to the floor; any steps, stairs, elevators or lifts; any room or rooms containing public conveniences; the location of a kitchen, if any, on the premises. The plan may include symbols to illustrate such matters, and a key to explain them."

That applies even to tiny halls.

I hope that the Minister can picture a small group of perhaps three villagers sitting in a tiny hall, maybe 15 ft by 30 ft, with a loo at one end and a kitchen sink at the other. It has two external doors and even a coat rack. The people running the hall have to follow those regulations, obtaining competent scale drawings at some cost, filling in pages of forms and paying fees, all for a system that is likely to reduce the use of their tiny little village hall. What would happen if they were to change the layout and put the kitchen sink at the end where the loo is and vice versa, or any such tiny thing? Would there be more drawings and more cost?

When the Licensing Act came into force in 2005, I surveyed all my village halls by sending them a questionnaire, and I did so again this year. In 2005, there were vigorous complaints, especially from the smaller halls, about the cost, bureaucracy and time wasted, and the fact that there were not enough TENs. Mostly they asked, "Why?" and "Why us?" Hon. Members, including myself, asked questions in the House, in sessions held by the Select Committee on the Office of the Deputy Prime Minister and in Westminster Hall. I asked the Minister's predecessor, the hon. Member for Stalybridge and Hyde (James Purnell), whether he would receive a small deputation to explain the problems. He agreed, and with a considerable amount of to-ing and fro-ing a time was set, then cancelled. I tried again on several other occasions, but it never happened and he moved on.

The present Minister and others, from the Prime Minister right the way down, have agreed to examine the problem in the past few years. They told us that there will soon be a review, but there is no sign of one so far. Interestingly, my recent survey showed that the changes have not been straightforward, thus confirming my suspicions about bureaucracy and cost. A tiny hall, for example, was given a quote of £766 for a registration certificate and £180 for annual renewal, against the £10 that it previously paid every 10 years. There are fewer functions at the hall because it has only 12 TENs, which cost £21 each. Its representatives have told me that they have restricted the number of hirings and either have to find ways to accommodate alcohol or have to refuse to allow even the odd glass of wine.

If the law is used with a light touch, people happily comply with it. If it is heavy-handed, people find ways around it. They are doing so, and have contrived ways around the legislation to try to keep their halls alive. Alcohol is paid for indirectly, and plans are published, not in the paper, which has to be paid for, but in the free parish magazine, which would probably be seen by more people. As one nameless returnee of the form replied:

"We have our ways, but they are not for publication."

As I have asked the Minister before, will he consider dramatic changes in his review? Perhaps that means freeing small halls from the requirements of the legislation by specifying a reasonable de minimis size, or freeing the charities that run halls. There could be a safety net so that if there is aggravation or problems the police or local council could bring the hall back into the network. The licensing committee could step in. Will the Minister consider dramatically increasing the number of TENs? Allowing 12 is derisory; there should be 30, 40, 50 or more, even for little halls. In addition, will he—I remember being a Minister and doing this myself—collect a copy of all the forms, sit down quietly with a glass of wine as he is not covered by TENs, go through them, see how unnecessarily complex and wordy they are and consider whether he can reduce their size and complexity? Above all, will he, unlike his predecessor, come out of his inner-city surroundings and meet some of the villagers affected and the people who run the halls, perhaps in the tiny halls themselves, and see what damage the Act is doing to village life and the communities that use them?

12.36 pm

The Parliamentary Under-Secretary of State for Culture, Media and Sport (Mr. Shaun Woodward): I congratulate the hon. Member for Mole Valley (Sir Paul Beresford) on securing the debate. He may self-deprecatingly refer to himself as having nagged on about it, and he may be good at nagging, but he does it for an honourable reason. I hope that I can deal with some of the things that he raised, and I wish to put on the record the fact that there are genuine issues that we need to continue to examine and, when appropriate, revise.

The things that can affect rural villages and village halls are serious, as they are important parts of our

community. It will be helpful if I say at the outset that the Government's objective is to make life better for people, not otherwise. I take note of the hon. Gentleman's points, and I will try to deal with some of them. Some will remain outstanding, and I am sure that at the end of the debate there will still be some disagreement, but I am always happy to enter into dialogue. I represent a constituency that can hardly be described as inner city in the London sense, and St. Helens does have some of the problems that he raised. I have also had the opportunity to examine the matter in my former constituency of Witney, where I happened to be for part of this weekend.

While I understand why the hon. Gentleman makes his points, he did not give an entirely balanced picture. It is none the less the picture that he perceives, which is why I want to deal with some of his points. I would of course be happy to come and join him, whether over a glass of wine or a cup of coffee, and examine in practice the problems that he has raised. I would also be happy for him to bring to me a delegation of people who have had difficulties with the forms. Without prejudice, I would be happy to sit down and discuss the problems that groups are facing. It is not the wish of the Government to make people's lives more difficult. The implicit and explicit purpose of the 2003 Act was to modernise and produce a 21st-century system of regulation. I hope that that is what we are doing, but there is more work to be done.

It might help if I remind hon. Members of the objectives for licensing village and community halls. We wanted to introduce a system that encouraged village halls—including the small and tiny ones that the hon. Gentleman referred to—and similar premises to offer a wide range of activities under a single licence, but it had to be balanced with the need to ensure proper protection of the public. Safety, public nuisance, crime and disorder, and the protection of children had to be taken into account.

There was general agreement that the old regime was no longer perfect for village and community halls. They had to apply for separate licences if they wished to allow alcohol sales, music and dancing, or films and plays. Committees had additional form-filling to renew the licences every year or every three years, and separate fees, which could run into many hundreds of pounds, were payable for most of the licences. Furthermore, disproportionate standard conditions that were more suited to a large nightclub than a village hall were often applied. The old system was not perfect.

Sometimes when we have these discussions one could be forgiven for thinking that somehow the Government had departed from a perfect system and produced something completely different that was not workable. The old system did not work, and it was absolutely right that we changed it.

Let me clarify the Government's current position on temporary event notices, to which the hon. Gentleman referred. He will no doubt be aware that the independent fees review panel under Sir Les Elton said that we should consider a modest change—from 12 to 15—in the TEN limit for village halls. The maximum aggregate number of days would be unchanged at 15. We are still considering the recommendation, but I would be concerned if such a change were to undermine the incentive to obtain full premises licences, which may be more appropriate for those who wish to hold more than 12 events, and which would constitute a more sensible approach for those who wish to hold 20 or 30 such events.

The hon. Gentleman will know that there was no clear consensus when we sought views on the TEN limits in 2005. Village and community halls wanted larger numbers, but residents, the police and local authorities—they, too, are affected by such events taking place—generally did not want an increase above the 12 events allowed by the 2003 Act.

Les Elton encouraged village halls to apply for full premises licences and to reduce their reliance on temporary permissions. His panel, which included a representative from the Commission for Rural Communities, believed that there were clear advantages to doing so in terms of cost, bureaucracy and risk. We have recommended that position since the Licensing Bill was first debated.

Sir Paul Beresford: Perhaps the Minister could remind me whether a hall that applies for a full licence needs to have a designated, named person. For a tiny hall in a tiny village, such people are not forthcoming. The requirement is not realistic.

Mr. Woodward: If the hon. Gentleman will excuse me for a moment or two, I anticipated his wanting to ask me that question and will be happy to come to that and to the proposals that we intend to pursue.

A 2006 survey by Action with Communities in Rural England suggested that 91 per cent. of halls had a premises licence covering entertainment, but most had not applied for a licence to allow the sale of alcohol. As a result, if they wish to host events that include the sale of alcohol, they have to rely on TENs. Those choosing not to get a licence are constrained by the limits of the TEN system, but that, of course, is their choice.

Let us be clear about this. For most halls, the costs of securing a licence that includes alcohol sales are little different in the long term from the £252 annual cost of 12 temporary events. The total cost of securing such a licence might be in the region of £600, which includes the cost of the licence, advertising and training a personal licence holder. However, for most village halls, the costs in subsequent years should fall to £70 or £180, depending on the size of the venue. The hon. Gentleman made that point, which, obviously, is relevant.

Some hon. Members have made comparisons with the old system, whereby the courts would accept applications, in one batch and for a single £10 fee, for numerous occasional permissions to sell alcohol. That illustrates why the fees paid to magistrates were some £25 million a year short of the costs of administering the licensing system. Part of the purpose of the new regime is to ensure that the fees reflect the cost of licensing so that the general taxpayer is not forced to subsidise the sale of alcohol in this way.

Village halls were previously able to rely on hirers or a local publican to obtain occasional permissions and licences to sell alcohol, and to take the responsibility for events. We believe that it is not unreasonable to expect the committee to take some responsibility for activities in their hall. Under the new regime, if a hall wants to allow more than 12 licensable events a year, it can apply for a premises licence that is held by the committee. In addition, if the licence includes alcohol sales, an individual has to obtain a personal licence and be designated as

[Mr. Woodward]

the premises supervisor. The alternative is to allow no more than 12 events under TENs where the hirer takes responsibility.

We know that one of the barriers to getting alcohol licences has been the reluctance of volunteers to obtain personal licences and to act as designated premises supervisors for village halls. We accept that they would prefer the committee to share collective responsibility for allowing alcohol sales. That is one reason why I agreed to consult on proposals to remove the requirement for village halls to have a personal licence holder. That would help to reduce some of the up-front cost of getting an alcohol licence.

However, there is not universal agreement to the proposal. I say this to the hon. Gentleman because I think that it is important. The police and the local authorities in some locations—not in his constituency, I am sure, but in other locations—say that they have genuine concerns about public nuisance from some activities in some village halls, including, critically, problems associated with under-age alcohol sales, and disturbance and antisocial behaviour from certain private events. I am sure that he understands that.

Residents have objected to some village hall licence applications. That is not to suggest that all village halls are running operations in which there is endless under-age drinking, and mayhem and antisocial behaviour afterwards, but it would be unwise of us not to consider carefully the representations that have been made by the police and others. We want to tackle the problem of under-age drinking, and part of the purpose of the 2003 Act was to enable us better to do so. The hon. Gentleman somewhat traduced the Government at the beginning of his remarks, but I believe that, in true spirit, he recognises that we all want to tackle problems related to the abuse of alcohol.

If the police and others are providing evidence to indicate that we should carefully consider what we may be enabling before we move away from the proposal, there is a proper onus not only on the Government but on Her Majesty's Opposition not to ignore their representations. As the hon. Gentleman acknowledged, it is sometimes unwise to cherry-pick what one wants and does not want from the police.

Sir Paul Beresford: I understand where the Minister is coming from, but could I ask him to look at the issue the other way around? Why not have a de minimus level, particularly for rural village halls, whereby application of the change of rules and licensing and so on will apply to village halls if the police or the committee of the local council feel that it is appropriate? In the case of my village halls, I suspect that most of them would never be noticed by either the police or the committee.

Mr. Woodward: The hon. Gentleman makes a perfectly fair point. As he knows, there is a consultation, and I am more than happy to encourage his village halls to make representations as part of it. As I said, I would be more than happy to meet him and a delegation to discuss the matter. I genuinely believe that the spirit that the Government want to prevail is one of reason and balance, and it would clearly not be reasonable or balanced if I were to say anything to him other than that I would be more than happy to meet a group of his constituents to talk about the issue. The consultation process matters considerably and it is important that hon. Members make and encourage their constituents to make representations. We need to achieve a balance in the safeguards for those who might be adversely affected, if there were to be any change. I still intend any changes made to be implemented by spring 2008.

The hon. Gentleman referred to bureaucracy. Under our simplification plan that has been published, we will consider making the application forms simpler, which is why I welcome his delegation. We will also examine ways of reducing the costs of advertising in relation to applications and, indeed, we will continue to press to introduce a lighter-touch system for such variations. We will also—I hope that this will please him—consider whether we can apply a complete or partial exemption from licensing where de minimis activities are self-evidently low risk.

The hon. Gentleman asked about the requirements for plans. They were set following consultation with experts in public safety and they exist for good reason. It may be of benefit to remind him that we have clarified that plans do not have to be put together professionally. We are introducing proposals for a light-touch variation process to allow changes to be made to plans while imposing as little burden or cost as possible.

In the next few weeks, we expect to receive the live music forum's report, which may raise relevant considerations about the impact of this issue on village halls, and we will want to bring those into the consultation. When the independent fees panel considered village and community halls, it also considered whether charities and not-for-profit organisations should benefit from further exemptions or exceptions to fees. The panel took a view on that, but, again, I am open to representations from the hon. Gentleman and his colleagues, if they wish to make them.

I am glad that we have had the opportunity to air some of the issues because they are important. I hope that the hon. Gentleman recognises that our policy is not inflexible, but is one that we wish to improve on, and if we can improve on it, we will. We intend to introduce not a more bureaucratic system, but a less bureaucratic system, and we intend not to introduce a system that encourages alcohol abuse, but to introduce one that discourages alcohol abuse.

We recognise that a balance needs to be struck between those providing entertainment and alcohol and those who live in the communities where that takes place. In the 2003 Act we ensured that the views of local communities, residents and the police play a significant part in determining whether licences are given to village halls or any other licensed premises. That is an important component of the 2003 Act and it has been very successful. Under the legislation, some licences have been withdrawn and suspended, which proves that it is working. I hope that the actions that I have outlined will be recognised as part of a proper, consistent and flexible process of monitoring the 2003 Act and ensuring that it continues to be successful and fit for purpose in 2027 and beyond.

Modern Apprenticeships (Women)

12.53 pm

Ms Sally Keeble (Northampton, North) (Lab): I am grateful to have the chance to raise this important subject, which is vital not only to the lives of women and their children but to the functioning of the wider economy. I am pleased that the Under-Secretary of State for Education and Skills, my hon. Friend the Member for Corby (Phil Hope) will be responding—we share a county in common so I am pleased to see him.

The subject of the debate is a YWCA campaign to ensure that young women get more equal opportunities in their working lives. The campaign also aims to ensure that they have the chance to work in a wide range of different jobs, trades, and professions, to better their own position, and to increase their earning potential. I strongly believe that this issue is also about improving the workings of our economy. I do not believe that we can have an efficient economy unless all members of the community are able to play a full role in it. We must tackle disadvantage among the poorest families and children. Many of the young women associated with this issue quickly become parents and their ability to provide for their families will in large part depend on their ability to get a well-paid job. If, either directly or indirectly, half the population are excluded from certain categories of work purely by virtue of their gender, it is unjust and economically inefficient.

The YWCA's "More than one rung" campaign has brought together some powerful advocates for improving modern apprenticeships, including people from different industrial sectors, the world of training, the educational sector and from inside government. The campaigners want five key changes. They want a duty to be put on local authorities and key local players better to assess and meet the skills, training and apprenticeship needs of disadvantaged young women, and to dramatically increase and sustain their skills and achievements. They also want women to have access to better-paid jobs at the end of the scheme and for businesses to replicate models of good practice that recruit and employ more disadvantaged young women. Seven out of 10 employers agree that recruiting more young people of the non-traditional sex would help to solve skills shortages.

The campaigners also want governments and employers to improve disadvantaged young women's access to skills and apprenticeship training, which means improving planning to increase the number of disadvantaged young women who take part in better-paid apprenticeships and skills training with better-paid jobs at the end. As part of that, the campaigners want the ministerial apprenticeships steering group to conduct an inquiry into the gender pay gap in apprenticeships—I will provide some quite dramatic figures on that later—the impact of low pay on disadvantaged young women's entry and retention in apprenticeships, and sector segregation by class and gender. I add ethnic origin to that, as there is clear evidence of differential access to apprenticeships by ethnicity.

The YWCA wants children's trusts to ensure that all disadvantaged young women have support from an inspirational adult to increase their confidence and broaden their horizons. YWCA research has shown that self-esteem and confidence are as critical as qualifications when making choices about work. The point is not to undervalue women's work or say that this area of work is less important than another or that it should be less well rewarded. We should also ensure that work and skills in, for example, social care are properly valued and paid. At this point, the focus is on ensuring that young women have a wider range of skills and more choices, so that they can get into areas of work that, so far, have been largely closed to them.

The reasons for the campaign are clear when we consider access to different skills and the differential access of young men and young women to diverse levels of training in various sectors of the economy. Before outlining some of that in detail, it is important to recognise the enormous success of the modern apprenticeship scheme overall and the potential of the scheme for dramatically improving our economic performance. For a long time, people bemoaned the loss of apprenticeships and said how important it was for young people who did not want to pursue an academic path to a career to have access to high-quality training that could lead to a well-paid job and perhaps later to other routes of learning. The modern apprenticeship scheme has provided a lot of those opportunities. At present, there are a quarter of a million apprenticeships in England and Wales and the target is to double that by 2020.

The old apprenticeships were private and often opaque arrangements between the individual and the employer, and sometimes included very poor training and excessively poor pay and working conditions. The modern apprenticeships, however, are Government-sponsored and regulated, and cover a much wider range of skills—over 90 sectors, including some emerging sectors of the modern economy. They constitute one of the unsung success stories of this Government and the economy, and I am sure that my hon. Friend the Minister will have a lot to say about them later on.

There are some very dramatic differences in access, however, for people from black and other ethnic minority communities who are from a half to a third as likely as their white counterparts to gain an apprenticeship. If we look at the demographic and ethnic and age breakdown of people, the disparities become much more evident. There are clear and dramatic differences in access for young people. I want to concentrate on the latter.

The figures show that, although young women are almost as likely as young men to access apprenticeships overall, they are confined largely to certain sectors of the economy. I shall run through that list. In 2007, the electrical industry had 1,749 standard-level apprenticeships, but no women apprentices, which is surprising, given that women can often be found doing detailed wiring work in factories producing electrical items such as televisions. It is very surprising that the industry does not seem to have been able to attract women on to apprenticeship schemes. The most dramatic differential is in construction, which had 22,755 apprentices, only 1 per cent. of whom were women. Out of 1,988 apprenticeships in the automotive industry, only 1 per cent. were filled by women, and in engineering, 3 per cent. of just over 8,000 apprenticeships were filled by women.

The segregation was equally marked at the other end of the scale. In hairdressing, 92 per cent. of apprentices were women, and out of 8,261 apprenticeships in the

[Ms Sally Keeble]

early years and education sector, which is an emerging and very important area of work, 97 per cent. were filled by women. In health and social care, 89 per cent. of apprentices were women. The one area with a roughly equal gender balance was hospitality, in which, out of 10,679 apprenticeships, about 49 per cent. were filled by women, which is a bit more even. The pattern was much the same at the more advanced level of apprenticeships: engineering had 2 per cent. women, construction 1 per cent., the automotive industry 1 per cent., the electro-technical industry 1 per cent., health and social care 90 per cent., early-years care and education 98 per cent. and hairdressing 95 per cent.

Those figures feed directly into the pay differentials, which are very marked in apprenticeships. A 2005 survey of 5,500 apprenticeships—monitoring is done locally so the figures had to be collated by local surveys—showed that there was a 26 per cent. weekly gender pay gap, with young women apprentices receiving, on average, £40 a week less than their male counterparts. In hairdressing, which is the lowest-paid and most female-dominated of the industries, the average take-home pay was £90 a week compared with the electrical industry, which of course is 100 per cent. male, and in which take-home pay was £183 a week. Of the one in five apprentices receiving less than £80 a week, over 70 per cent. were young women.

The different access that women have to bonus schemes and overtime is another factor. Young women apprentices were less likely to be paid for overtime and more likely to be in programme-based schemes, which meant that they were less likely to have an employment contract with an employer and, therefore, less likely to have a secure job at the end of their apprenticeship. Will my hon. Friend say a bit more about that as well because it comes down to the different types of apprenticeship scheme? In addition, women were in apprenticeships that were less likely to lead to a higher-level NVQ, which is necessary for access to higher education and professional programmes. I would argue, therefore, that those differentials will have a profound impact on their economic position at the start of their adult lives and on their opportunities to improve their pay and position at work later on.

A key part of the YWCA campaign is focused on the fact that about 1 million women between the ages of 16 and 30 are living in poverty in the UK; the campaign is aimed at ensuring that those women can find a way out. As I said, many of those young women will get into parenthood very quickly and so be less likely to have the kind of skills needed to find work with decent pay and support their children. We know that the Government have done a great deal to lift families with children out of poverty, and I would argue that one of the key ways to continue to do that is to ensure that parents with young children have the skills to find well-paid work when their children are older and they feel ready to go out to work.

At a recent seminar organised by the YWCA, which I chaired, and which was attended by the Minister for Higher Education and Lifelong Learning, a number of experts in apprenticeships explored some of the reasons for the differentials and ways in which to overcome them. I ask my hon. Friend the Minister to take up and respond to those points. It was an extremely interesting, well-informed and important discussion, but in some ways it was also depressing because some of the reasons given for the disadvantages faced by young women related to issues that I thought had been resolved years ago—in particular, the lack of confidence of many young women to take on tasks seen as traditionally male.

In the 1980s, which one likes to think of as the heyday of the women's movement in the Labour party, many of us supported programmes to give women access to non-traditional skills, with local government women's committees funding manual skills training courses for women and other similar programmes, in order to break down some of the barriers. Some very pioneering women joined those courses and went on to set up their own businesses. It is depressing that those battles have to be refought. I am not sure whether they were never fully won or whether some of us took our eyes off the ball.

Rob Kenyon, from British Gas, who attended the YWCA seminar, said that in order to attract women into apprenticeships his company had had to do some very detailed work, including basic things such as advertising in women's magazines and actively recruiting in schools. He also said that the key problem was changing young women's aspirations. Another speaker said that although the gender imbalance was being overcome in school and further and higher education, it remained a problem in apprenticeships.

It seems that there are still very strong stereotypes in the world of work, so women get access to university places and, increasingly, to professional areas of work but, as we know, they do not get so much access to company directorships or some types of skilled, highly-paid work that have traditionally been seen as male.

Although research showed that 80 per cent. of young people were interested in doing work experience in non-traditional areas, only 15 per cent. managed to achieve that. I am sure that many of us have had people on work experience in our offices and know about the issue. At the formative time when young people are thinking about what they want to do, they need to have experience in all areas of work, not just in office work and more traditional skilled work. The aspirations might be there, but current programmes do not deliver on them.

I shall go through some of the barriers identified at the seminar to which I referred. There was a strong emphasis on structural issues and systems, including very important issues such as child care. I have seen a constituent of mine drop out of a women into plumbing course because of inconsistent funding regimes from the European Union, combined with a lack of support for child care. As I have said, many young women looking for apprenticeships are or become mothers. Even if they manage to overcome the stereotypes and get into a non-traditional area, trying to negotiate a break can be very difficult. One can imagine that if someone who works for a construction company wants a break to breastfeed her child, that might be one barrier too far for a young woman to overcome.

Another barrier that was identified related to career training and the need to improve advice provided in schools. Concerns were expressed about careers advice

being pushed back into the education system and about the quality of information and training there.

Very basic gender issues were identified. Some employers said that issues such as clothes could be a major barrier for young women who perhaps had not done very well in school and were at the age at which they were very self-conscious about their appearance.

A major barrier that was identified related to confidence, especially to challenge gender stereotyping. People said that challenging gender stereotyping needed to start at a very early age. It should happen not just in secondary school or even primary school, but at the foundation stage of education, when children need to be playing at being Roberta the builder, not just Bob the Builder.

I touched on the lack of access for women into non-traditional skill areas in relation to the efficiency of our economy in a globalised world. As we know, there are acute labour shortages in some sectors of the economy. The most striking example is building, with building costs escalating at above-inflation levels because of high wage inflation due to labour shortages. Building employers in the north of the country complain about higher wage rates there, as they have to compete with labour that is more mobile and can travel down to get the higher wages that have been around for longer in the south-east. We all know about the impact of eastern European labour on the building industry, but we are starting to see in some sectors the impact of that migrant labour leaving the UK.

In many ways, the construction industry has dramatically failed to attract into its ranks either women or people from black and ethnic minority communities. Indeed, the Government have had a programme running to try to encourage the industry to recruit more widely to overcome labour shortages—and to address the challenges of meeting the demand for more housing. The Minister and I both know from our area what is happening to house building and the massive pressures that that is producing for local labour markets and local building costs.

It is perhaps surprising that an industry that faces such labour shortages has not organised itself to recruit properly from more than half the population. If we look at the apprenticeship figures, the failure is very clear. As I said, of 22,755 apprenticeships in the construction industry, only 1 per cent. were filled by women, and of the 5,204 advanced apprenticeships, again only 1 per cent were filled by women.

I point out that, in addition to the general demand for more labour in the construction industry, there is often a particular demand for a woman builder. That applies to building work in all areas. People might want to have a woman builder, plumber, decorator or electrician working in their home for various reasons. That might be their preference because of the skills that the women can bring with them.

What applies to the construction industry will apply to many more industries as we have to compete with emerging economies in the east and elsewhere, which have much larger reserves of labour and are producing very highly skilled work forces. We have to compete, which means ensuring that our women get access to the same skills as do men.

I hope that the Minister will respond positively, in particular to the five requests that the YWCA has made, which I believe are extremely important to ensuring that the modern apprenticeships scheme is effective, that women get access to all skills—it is a social justice issue—and that we have the skilled labour force that we need to meet the challenges ahead. In particular, it is important that we provide opportunities to enable women as mothers and as lone parents to get access to skilled work and provide for their children's future. That would also deal with the Government's aim of raising children out of poverty. What the YWCA wants, and has made a very powerful case for, is ensuring that young women do not get trapped on the bottom rung of the employment ladder.

1.17 pm

The Parliamentary Under-Secretary of State for Education and Skills (Phil Hope): I congratulate my hon. Friend the Member for Northampton, North (Ms Keeble) on securing a very important, albeit short, debate on modern apprenticeships for women. I congratulate her on the work that she has done on the matter in recent years and, in particular, on her work with the YWCA and its "More than one rung" campaign. I know—she referred to this in her speech—that she chaired a roundtable discussion that my hon. Friend the Minister for Higher Education and Lifelong Learning attended on 6 June. I very much welcome the campaign that the YWCA is running on advice and guidance, low pay, support for women in the labour market and the need to address the inequalities to which my hon. Friend the Member for Northampton, North referred.

Before dealing with some of my hon. Friend's specific points, I should like to take a step back and talk about apprenticeships in general, because of the changes that have recently taken place. There are 250,000 apprentices in learning, which is treble the number in 1997, and will increase still further. Lord Leitch's report on apprenticeships sets out an ambition to offer 400,000 apprenticeships in England every year. We would like, by 2013, to introduce an entitlement so that wherever they are, young people who are suitably qualified can take up an apprenticeship as one of their choices at the age of 16.

I am pleased to say that as well as the growth in apprenticeships generally, there has been an improvement in completion rates, which have risen from about 24 per cent. only five years ago to nearly 60 per cent. today, which says a lot both about the quality of the training provision on offer and about the motivation and commitment of the young people taking up the apprenticeships. We are creating greater flexibility of apprenticeship opportunities and more diversity in the apprenticeships that young people can study than ever before. We are trying, too, to improve the information that young people receive when they make their choices, so that they have more choices and are more informed. That applies not least to the issue of pay, which my hon. Friend mentioned.

Let me take the opportunity to put on the record the fact that it is not possible to complete an apprenticeship without setting foot in the workplace. Someone who starts one of the programme-led pathways or apprenticeships that my hon. Friend mentioned cannot complete it unless they have had an opportunity to go into the workplace. My hon. Friend asked whether a disproportionate number of young women were starting programme-led pathways—that is, making a college

[Phil Hope]

start, rather than an employment-based start to their apprenticeships. Such apprenticeships represent only 10 per cent. of the total number of apprenticeships, but there is a bit of a Catch-22. We do not have a gender breakdown of the figures to show whether what my hon. Friend says is correct, but the college route might ensure that more women take up opportunities in what are perhaps non-stereotyped traditions and overcome some of her concerns about employers taking on young people along traditional lines to fill male and female roles. That is a bit of a Catch-22. On the one hand, my hon. Friend says that she is anxious that women are over-represented in programme-led apprenticeships, but on the other hand, such apprenticeships might be a way of starting many young women on apprenticeships that they might not otherwise have undertaken. In addition, those young women have all the support that a college can offer them, including child care and other opportunities. There is therefore a balance to be struck.

In general, there is something of a renaissance in the world of apprenticeships, and the critical question is whether we can ensure that young women benefit in the way that the YWCA wants them to. I am delighted to say that I will hand out the awards at the annual apprenticeship awards evening at the Hilton tomorrow night. That will be a great evening not only for me and all the apprentices but for those who take on apprentices. That includes young women who start apprenticeships in engineering, manufacturing, construction and the motor industry. My hon. Friend is right that this is not just about a young person having the self-confidence to take on an apprenticeship in a traditionally male industry—if I can put it that way—but about the employer. Some excellent people take on apprentices and generously impart their skills to them. My hon. Friend mentioned adults in the work force offering mentoring and support, and she said that having an "inspirational" adult was a critical success factor. We need many more such role models for young women who go into apprenticeships.

Let me turn specifically to some of the questions that my hon. Friend raised about equality and diversity. The figures for apprenticeships are about 50:50. Our figures show that 47 per cent. of apprentices are female and 53 per cent. are male, and that has not changed much. The number of apprenticeships is growing, so the number of young women taking on apprenticeships has grown too, and more apprenticeships are being offered in non-traditional sectors. I am also pleased to say that there is also equality in completion rates, which I mentioned earlier. In other words, young women and men in all sectors are completing their apprenticeships successfully in equal numbers, which is good news.

My hon. Friend spelled out in detail the male-female imbalances in different industries, and we need not only to get young women into some of the traditionally male occupations, but to get young men into some of the traditionally female occupations. Some young women, however, may choose a traditionally female occupation, such as beauty therapy, and that is a skill for which there is a market out there. We want young women to take up opportunities and apprenticeships in such fields, and I want those young women to succeed and to be the best. In other words, although the occupations that young women may take up are stereotypically female, they are none the less a pathway to a career.

I am pleased to be able to tell my hon. Friend that the WorldSkills championships—the equivalent of the Olympics in the world of skills—are held every two years, as she will know. In 2003, our apprentice beauty therapist competed against young women apprentices from 50 countries and achieved a gold medal to become the very best in the world. I was in Helsinki for the 2005 championships, as was my predecessor as Skills Minister, my hon. Friend the Member for Bury, South (Mr. Lewis), who has just walked into the room. As he and I know—I am sorry to drag him into the debate, and I had not intended to do so, but he has just walked into the Chamber—we won a second medal—a silver—at those championships. We are both keen to deal with the issues before us, to celebrate such successes and to counter some of the stereotypes that my hon. Friend the Member for Northampton, North mentioned.

Let me now address some of the specific issues. We have had two reports—one from the Equal Opportunities Commission and one from the women and work commission—which make strong recommendations about what we need to do to make progress and tackle the issue. Those reports suggest using equality-proofing and marketing activity to attract apprentices from a wide range of backgrounds, and to tackle not only gender stereotyping, but race and disability issues. We want to work with the sector's representative bodies—employment bodies and the sector skills councils—to ensure that there is flexible delivery, to support under-represented trainees who want to go into industry and to consider under-represented learners' needs, including child care, which my hon. Friend mentioned. I must say, however, that we have a long way to go, as the statistics that she set out suggest. In response, therefore, we have established an apprenticeship, equality and diversity action group, which includes representatives from equality bodies, employer representatives—my hon. Friend mentioned one whom she had met recently—and officials from the Department.

The key strands of activity that will have to be undertaken to overcome the barriers that my hon. Friend described include the use of communications and marketing to increase employment places and to tackle stereotypes. They also include the publication of a 14-to-19 prospectus, so that young people can see the variety of activity that is on offer. If we are to motivate young people to choose alternatives, it is important that we get information about pay across to them in the way that my hon. Friend described so that they can see that choosing one sector over another means that they are more likely to earn higher wages. My understanding is that although there may be pay differentials between sectors, there are no gender pay differentials within sectors, so we must increasingly tell young people, particularly young women, that they will make more money if they go into construction and engineering rather than other sectors, and that information needs to be available when they are 14, 15 and 16.

We have asked the sector skills councils to set targets to increase diversity. We have recruited champions to act as role models and to tell businesses that we can do things differently. We want to share good practice between employers and business associations to show them what they can do to overcome some of the barriers. We are working, too, with groups below the age of 16. Indeed, my hon. Friend said that we should go right back to two

and three-year-olds, and she is absolutely right. An investigation that we commissioned from the Institute for Employment Studies came up with a number of recommendations regarding 14-to-16 apprenticeships—the young apprenticeships. Giving male and female learners opportunities to undertake non-stereotypical tasters from the age of 14 is an important way of overcoming some of the attitudes that exist among young people and in the institutions that they attend. In that way, they can gain better information and advice and make better choices, and we can emphasise the need to avoid gender stereotyping in the information and advice that young people are given. I am pleased to say that Jaguar cars, for example, has just taken 11 women aged between 14 and 16 on its programme to give them a first-hand taste of what it means to work in the motor industry, and we want such initiatives to be replicated around the country.

I am running out of time and I regret that I cannot cover everything that I wanted to. However, on pay, my hon. Friend is right. We carried out a pay survey in 2005 and we are doing another this year. It will be published later in the year, and I hope that it will provide the information to spur on the ministerial group that my hon. Friend mentioned, and which I chair, to carry on looking hard at how pay patterns reflect wider labour market conditions, and to get that information out to young people, so that they can make better informed choices. I have not, in the time available, been able to cover all the issues that I wanted to; there are many more, and we could continue the debate outside the Chamber.

Health Service (West Dorset)

1.30 pm

Mr. Oliver Letwin (West Dorset) (Con): I note that the Chamber is not amazingly full. Nevertheless I am grateful to the Minister for turning up for a debate on a very specific set of issues. I could, of course, have sought a debate on the widest possible group of questions affecting the health service in West Dorset. Like any hon. Member, I get many letters from constituents and many people visiting my surgery about problems such as not being able to get an operation, having operations delayed, or difficulties over treatment that has been received. I also inevitably receive a good many complaints and queries from members of the general public and health service professionals who are worried about one thing or another. For example, GPs in West Dorset are at the moment concerned about the extent to which they feel unable to co-operate with the structures of authority, finding themselves instead too much imposed on by them.

However, I want to raise none of those concerns today. My topic is specific and narrow, but very important. The Dorset county hospital is in Dorchester in my constituency. Unlike many of the smaller outposts of the national health service in my constituency, it may be known to the Minister. He will have a pretty good idea of what it is like. It is a new set of buildings—a county hospital like many others. It has a high reputation, certainly locally. It manages to attract very highly qualified and competent professionals to work in it. Although there are complaints from time to time, it would be fair to say that if one were to conduct a survey among my constituents, which I admit I have not done, a high degree of confidence in Dorset county hospital would be found.

As the hospital is in Dorchester it is also convenient for many of my constituents. I am sure that the Minister has some idea of the characteristics of places such as West Dorset. It is a highly rural area, where people live at considerable distances from facilities, and where many people—particularly those most likely to need treatment of various kinds, because of their age, for example—do not find it easy to travel far outside the district. The result is that the availability of treatment at Dorchester is an immensely prized asset locally. There is, of course, a hospital just over the border, in Yeovil, Somerset. For many of my constituents that is not a suitable alternative. They are far nearer to Dorchester than they are to Yeovil, and for many of them it is a considerable distance away.

The prospect, therefore, that Dorset county hospital might at any time in the future not be available to my constituents on much the same basis as it is at present would cause considerable discomfort. I am glad to say that, in general, over the past 20 or 30 years, things have been on an upward trajectory for Dorset county hospital. It is no part of my case that it is coming apart. On the contrary, the hospital has been doing well—flourishing—and serving the community. Our concern is to ensure that it continues to do that.

From talking to those who are responsible for managing Dorset county hospital, it is clear that one of their greatest concerns is to ensure that they can continue to

[Mr. Oliver Letwin]

attract professional staff and clinicians of the same quality as those they currently attract. West Dorset has many advantages in that respect. It is, as I imagine the Minister may understand, a very pleasant place to live. The quality of life is high, the schools are good, and crime and unemployment are low.

The Parliamentary Under-Secretary of State for Health (Mr. Ivan Lewis): A new Labour triumph.

Mr. Letwin: As a matter of fact, those things have been true for many years, under many Administrations. No Administration have yet managed to make West Dorset an unpleasant place to live, and I hope that no Administration ever will. However, it also has a huge natural advantage, which is recognised globally, in that it is on the edge of the world heritage coastline. I share with my near neighbour and the Minister's colleague, the Minister for Schools, the hon. Member for South Dorset (Jim Knight), and with my other neighbour, my hon. Friend the Member for East Devon (Mr. Swire), what must be one of the most beautiful coastlines in Britain.

To set the scene, there is a flourishing hospital in a beautiful place with a high quality of life. Unsurprisingly, it attracts high-quality clinicians who are willing to forsake the bright lights of the medical metropolises for what is undeniably, from many points of view, a higher quality of life. However, those clinicians are also professionals with a vocation. From talking to the clinicians at DCH, one receives the strong impression, as I am sure one would—and as indeed I have—in talking to similar clinicians around the country, that despite all the real pulls of the area and a nice life, the overriding pull for them is the job, professional satisfaction and the feeling that they do good things in a good place, surrounded and supported by other people of equivalent calibre. That in the end is what gives Dorset county hospital, as one goes around it, the feel of a place with high morale. That is what keeps the clinicians coming.

It is pretty easy to imagine how, if a certain pattern of events were to set in, that very favourable circle—in which people want to come to Dorset county hospital because it is a good one with other good people and a high quality of life—could begin to give way to a less favourable circle, in which people might not feel that they could get the professional satisfaction that they required. If those people could not do in Dorset county hospital what their vocation led them to want to do, they would go elsewhere. If that were to start to happen, the future of Dorset county hospital could easily be put at risk. Just as magistrates courts and post offices have been disappearing from many parts of West Dorset, and just as many other local facilities can easily disappear as soon as someone starts to ask whether it would be more rational, effective, efficient or cost-effective to do things on a grander scale in fewer locations—typically centred in conurbations such as Bournemouth and Poole—it is perfectly possible to imagine that if we entered into the wrong, vicious, circle, Dorset county hospital's future could eventually be under threat.

I am not trying to be alarmist or saying that someone has a plan to close Dorset county hospital tomorrow. Manifestly, no one does. However, it is important to exercise vigilance at the beginning of such processes, and not to wait until there is a real problem. It is in that context that I raise the issue of prostate cancer surgery, which, unless the Minister and the Secretary of State take action in the next very few days, is scheduled to be moved from Dorset county hospital to the conurbation, just as I mentioned.

In itself, the move of prostate cancer surgery to another centre will not trigger a disaster. I fully accept that. However, it has become clear from discussions with clinicians and managers—we have had discussions and public meetings about this matter in West Dorset—that the renal unit in Dorset county hospital, which is highly regarded among professionals, will be increasingly difficult to sustain if it cannot offer prostate cancer surgery. That is a problem because if the unit comes under any threat, an important element of the hospital's expertise and specialisation will also be under threat. One can easily see how that might begin a sequence of events leading to a result that none of us wants: the hospital's future being in question. I am extremely anxious to stop that process from beginning and so are many people in Dorset, not only in the rural parts, but in the conurbations too.

When the move was first suggested, various people in the cancer network who are responsible for cancer services got together and proposed a two-site solution, which was rejected by the Department of Health. They were sent back to do their homework again, and we now face the immediate prospect of services at the hospital being closed and removed to the conurbation. The basis on which that judgment is being made is an interesting reflection on the lack of serious outcome data in our health service. I know that the Minister is aware of that problem, and my party is greatly concerned by it, as the recent report from our policy review highlighted.

As far as I am aware, from the information that people have been able to provide to me, there is no solidly based, long-term analysis of prostate cancer surgery outcomes in Dorset county hospital, the conurbation or other comparable centres nearby. In the absence of a long time series, we have just two things, one of which is the short time series of outcome data that suggest that the hospital is doing rather well. In all the discussions so far, it has been pointed out that there is no suggestion that prostate surgery at Dorset county hospital has been inferior to that in the conurbation or in other places in Britain in the past few years. On the contrary, it seems to rank quite high in the short time series.

The second piece of information that we have is not a set of statistical outcomes, but the theory that unless surgeons do that kind of treatment a lot, they will not do it as well as they could. That theory is backed by a significant array of reputable evidence from the rest of the world. I do not have the technical competence to judge the research, but I have read it and that seems to be the general pattern. Of course, there is no way of telling whether the general pattern would apply in this particular case. If someone does something well, they might do it better if they did it more, but they might not. If large centres that perform a particular task a lot generally do it well, it does not follow that that will be true in every case. It is probably true that very large garages are better at mending some cars than smaller garages, but some small garages might be better at mending one's car than other large garages.

The move is being made not because there is compelling evidence about the particular instance, but because there is a theory, the application of which to the particular instance is entirely unproven. That is the basis on which the Department of Health is overriding the settled view of all the people involved in cancer surgery in Dorset. I hope that the Minister will now, at the very 11th hour, pause, reconsider and ask that the move is not made. There is no solid evidential base for it, and there is the beginning of something that in time might threaten the renal unit and thereafter the fate of the whole hospital. All of us in West Dorset want to prevent that, and it is within the Minister's gift at least to cause a pause in which to reflect on this issue. I hope that he will do just that.

1.45 pm

The Parliamentary Under-Secretary of State for Health (Mr. Ivan Lewis): I congratulate the right hon. Member for West Dorset (Mr. Letwin) on securing the debate and on presenting his case in a balanced, responsible and reasonable way. From the way that he talks about his constituency, it sounds like a cross between utopia and paradise, largely, no doubt, as a consequence of the economic and social policies that this Government have pursued.

The right hon. Gentleman has every reason to be proud of the NHS in his area. Coming new to the debate, I am struck by the thought that most health services in the country would be incredibly proud of performing as well as the health service in West Dorset. The trust recently achieved foundation status and became the Dorset County Hospital NHS Foundation Trust in June. There has been major investment in its services, so any suggestion that the hospital is at risk is nonsense. I think that the right hon. Gentleman knows that and, to his credit, was not attempting to imply it.

There has been a remarkable level of investment, with investments of £8.1 million in renal services, £3.9 million in a new critical care unit and £1.4 million in county-wide spinal surgical services. There have also been investments of £1.694 million in specialist cardiology services and a supporting catheter laboratory, £300,000 in a new stroke unit and £10 million in reducing waiting times. A new dedicated laparoscopic theatre has been installed at the hospital, and the trust has recently introduced the electronic ordering and reporting of pathology and diagnostic imaging, which will cut down on duplicated tests and allow clinicians to make earlier diagnoses.

The trust's performance is extraordinarily impressive. The number of people who wait more than 26 weeks for in-patient treatment has fallen from 2,428 to zero, and no patient waits more than 13 weeks for their first out-patient appointment. The next statistic is relevant to this debate—99.4 per cent. of cancer patients are seen within 62 days. In March 2007, 98.1 per cent. of patients in accident and emergency were seen within four hours, compared with 93.6 per cent in June 2003. There has also been a 100 per cent. achievement of the rapid access chest pain target. That is a very impressive track record.

The right hon. Gentleman rightly refers to the contributions of clinicians in making all that possible and to their commitment to their vocation. I am sure that he will agree that the whole range of professionals working on the front line of the NHS make a difference, including nurses, doctors, support staff and, dare I say it, managers. Good management and leadership are absolutely essential to successful performance in any public service, but especially the health service.

I turn to the right hon. Gentleman's specific questions about cancer care. One achievement of the Government's NHS strategy and policy is the national cancer plan. Very few people would dispute that there have been significant advances, given the additional resources that have gone in and, more importantly, the outcome. To give some statistics, cancer mortality in people aged under 75 fell by nearly 16 per cent. between 1996 and 2004, and 50,000 lives were saved in that period. We are on course to meet our target of reducing cancer deaths by at least 20 per cent. by 2010. In 2005, a National Audit Office report acknowledged significant improvements in the management and provision of cancer services.

The right hon. Gentleman referred specifically to national guidance affecting decisions being made within his local health community. The specific guidance sets out detailed recommendations on how services for urological cancers should be organised, and contains five key recommendations, which are based on the views of top professionals in the field.

The right hon. Gentleman conceded, as I do, that we are not practitioners or experts in this area, so we are, to some extent, dependent on the advice of the brightest and best in this specialty. They recommend the following: that all patients with urological cancers should be managed by multidisciplinary urological cancer teams; that members of urological cancer teams should have specialised skills appropriate for their roles at each level of the service; that radical surgery for prostate and bladder cancer should be provided by teams typically serving populations of 1 million or more, and carrying out a cumulative total of at least 50 such operations per annum, and that while the teams are being established, surgeons carrying out smaller numbers of either operation should make arrangements within their network to pass this work on to more specialised colleagues; that major improvements are required in information and support services for patients and carers, and nurse specialist members of urological cancer teams will have key roles in these services; and that high-quality research studies about the optimum form of treatment for patients with urological cancers should be supported, with encouragement of greater rates of participation in clinical trials.

That is the overall framework, and those are the principles that should underpin every local health economy when looking at the treatment offered to patients in this area. I understand that before any decision was made, significant debate and consultation took place about the implications of the guidance and the configuration of services in the right hon. Gentleman's constituency and neighbouring areas. It is important that I state that the question is about where patients are to have their operations; it is not about where patients are to receive their ongoing medical support and attention.

On 24 May, the relevant cancer network made its final decision to centralise radical surgery at a single centre at the Royal Bournemouth and Christchurch Hospitals Trust with effect from 1 August—a matter of days, as the right hon. Gentleman said. That means that

[Mr. Ivan Lewis]

this specific surgical procedure will no longer be carried out by the Dorset County Hospital NHS Foundation Trust.

The right hon. Gentleman might wish to correct me on this—I would be happy to hear from him—but the estimate that I have been given is that about 35 patients a year will be affected by this decision. I am trying to contextualise our discussion. I want to make it clear that in terms of the provision of renal services or cancer services, the rest of the services at Dorset county hospital will not, in any circumstances, be affected by this decision.

Let us consider what tends to happen in sensitive reconfiguration decisions. The views of clinicians and the definition of best interest that the primary care trust comes up with sometimes do not coincide with strong community feeling. Groups of clinicians based in a particular health setting sometimes do not like the idea of change, sometimes for good reason, sometimes because change can be quite difficult. I understand that much discussion and consultation has taken place locally and that the process allows for the local authority's overview and scrutiny committee to refer the matter to the Secretary of State for consideration if it believes that the decision is wrong or the consultation is flawed. The Secretary of State would then have the option to refer the issue to the independent review configuration panel.

I understand that the overview and scrutiny committee, which must have been under significant pressure to reach a different conclusion, has examined this matter objectively. It has heard from the cancer network and, doubtless, from clinicians and the right hon. Gentleman, and has formed a judgment that this decision probably is in the best interest of patients in terms of their having access to highly specialist care. Because the role of the committee in the process is clear, it would be entirely inappropriate for Ministers in the Department of Health to second-guess the views of those who are democratically elected locally and have the option to say that this decision is not right in terms of patient care in their locality.

I should stress the services that will be untouched and will continue to be provided at this excellent hospital, because I believe that this answers the question about job satisfaction and the future recruitment and retention of top cancer specialists and consultants in the right hon. Gentleman's community. I am talking about services in the following areas: urology; haematology; skin; upper gastro-intestinal; palliative care; head and neck; gynaecology; chemotherapy; breast; colorectal; and lungs. All that care will continue to be provided to a very high standard at Dorset county hospital.

The hospital's future is bright, as is the future for cancer care in this particular trust in the right hon. Gentleman's constituency. I have reviewed all the evidence, considered the consultation and examined the determination made by the overview and scrutiny committee, and believe that, on balance, the decision to relocate the highly specialist surgery is in the best interests of patients in his constituency.

It is right that right hon. and hon. Members come to this place to advocate and champion the views and interests of their constituents. There will be strong feeling on this issue in the right hon. Gentleman's constituency, because there are few more emotive issues than accessible services or the impact that cancer has on individuals and families. I hope that his constituents will accept, having studied the evidence, examined why the decision has been made and reviewed this debate, that, on balance, change is sometimes not only necessary but desirable for patient care and that it will do nothing to undermine the excellence of the clinical practice that is so evident in this particular trust.

Once again, I congratulate the right hon. Gentleman on bringing this issue to the attention of the House. I am sorry that I am unable to give him the answer that he desires, but I believe that the decision is probably right and, more importantly, that the people best placed locally to make that determination—those in the local health service and the democratically elected members of the local authority—have concluded that this is the best way forward.

Question put and agreed to.

Adjourned accordingly at one minute to Two o'clock.

Westminster Hall

Wednesday 20 June 2007

[MRS. JANET DEAN *in the Chair*]

Migrant Workers (Regularisation)

Motion made, and Question proposed, That the sitting be now adjourned.— *[Kevin Brennan.]*

9.30 am

Jon Cruddas (Dagenham) (Lab): Just to clarify any confusion about the title of the debate, initially it was put down as the Registration of Migrant Workers, but it has been clarified to focus on the regularisation of unregularised migrants. The two titles mean very different things, so I just wanted to make clear my focus in this debate from the outset.

By one of those coincidences, I was made aware that our request for a debate about regularisation had been successful just after I had accepted an invitation to participate at 10 o'clock this morning in my constituency in a refugee week event with John Armitage, from the diocese of Brentwood, who has been a leading advocate of the regularisation campaign throughout. Unfortunately, I cannot make the event today, but the campaign's work in our constituency to support refugees or unregularised migrants is humbling to witness as a local MP.

Given that we are in the middle of refugee week, it is timely that we hear some of the debates about the status of at least 500,000 people in this country, not including their dependants, who have no legal status in the country. From my local casework, I have found those people are often the most abused by employers, landlords and criminal gangs. Given the nature of the debate about refugee week, which is taking place throughout the length and breadth of the country, it is also timely that we discuss the possible remedies to bring them out of the shadows and regularise their status in this country.

I know that the issue is very difficult politically, but it is incumbent on us all as local politicians and public policy makers to speak up for some of those people who have no voice and no traction in the political process. The debate today is about providing possible remedies—sometimes called an "amnesty", but I prefer the term "an earned regularisation"—to the status of up to or possibly more than 500,000 people in this country.

It is agreed that those 500,000 people are a combination of refused asylum seekers who have been made to wait years for their applications to be processed, and are now rooted in British society; and visa over-stayers, who work, pay taxes and are part of our communities. What both have in common is that they are in legal limbo; that they are often, as a result, very poor; and that they are trapped between the countries that they have come from and the society that they wish to make their new home.

The Home Office accepts that most of those people will remain in the UK. Deportations are expensive and difficult, and they number no more than 20,000 a year. At the current rate of deportation, it would take 25 years to remove hundreds of thousands of irregular migrants, and it would cost billions of pounds. Even if it were possible, it would not make any sense to do so, as economists, including those at the CBI and the TUC, agree that continued migration is vital if we are to meet skills shortages, and that it is responsible for our current low-inflation growth.

A report by the National Criminal Intelligence Service summarised the total loss to the Exchequer from unpaid tax and national insurance contributions to be as much as £3.3 billion. The extra fiscal revenue from a regularisation process would result in a net gain to the Exchequer of between £500 million and £1 billion, according to estimates supplied by the Institute for Public Policy Research. At the same time, the National Audit Office says that each deportation costs almost £11,000. The IPPR says that it would cost £4.7 billion to deport the 500,000 people whom the Government think are in the country.

Many other countries, including the United States, Spain, Greece and Germany, have issued so-called "amnesties" in recognition of the fact that at some point, people who have lived in the country for an extended period, starting families and putting down roots, can no longer be reasonably be regarded as outsiders. Maintaining the current policy is causing chaos, distress, bureaucratic logjams and misery on a large scale. De facto, those people are part of society, and our obligations to them mirror those that we owe our fellow citizens. Hard-working families are being criminalised, and honest people turned into liars. The underground economy is growing, creating an area outside the law which gives succour to criminals.

One solution, which we outlined in early-day motion 1371, standing in my name, and which I think has the support so far of 81 MPs from all political parties, many faith groups, business leaders, community leaders, the Mayor of London and the Strangers into Citizens campaign, is that irregular migrants who have been in the UK for four years or more, up to a determined date, should be allowed to work legally for two years without access to benefits. At the end of that period, subject to employer and other references, criminal checks and the like, they should be given leave to remain. That six-year earned pathway would also maintain a strong deterrent to future illegal immigration. That is only one option in hand. The Joint Council for the Welfare of Immigrants has also put forward a solution based on a two-year threshold and then a five-year work permit, leading to an earned regularisation. There are different models around.

I shall not use the word "amnesty" today, because it suggests to more melodramatic elements of the press, a blanket pardon for criminals, and it gives the impression that anyone without status in the UK should be given leave to remain. I am arguing for a pathway into citizenship for long-term migrants, which is a significantly different concept.

My proposal would consist of a carefully managed programme, which would allow those people who had made new lives in the UK to acquire the rights and legal status that everyone who lives and works in the UK permanently should enjoy. Regularisation is what I wish to argue for today—a one-off as opposed to a rolling regularisation measure to coincide with the Government's border-enforcing policies that are set to take effect over the next two years. Next year a points-based system will

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be introduced, and we also have the introduction of ID cards, and the general overhaul of the Home Office's work. Arguably, they create the opportunity for a one-off regularisation process to deal with the legacy of public policy failures that have been mapped out over perhaps 20 years.

I do not oppose—indeed, I support—the notion that a nation state must regulate its borders, and any measure with provisions that are too generous could weaken that policy. In 2005, Spain regularised some 700,000 people as part of a wider border-enforcement measure to extend the state's control over the black economy and curb illegal immigration. Since 2005, the number of illegal immigrants has gone down not up—proof that well designed regularisation helps to deter illegal immigration.

There is no longer a deterrent effect in criminalising people who are hard-working, honest and conscientious, who pay taxes and contribute to society, and who have put down roots in the UK. Forcing them to live beyond the law does not make our borders stronger, but brings the law itself into disrepute. It also encourages people traffickers, drug traffickers, international criminals and terrorists, who are far harder to track down, because of the size of the shadow economy in which they operate. Regularisation would help to expose those undesirables, enabling authorities to concentrate resources on removing them, not the honest, hard-working people who are building Britain.

Regularisation would also greatly benefit our asylum process, clearing at a stroke the huge backlog of cases dating back to the late 1990s. The measure would also bring relief and hope to thousands left destitute or in limbo, freeing up their energies and gifts to the benefit of the economy.

Overall, the benefits of regularisation might be: to reduce the size of the undocumented population; to reduce the size of the underground economy; to increase tax and social security contributions, given that as a result of Spain's 2005 measures, the country has paid off its social security deficit; to improve the human rights and dignity of migrants; to enforce minimum wage and other labour legislation, levelling the playing field for all workers; to gain control over the undocumented population, allowing Governments and local councils to meet real needs; to improve the rule of law and national security, reducing criminality and enabling states to concentrate on deporting undesirable or criminal elements; to fill local labour market needs; to assist in community cohesion and integration; and to reduce employer exploitation.

Regularisation enables migrants to break free of exploitive employers, to challenge exploitation through the law and to compete for better jobs. Many irregular migrants face a glass ceiling that their status imposes, and most work well below their skill levels.

I want to cover a couple of the responses that we are likely to hear today. The first is that a regularisation programme of the type envisaged would encourage greater illegal migration. It is true that regularisations in the EU have not succeeded in drying up illegal immigration, but they have offered a just, humane and sensible way of responding to it. The only factors that can definitively reduce illegal immigration are tight border controls and a sluggish economy with high unemployment. As long as our economies are growing and our birth rate remains low, we can expect immigration. However, because the economy is ahead of any attempt by the state to manage the migration, there will be some degree of illegality.

The question is whether a regularisation programme will make the situation worse. It is true that although the US, Spain and Belgium have introduced regularisation measures, all have continued to experience illegal immigration. However, it is also true that those countries that have not introduced substantial regularisation measures, such as the UK, have also experienced a rise in illegal immigration. Although we can be certain that, on their own, regularisations do not prevent illegal immigration, it would be foolhardy to suggest that they caused or encouraged it.

Mr. Philip Hollobone (Kettering) (Con): I congratulate the hon. Gentleman on securing this debate. I have been following his argument closely and with genuine interest. The evidence from other countries that have brought forward such regularisation measures would suggest that each time they have been introduced, a larger number of illegal immigrants have been introduced into the programme. For example, Italy has had five such programmes. In 1987-88, 119,000 illegal immigrants were regularised, and that figure has increased in stages, to 235,000 in 1990, 259,000 in 1996, 308,000 in 1998 and 700,000 in 2002. Does that not suggest that such regularisation programmes actually encourage illegal immigration?

Jon Cruddas: The picture is much more mixed than that. Most migration experts assert that economic factors—not the chance of citizenship—are the primary pull factors in the migration process. Rather than seeing the regularisation process as the key driver behind patterns of migration, if we compare and contrast the situation in Spain with the experience of other countries, the picture appears much more mixed and suggests a more nuanced analysis of the pull factors. The jury is out—the subject is up for debate and that is why we are having this debate today. However, simply seeing the regularisation process in Italy as the trigger for successive waves of illegal immigration belies the broader economic dynamics at work, which suggest a more balanced analysis of what contributes to such extraordinary demographic flows.

To continue from that, the dynamics at work in patterns of migration in Europe over the past few years suggest that the push factors are poverty at home, lack of opportunity, political instability, violent conflict and the desire to reunite with family members abroad. The pull factors in Europe are a declining population and a continuing demand for labour, especially in the low-wage, low-skill parts of the economy. Anecdotal evidence in the UK suggests that irregular migrants are usually escaping a situation or seeking a better life. They are not after a new passport. Often they go back or move on to a third country, but sometimes they end up staying, albeit for a host of reasons that they would not have foreseen when they left their initial countries.

Migrants have come to the UK in search of new lives and opportunities, not citizenship. A one-off regularisation measure of the sort that I propose would not act as a further incentive, because our criteria are strict—the Strangers into Citizens campaign proposes four pl

two years—because the measure would be a one-off and because both the main political parties in the UK are committed to border enforcement measures, which would make it harder to enter the country illegally. On its own, regularisation will not deter illegal immigration, either. However, combined with border enforcement measures, such as those that the Government are now implementing and the type of measures that I advocate, it would be stated with certainty that regularisation would not encourage further illegal immigration.

Most irregular migrants who also pay taxes receive nothing in return by way of benefits. It is only right that those work and contribute to British society should be given the basic protections of the welfare state.

Colin Burgon (Elmet) (Lab): I congratulate my hon. Friend on securing this debate on one of the toughest subjects facing us in Britain today. I start from the position that he does, which is that I do not want anyone to be exploited, but would he attack me for a lack of faith, in being vaguely sceptical about the TUC report this week? It said that migrant workers do not have an impact on unskilled and semi-skilled workers. I take the view that we have an incomes policy in this country that affects unskilled and semi-skilled workers, but not the big City earners in the square mile down the river. How are we going to address that problem, so that we can ensure that our key belief that nobody at all should be exploited is delivered to us all?

Jon Cruddas: That is a big debate, but I agree with my hon. Friend and have some suspicions about the TUC report. It argued that, apart from a number of anecdotal examples, there was no negative effect, in terms of employers abusing migrant workers, of deregulating labour markets. In my constituency recently, for example, a Lithuanian gang was employed on £15 a day—barely half the minimum wage—on a public contract. Similarly, I am sure that we all have anecdotal evidence of forms of exploitation and abuse that I have not witnessed in 20 to 25 years occurring in regular patterns in cities such as London. That means that we have to deal with the problem. Part of that should be a regularisation process. Often, those who receive the most compound abuse, from employers, landlords, criminal gangs and so on, are those who have no status.

To put a floor under the labour market, we have to address the tough stuff—those groups of people who are disproportionately used as pawns to deregulate labour markets. In my experience, those who have no status are the most susceptible to those bad employers. That is why regularisation is part of a series of policy initiatives that would allow a more mature debate about race and migration, as well as choking off some of the material forces that play into the hands of those employers who want to abuse those groups in society with the least protections. Regularisation is linked to the TUC report, but the TUC report does not go anywhere near far enough in acknowledging the labour market pressures that are causing the race to the bottom that we are currently experiencing.

Jeremy Corbyn (Islington, North) (Lab): Like other hon. Members, I congratulate my hon. Friend on securing this debate. Would he agree that one good step forward would be to encourage and allow much tougher contract compliance by all public bodies in all public spending, particularly on construction and maintenance contracts? Too often, local authorities and others turn a blind eye to what they know is going on, in their name, effectively, through public spending on building contracts.

Jon Cruddas: That is absolutely right. The state has a key role in that, as well as in the health economy, for example. Some of the most widespread abuses of migrant workers that I have witnessed have been through the supply chain in cleaning or security contracts and the like. The state has a key role. This is a different policy agenda again, but if we introduce a system of contract compliance, so that those who bid for public money should have a system of employment contracts over and above the statutory minimum, that could also help to create a floor. That way, the most vulnerable would not be the most exploited, through their labour market situation, by employers using those with no recourse to the law to overcome their exploitation at work. I therefore acknowledge the pioneering work done by some of the unions in cities such as London on living wage campaigns among those who arguably have the least status in this city, but who make some of the most significant contributions.

Clare Short (Birmingham, Ladywood) (Ind Lab): I congratulate my hon. Friend and strongly support the campaign. The cruelty with which some failed or waiting asylum seekers are treated is abominable. The strong anti-immigration feeling in the country is partly caused by the chaos of the system and by lots of people being unable to work. That makes people resent those living at public expense who are not working.

To stop an uncontrolled flow and to stop criminal people smugglers from running the international asylum system, we need to renegotiate the Geneva convention, give automatic funding to the United Nations High Commissioner for Refugees, ensure that anyone who is fleeing anywhere in the world is cared for—we are not, for example, providing funding for Iraqi refugees—and have committed numbers, so that we can bring in people in a managed way, with their families and able to work and settle. The answer to the point that the hon. Member for Kettering (Mr. Hollobone) raised is a renegotiation of the convention, to bring it up to date for the conditions of the modern world.

Jon Cruddas: I totally agree. The debate about regularisation is not a panacea for anything, but an attempt to stimulate a series of consequential debates about the international treaty and how to manage extraordinary global demographic movements. There is the refugee issue; my right hon. Friend alluded to Iraqi refugees, and there are 2.2 million of them.

Domestic policy initiatives over and above regularisation could allow the construction of a different architecture around the politics of race, migration, asylum and demography in this country. Arguably, the combination of our current policies is systematically poisoning the well around the whole debate. Unless we retrieve the situation by having a mature, grown-up debate based on real people, such as the 500,000 in this country, we shall not be able to retrieve some of the terms of debate. That is worrying for the broader issues of community cohesion.

I witness that in my own community; the far right has secured 12 council seats in our borough, and that is not unrelated to some of these questions. Unless we step

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back, try to establish a different discussion and bring different policy initiatives—even if they are uncomfortable—into play. I will worry about where the whole debate will head.

I shall make a couple of concluding points, as I know that a number of colleagues want to contribute. Like many who call for one-off regularisation, I welcome the Government's commitment to tighten UK borders and introduce a new monitoring and assessment system into the immigration process. Keith Best of the Immigration Advisory Service stated that regularisation:

"should happen at the same time as the introduction of the Government's e-borders programme between 2007 and 2008, because it would help to clear the decks. If we held an amnesty at this time, it would allow us to know, once and for all, the identity of those who have over-stayed, while encouraging people to come forward."

There is a precedent. In 2003, there was a mini-amnesty in the UK, when the then Home Secretary, my right hon. Friend the Member for Sheffield, Brightside (Mr. Blunkett), ordered it as a means of "clearing the backlog" of asylum cases. What was presented as an administrative matter was in effect a mini-regularisation programme. There were no recorded complaints that the 50,000 people who benefited had in any way abused the system. Equally, when the A8 countries joined the EU in 2004, the UK Government did not tell the Poles and Lithuanians who had been working here illegally that they should go to prison or back to their countries. They were asked to register.

A one-off regularisation of the sort that I support and that has been proposed by the Strangers into Citizens campaign or the Joint Council for the Welfare of Immigrants, recognises the dignity of human beings who have made new lives in this country. It would extend and reinforce the rule of law; level the playing field for low-paid workers; enable business to employ legally the labour that it needs; recognise the role that migrants already play in society; ensure that tens of thousands of British workers receive the protection of the law; shrink the underground economy; free up billions of pounds in extra taxes for the Exchequer; enable local authorities to plan better according to real population figures, not the increasingly out-of-date ones supplied by the census; solve the expensive, inhumane delay in processing old asylum claims; build a more cohesive British society; and turn outlaws into neighbours—"strangers into citizens"—in the best British tradition of pragmatism and justice. Furthermore, it might well be popular.

Mrs. Janet Dean (in the Chair): Before I call the next speaker, I advise Members that I intend to call Front-Bench spokespeople at 10.30 am.

9.53 am

Mr. Neil Gerrard (Walthamstow) (Lab): It is good that we are having a debate about what we should do about a problem that everyone knows exists. There is the context of the Government agenda, which says that migrant workers bring economic benefits and considers managed migration. However, it also says that it will crack down on illegal working. Some of the proposals in the UK Borders Bill, which is still progressing through the House, are related to that.

We know that very significant numbers of people are working here illegally. As my hon. Friend the Member for Dagenham (Jon Cruddas) said, we should consider what that means. Out there, the common concept of those who work illegally is that such people work in the moonlight economy. However, a lot of people are illegal in the sense that they do not have permission to work, but work in the mainstream economy. Over the years in constituency advice surgeries, I have seen lots of people who have come here through a variety of means. Some came originally as asylum seekers and were given permission to work, which had never been revoked; they still had a piece of paper stating that they had that permission. Others came with valid visas, got national insurance numbers and started to work. Others came as students. Others came from countries that are now on visa lists, but were not when they came, so they did not have to have a visa to come. All those people have national insurance numbers, pay tax and have been doing so in some cases for years and years. As my hon. Friend said, they get no benefit from that, but they have absolutely no security.

Clare Short: People who were recruited on a bursary by the national health service to train as nurses, and who have qualified, have then been told that they are not entitled to work in Britain. Has my hon. Friend come across that? We expensively train someone whom we need and then tell them that they should leave the country.

Mr. Gerrard: Yes, I have certainly seen examples of that.

A lot of those people are effectively settled: they have houses and families, and they pay rent or have mortgages. However, they have no security. Employers, particularly large ones, are starting to carry out more systematic checks on people's right to work, so the people whom I have mentioned may lose their right to work at any time. The Home Office knows that lots of people are in that situation; that is precisely why it has included data-sharing proposals in the latest UK Borders Bill—to allow checks between records from the Inland Revenue and those from the Home Office and throw up those examples.

There are also people in a completely different situation. They are in the moonlight economy, have no national insurance number and work for employers who know very well what they are doing. Such people are most open to the worst forms of exploitation; I shall not repeat what has been said about that. They cannot enforce any employment rights whatever—not the minimum wage, not working conditions; all that goes by the board. That has an impact on other people working in the same industry or similar areas of work; I do not accept the argument that it does not.

If, as the Home Office says, we are to have a crackdown on illegal working—if we are to try systematically to discover employers that knowingly employ people illegally and if we are to cross-check Inland Revenue records with the Home Office's and throw up all those people—what will then be done? I have never heard a single word from the Home Office, which knows the numbers involved, about how it intends to deal with the issue. I have heard arguments against our proposed regularisation scheme, but have never heard a single positive word about what will actually be done.

If there are, as we suspect, up to 500,000 people, plus dependants, in the situation that I have described, the absolute reality is that they are not all going to be removed. That is a simple fact; it would be absolutely impossible. At the current rate of removals, doing so would take 25 years. Even if that rate were stepped up, lots and lots of people would be thrown up but would end up not being removed.

What would happen to them? Would they just be left destitute? Some will be if we carry on doing nothing. They would lose their jobs, they could not claim benefits and they could not get another job. They have families, and rent to pay and so on. Are we going to leave them destitute? Is that the policy? Frankly, that would be a non-starter and would not work.

If the Home Office is going to argue that it will not go for a systematic regularisation scheme, it has to produce some other systematic way to deal with those people. It is no good simply saying that we will deal with them individually, because we know what will happen. We know the size of the backlog in the Home Office, and how long it takes. People come to see us who have put in applications 18 months or two years ago that are still sitting in the Home Office and not being dealt with. Saying that we will deal with the problem by dealing with these people individually is unreal.

The only way in which we can deal fairly with the problem is through a regularisation scheme, whether it is one of the proposed schemes or something else—we can argue about the details of what it should be. I do not believe that the proposed approach would necessarily be a magnet if it was properly dealt with and a one-off. Italy was mentioned, but it has notoriously lax border controls and so it is not comparable. If the Home Office make the border controls work, and make some things work better—such as when people are able to get a national insurance number when they do not have the right to one—and if a regularisation scheme is combined with the introduction of the sort of controls proposed by the Home Office, I do not see any reason why such a process should become a magnet.

Let me conclude by returning to an earlier point. If we are going to go for the rogue employers and throw up all those individual cases, what does the Home Office propose to do? I ask the Minister, please, not to tell me that it will consider each individual case as it arises, because that will be a recipe for chaos. There is only one sensible way in which to deal with the situation, which is through a clear, one-off regularisation scheme that allows people to know where they stand. People can then behave as citizens rather than living all the time without knowing whether they will be out of a job and with no money next week.

10.2 am

Mr. John Greenway (Ryedale) (Con): I am grateful for the opportunity to speak in the debate, and I congratulate the hon. Member for Dagenham (Jon Cruddas) on securing it. I have been closely following his campaign on the issue, not least because in the two years since I was appointed to the Parliamentary Assembly of the Council of Europe I have been an active member of the committee on migration, refugees and population. I am its rapporteur for a major inquiry into, and report on, regularisation programmes for irregular migrants. In Strasbourg next week, I anticipate that my report will be approved by the committee for debate in the plenary session in early October and that that report will be supported by Conservative, Liberal Democrat and Labour Members of this House as well as Members of Parliament from all political parties in 46 European countries.

In an intervention, the hon. Member for Elmet (Colin Burgon) made the point that this is probably the most serious and intractable problem to face our society. I have no doubt from what I have seen and learned over the past two years that that is undoubtedly the case. Time does not permit us to go into all the detail of what will be in my report, but I am more than happy to make a copy of it available to any Member. My hon. Friend the Member for Ashford (Damian Green), who is our Front-Bench spokesman, and I have exchanged comments on the matter and I have kept him informed of some of the work that we have done.

What we have to do, above all else, is to face the facts. At a conservative estimate, there are probably between 5.5 million and 6.5 million irregular migrants in the European Union alone, and considerably more in other European countries outside the EU, with between 8 million and 10 million irregular migrants living in Russia. It has become ever more clear that a large proportion of those persons will remain in Europe, sometimes moving from country to country, and that it will not be possible to return them forcibly or voluntarily to their countries of origin. The question arises of how to deal with those irregular migrants who live in Europe and are tolerated, for the large part, but who do not have a legal status or a right to remain. The speeches made by the hon. Members for Dagenham and for Walthamstow (Mr. Gerrard), as well as some of the interventions, colourfully illustrated the problems that we all know exist.

Several member states of the Council of Europe have in the past undertaken so-called regularisation programmes. My research shows that in the past 25 years, more than 20 regularisation programmes have been carried out within the European Union alone, providing 4 million irregular migrants with either temporary or permanent residence and work permits. A substantial regularisation programme is under way in Russia, where 1.5 million people have been regularised—600,000 are in jobs, and the other 900,000 are spouses and dependants. A range of different programmes have been tried, including exceptional humanitarian programmes, family reunification programmes, permanent or continuous programmes, one-off or one-shot programmes like the proposal of the hon. Member for Dagenham, and earned regularisation programmes. The trend is towards earned regularisation for people who have been in the country and in work for some time.

The matter is highly controversial, as the hon. Gentleman said. The arguments go both ways. Some say that regularisation in effect encourages more irregular migration. I have not found that to be the case. Spain was mentioned, and I was in Madrid in February to talk to politicians of all parties, trade unions and employers. They believe that the one-shot regularisation programme introduced two years ago, which is now coming to an end and has regularised nearly 600,000 people, has not had any impact on encouraging more irregular migration. On the contrary, the issue in Spain, which came as a surprise to me, is that although we have all seen the tragedy of the boat people arriving on Spain's southern shore and the islands, that is a tiny fraction of the migration problem in Spain. Most of the people who come to

[Mr. John Greenway]

Spain have a right to do so because they are of Spanish extraction. They come from south America on work permits or student permits, get jobs, overstay, and are therefore irregular migrants. Regularising the people who are there is completely irrelevant to that situation, in my judgment.

Mr. Hollobone: I am following my hon. Friend's comments on Spain with interest. Spain has had, I think, six regularisation programmes since 1985. As in the case of Italy, year after year the number of people on those programmes has increased, from 44,000 in 1985 to 700,000 in 2005.

Mr. Greenway: The reason for that is that Italy's immigration policy is completely different to ours. In Italy, 1.4 million people have been regularised in the past 15 or 20 years, but that is the way in which it provides a route to migration and everyone knows that. We have a different policy. One has to study the facts and take the evidence, as I have done, but the idea that such an approach might be a pull factor is an argument, and one that cannot be denied. However, the push factor is the real reason for migratory flows in most of south-east Europe. One has only to look at the crisis in the Balkans to understand that. There are still some 500,000 internally displaced persons in the Balkan countries despite all that we have done with our European partners to improve the situation. One could debate the issue ad nauseam, but there is not the time to do so and I want to put the other point of view.

Some say that regularisation rewards illegality, and I understand that argument. I equally understand the concern that the longer we discuss whether or not there will be a regularisation programme, the more some people might think they should try to get into Britain so that they can become part of the amnesty. That leads me to my next point: we need to distinguish between a regularisation programme and an amnesty. None of the recent regularisation programmes has been an amnesty, which is when all irregular migrants are legalised. That is not what has happened. In Greece the regularisation programme introduced by the Conservative Government elected 18 months ago is a combination of regularising people who have earned their right to be there and have employment, many of whom came from Albania and the Balkans, and forcibly returning people who should not be there. There is a strong return policy in place. The arguments need to be balanced.

The critical issue that we must face is that, as the hon. Member for Walthamstow said, on the Government's own analysis there are several hundred thousand people in this country whom there is no prospect of returning. What on earth are we going to do with and about them?

Clare Short: I have a lot of asylum seekers in my constituency whose applications have been refused and who will not leave the country. They are destitute, homeless and increasingly mentally ill. We cannot live with the increased number of people in that desperate condition. We must do something to sort it out.

Mr. Greenway: The right hon. Lady makes her point extremely well, and in many ways I have a great deal of sympathy with what she says, but I want us to face the reality that something has to be done with these people. My report addresses the situation across the whole of Europe, and we can lessons from what I have discovered. The report recommends a process whereby we clarify the issue, particularly in European Union countries. We need more research and a proper debate about what to do, and we need to learn the lessons and ensure that whatever a member states does, it keeps other countries informed. One reason why the Spanish regularisation was so unpopular was that it did not do that. The matter can be resolved only in the form of partnership.

As the right hon. Lady said, we also need to evaluate the humanitarian issue. I cannot for the life of me see how we can balance an argument that says, "All these people shouldn't be here. They should all be sent back. It's all terrible," with the fact that we cannot do that because we do not know where some of them have come from. Apart from anything else, under Council of Europe conventions we cannot forcibly return people en masse; we must deal with each person individually. In my judgment, removal is not an option other than for people who have recently arrived. The need to strengthen our borders is without doubt, and the front door to migration also needs to be examined. We must see how the points system works and whether it provides business with a sufficient number of workers. That is ongoing.

The issue is sensitive, difficult and controversial, and we know that public opinion is not generally in favour of regularisation. What do we do about that? It has to change or we cannot defeat those people who stand for the British National party, not just in the constituencies of other hon. Members here, but in mine, too, because there are BNP candidates in rural villages in Ryedale. How are we going to deal with that? The only way is to tell the truth and establish the facts, which means that we need to debate the subject and make a quick decision about what we are going to do. The longer it drags on, the worse it will get.

Above all else, we have to put humanitarian considerations at the top of our agenda. I take great comfort from what my former colleague Keith Best of the Immigration Advisory Service has said and is doing, which proves that we can deal with the problem in a humanitarian and compassionate way across the political divide. The people affected have lives and want futures, and we must do something about it. I congratulate the hon. Member for Dagenham on furthering the debate, and I am sure that there will be many opportunities to discuss the issue in greater detail in the months ahead.

10.14 am

Jeremy Corbyn (Islington, North) (Lab): I congratulate my hon. Friend the Member for Dagenham (Jon Cruddas) on getting the debate. Following the point made by the hon. Member for Ryedale (Mr. Greenway), nobody should underestimate the large number of people who feel very strongly about the fundamental injustice that is being done to twilight communities throughout the UK. We should not necessarily measure public opinion by the screaming headlines of the *Evening Standard*, the *Daily Mail* or the *Daily Express*. There are an awful lot of decent people out there who take a different point of view. We should not approach the threat of the BNP like a rabbit in the headlights of car; we should tackle it head-on and say that it is leading us into a disgusting, nasty, divisive society. We must stand up for an inclusive

society that recognises the rights and needs of everybody in our community, and be prepared to invest properly in it.

On Monday morning, like other colleagues, I took part in a refugee week awareness event in Islington. The council and the refugee forum produced an excellent booklet describing not the disasters or failures but the successes of migrant communities in coming into the area, promoting cultural diversity, producing new businesses, work and educational achievements and developing the strength of inner-city London an awful lot. I congratulate everyone involved in that. We should examine the positive aspects of how migrant communities have contributed and achieved so much in our society.

Without the level of migration to this country that we have had over the past 30 years, when, as my hon. Friend the Member for Dagenham said, we have had a falling birth rate, what kind of education service, science base and transport service would we now have? An awful lot of the successes of the British economy in the past 30 years have been built on people coming here and contributing massively to our economic well-being and development.

The other side of the matter is the sadness of people having to flee from oppressive regimes, some of which we supply arms to, and the tragedy of people dying in boats while trying to cross the Atlantic to get to the Canary islands, Italy or Spain. We should develop a foreign policy based much more on human rights and an ethical dimension to deal with the problems that people are trying to flee from in the first place.

Mr. Hollobone: I am following with interest what the hon. Gentleman says. Under the proposals for regularisation, what would he do with asylum seekers whose claims were refused?

Jeremy Corbyn: That is a simplistic way of looking at it, but I will come to it in a second. I want to finish my point about the role that foreign policy can play and the need to have a better human rights records around the world.

The proposal deals with the exploitation of people in our inner-city communities. I used to be a union organiser before I came into Parliament, and I noticed that when people had no regularisation of their position in the UK, they hid. They did not join a union; they were frightened of getting a parking ticket if they had a car; and they were frightened of any authority or of going to the doctor. They were frightened in total. They were therefore grossly exploited. I recall going to a union recruitment meeting for clothing workers in Hackney in the early '80s. It was a large meeting and the union officials gave good speeches about why those people, who all worked in local clothing factories, should join the union. Not one person said a word throughout the meeting. There was absolute silence—no questions, no contributions, no debate or discussion. Why? Because there were employers at the back saying pretty loudly, so that the people around them could hear, that anyone who joined the union or said anything would be reported to the Home Office. That was the ultimate in exploitation and that is the reality of life for people who have no regularisation.

I support what my hon. Friend the Member for Walthamstow (Mr. Gerrard) said about a one-off system of regularising people who have been here for, say, four years. We can work out the details of that. Like many others in the Chamber, I have constituents who are asylum seekers. Half of my advice surgery cases involve asylum seekers who come to me, not necessarily to discuss the merits or justice of their case, but simply to get an answer from the Home Office to letters that have been unanswered—in some cases, for years. The Home Office is in an appalling mess. It cannot respond to simple correspondence and give people a degree of security. That has to be looked at.

When someone applies for asylum, they have to pass tests. Are they in legitimate and genuine fear of persecution because of political, social, religious or racial circumstances? All those issues are considered. Most asylum applicants are turned down at first, many win on appeal and many subsequently get the right to remain even though they have not necessarily been granted asylum status. The prospect of removing large numbers of people from this country simply is not on, particularly if they have been here for some years. Somebody who has been here for five years will have children and relationships, and will be contributing to the community. What will we do with them? Will we really uproot and deport them? No. We must recognise that they are here and deal with the situation accordingly.

I support the proposal of my hon. Friend the Member for Dagenham, and I recognise the boldness of the Churches, Cardinal Cormac Murphy-O'Connor, the Transport and General Workers Union—now Unite—and other unions and individuals who have been prepared to take up the issue. If we want to live in a decent and cohesive society, our wealth and prosperity cannot rely on people who lead a feral and twilight existence, and who are grossly exploited and subject to criminal activities, drug dealers and prostitution. All those things happen because we allow the situation to continue.

The hon. Member for Ryedale pointed out what is happening across Europe. The United States is having this debate in an atmosphere that is very different from the one here. Its politicians—not universally, but generally—are lining up to say that the USA can no longer consider itself a decent, cohesive society if it relies on the twilight existence of a large number of mainly Mexicans and central Americans to do all its dirty jobs. It is time that all the western nations woke up to the problem and recognised that if we believe in human rights, decency and citizenship, we should grant them to everybody in our society.

10.22 am

Sir Peter Soulsby (Leicester, South) (Lab): I congratulate my hon. Friend the Member for Dagenham (Jon Cruddas) on obtaining this debate on what is, undoubtedly, a matter of great concern to many Members of the House. That is clear from the contributions that have been made. The debate deals with the significant suffering and exploitation that are either unnoticed by the country at large or, perhaps worse, grossly misrepresented by the media.

May I take the opportunity to join my hon. Friend and others in welcoming the Strangers into Citizens campaign? As he pointed out, the debate is not, as often portrayed, about offering an amnesty but about offering positive ways forward. It is about offering pathways to citizenship for long-term migrants, many of whom are in situations of absolute and abject hopelessness. For

[Sir Peter Soulsby]

the most part, they have the potential to contribute in an enormously valuable way to our society, to our economy and to every aspect of our life, but, for far too many of them, the hopelessness and despair that they face is very real, and their situation must seem to them to be a tremendous waste of their lives and skills.

Like my hon. Friend the Member for Islington, North (Jeremy Corbyn), I see many people in such circumstances at my surgery. They despair not just over the waste and uncertainty but of any answer as to what the future might hold for them. They are unable to see any clear path for the future. I pay tribute to the many individuals and groups throughout the country who work so tirelessly and so well with those who face uncertain or hopeless situations, particularly in my constituency and in my city of Leicester. Tomorrow evening, I shall attend at Leicester cathedral a presentation on the third survey of destitute and homeless asylum seekers. The work has been undertaken by various groups in the city—faith groups in particular but many individuals as well—that are committed to working with those disadvantaged individuals and to bringing their plight and the reality of their situation to local attention. Those individuals and faith groups fill a gap that desperately needs filling, and often do so in a committed and selfless way.

We have had a well informed and thoughtful debate, and Members from all parties recognise the need to end the waste that is so much a symptom of the present situation. I hope that the Minister will be able to respond sympathetically, and that she will recognise that a positive response is required from the Government to the considerable momentum that is developing behind the Strangers into Citizens campaign. The Government must respond to the needs of those who find themselves in hopeless situations. Those people need a pathway to a positive future that will enable them to make a positive contribution to the society of which they wish to be part.

10.26 am

Mr. Philip Hollobone (Kettering) (Con): I congratulate the hon. Member for Leicester, South (Sir Peter Soulsby) on his contribution. This has been an interesting debate, but I have to say to him that it is not reflective of the mood of the country as a whole. I shall probably be a lone voice in this debate. I have a genuine interest in the proposals, and I hope that there will be many other opportunities to go into them in more detail.

We all agree that there is a huge problem in this country with illegal immigration, but I am afraid that it is largely of the Government's making. The Home Office and Foreign Office procedures for visas are in complete and utter chaos, and all of us, week in and week out, receive letters, e-mails and phone calls from constituents who have not received the replies that they deserve to their applications. The problem has become far worse in the past 10 years. Regardless of someone's political persuasion, if they look at the matter objectively, they would have to admit that the way in which applications are processed is completely incompetent, and it seems to be getting worse and worse.

The public are angry about the level of immigration in this country. We now have an unprecedented wave of both legal and illegal immigration, and, as far as most people are concerned, they have not been asked for their view on it at all. I quote from an opinion poll carried out in January by YouGov. To the statement,

"There must be an annual limit to the number of immigrants allowed to come to Britain",

83 per cent. agreed or strongly agreed. To the statement, "Britain is already overcrowded", 76 per cent. agreed. To the statement,

"Anyone admitted to Britain for settlement should first have to pass an English language test",

78 per cent. agreed. On the statement,

"Immigrants are of economic benefit to Britain",

the jury was split: 31 per cent. agreed or strongly agreed, and 32 per cent. disagreed or strongly disagreed. As a political class, we have a very real problem with the issue. There are not many of us here for this debate, yet this is one of the big issues in the country. We need to have a major debate on the Floor of the House to flesh out the question in far more detail.

10.29 am

Mr. Jeremy Browne (Taunton) (LD): I start as is customary and with genuine sentiment, by congratulating the hon. Member for Dagenham (Jon Cruddas) on securing the debate and on taking a sustained interest in this important topic, despite the distraction of his potential elevation on Sunday and his other duties. It has been an interesting debate and I welcome all the contributions that have been made, including the brief contribution of the hon. Member for Kettering (Mr. Hollobone). It is important that we should not allow the debate to become lop-sided, as it should reflect the variety of opinions that I hear in my constituency and across the country. It would not serve us well if all opinions were not given an airing and considered when discussing such important topics.

I say this with genuine sentiment: it is a difficult area for the Home Office and I have some sympathy with the Minister. In a written answer on 23 January, the Minister for Immigration and Asylum said

"An estimate of irregular migrants working in the UK is not available. No Government of the UK have been able to say with accuracy how many irregular migrants are present in the country, and this is the case for any Government in the world."—[*Official Report*, 23 January 2007; Vol. 455, c. 1698W.]

We are dealing with an amorphous issue and its precise scope is hard to define. The breadth of views should be borne in mind, as it is not the case that the arguments point emphatically one way or the other. I will spend the next five or 10 minutes discussing what considerations the Home Office needs to bear in mind when examining the issue in greater detail.

A plus side of the argument advanced by the hon. Member for Dagenham is that, in this country, some people have double standards. Many people who are illegal migrants, particularly in big cities such as London, do jobs that many people who have lived in this country for much longer are not willing to do. We take their contribution for granted. They are often employed, for example, as office cleaners. I have no absolute proof that people who clean offices in London are illegal migrants, but I would be surprised if a large number of people who clean offices did not fall into that category. They turn up early in the morning before most people go to work and make the offices look smart and presentable.

Employers in those offices, who no doubt earn considerably more money than those cleaners, take that service for granted. It would not be practical to do so, but for the purposes of illustrating my point, if those illegal migrants were pulled out tomorrow en masse and in one go, many people who had taken the work of illegal migrants for granted would suddenly notice that their lives became more difficult in practical terms. We would also have severe labour shortages.

The two factors that drive people to migrate and create an economic global dynamic were mentioned at the outset of the debate. In western Europe, we have had more than 15 years of continuous economic growth, and there is a low birth rate among the long-standing indigenous population. Both those factors create labour shortages and put pressures on the economy, particularly in low-skilled, low-paid jobs at the bottom of the labour market. The Government's administration of the migration system is far from perfect, but they are working against a bigger backdrop of global economic factors that go beyond the immediate scope of any particular Government. That feeds into the wider debate: for example, many people who work in my constituency and are not United Kingdom citizens come from eastern Europe, particularly the new accession countries such as Poland. They fall into a different category from the people whom we are discussing but, none the less, they fill labour shortages in agriculture, fruit-picking, slaughter houses and other such jobs. They do not directly take work from people who have lived in the community for a long time but fill labour shortages that employers would otherwise be unable to fill.

The second point to be entered on that side of the ledger concerns practicalities. Last year, the think-tank, the Institute for Public Policy Research, estimated that the cost of forced deportation, if we wished to go down that path, would be £4.7 billion. It is fair to say that that is an extremely unlikely, if not impossible, course of action for the Government, given the practicalities and the cost. We are therefore in a strange situation: an unsatisfactory state of affairs that has left a large number of people in a state of limbo is official Government policy by default because no alternative proposals are practical or financially viable. In its report, the IPPR states that regularising the work status of people who are illegal immigrants could annually

"net the Treasury £1 billion."

We could have a debate about that and dispute the accuracy of the IPPR figures, but there is an economic consideration to be borne in mind.

As mentioned by the hon. Member for Islington, North (Jeremy Corbyn), while we should bear in mind the fact that many illegal immigrants have chosen to be here, regardless of their immigration status, we should feel uncomfortable about the way in which they are routinely exploited. I have mentioned some of the reasons why the current situation is hard to sustain and some of the perfectly sensible factors, economic and otherwise, that are driving the phenomenon. It is worth looking at the other side of the ledger in my remaining few minutes. The economy and the declining birth rate are significant factors that have helped to drive illegal immigration. However, if one accepts that that is the case, one cannot argue that if the status of all illegal immigrants was legalised it would solve the problem. Economic factors and pressures on the birth rate would presumably drive another generation or successive numbers of illegal immigrants to fill labour shortages created by ongoing periods of economic growth, greater transport mobility and other factors that are hard for a single Government to control.

We must consider the need for proper border forces, proper entry and exit checks, proper surveillance at ports and other factors. People shy away from the word amnesty, but if the current status of illegal immigrants was legalised, the Government might say that it was a one-off decision that would not be repeated in future. However, people who have come here as illegal immigrants might reach the entirely rational conclusion that although that was what was previously said, the Government could change their mind and there is no reason why they would not do so in the future. Of course any Government would say that such a decision was a one-off. They would not say, "Well, we're doing this now and we will probably do it again in future". People who came here would be making not only a rational economic decision, but a rational citizenship decision, as they might think that when the Government said they were going to do it only once, they did not mean it as they had no choice but to give that impression.

People may be concerned, too, that legalising the status of illegal immigrants would be an award for illegal behaviour. Some individuals might have wished to come to the United Kingdom to live and work and become a citizen, but were deterred from doing so because they did not wish to undertake an illegal activity. It might be considered unfair that those who sought to avoid doing anything illegal should be penalised while people who made a different decision would not be penalised. People who have lived in this country for a long time might be unhappy about the pressure on services as a result of giving legal status to people whose immigration status is currently illegal. In conclusion, we all agree about the malign effect of the British National party. I feel as strongly about that as anybody, but the debate is nuanced. There are reasons why the Home Office could go down the path advocated by the hon. Member for Dagenham, but I can see that there are serious considerations that the Minister and others must bear in mind. However, today's debate is a good starting point for reaching those conclusions.

10.40 am

Damian Green (Ashford) (Con): Like everyone else, I congratulate the hon. Member for Dagenham (Jon Cruddas) on securing the debate. I imagine that we are far enough through the process of his other endeavours for the last votes to be in the post by now, and I hope that I can wish him well without causing him undue damage.

The hon. Gentleman made a powerful case and, indeed, I have been lobbied, as, I am sure, the Minister has, by the Strangers into Citizens campaign. It makes a plausible case, articulately put. As we have heard, it has attracted support from both sides of the House and from a number of people outside.

It is particularly useful that my hon. Friend the Member for Ryedale (Mr. Greenway) and his committee in the Council of Europe will produce its report shortly, because clearly it is important to put the debate in a global context. We all know that the economic forces of globalisation and the increasing ease of travel between many parts of the world are leading to a worldwide

[Damian Green]

increase in migration, both legal and illegal, and it is clear that any sensible Government policy will have to be put in that context. Equally, however, the case advanced by the hon. Gentleman has its opponents in all parties. I was struck when first I heard him advocate his case publicly on a "Newsnight" debate between the deputy leadership candidates. They were split themselves, and some of his colleagues spoke against his idea.

We have all had hard cases arrive at our constituency surgeries. I shall provide a vivid example of how this issue—not the point about regularisation or an amnesty in particular, but immigration generally—is rising up the agenda. In my constituency, which is a semi-urban, semi-rural one in east Kent, I recently held a surgery at which every case was about immigration. It was the first time that one issue had dominated an entire surgery completely. One might think that that could happen in some of our inner cities, but I was surprised that it happened in a constituency such as mine.

On the issues that have arisen, hon. Members said that we need to have the debate on a factual and honest basis. In that regard, I am slightly dubious about the number of them who simply said, "This is not an amnesty. We must not call this an amnesty." Actually, it is an amnesty. Let us be honest! That is the proposal. The debate would be held at a higher level if we based it not only on the numbers involved, but on what we are calling for.

We need also to look at the context, which has been referred to several times. That context is the very large number of people in this country who have no right to be here. Inevitably, it is impossible to guess the exact number. Ministers have put a figure on it of something like 500,000—a slightly dubious figure based on an American technique of sampling from some years ago. I suspect that the figure is much higher than that. We must also ask ourselves, "Who are these people and why are they here?" Some of them have come here perfectly legitimately, but have simply overstayed, which will have been a rational and conscious decision. They will have decided to put themselves outside the legal process by doing that. My guess is that they will constitute the largest number.

Some will have been smuggled here illegally, but others—this group has been referred to already—will have come here, claimed asylum, often in the late 1990s and early years of this century, but still not have had their cases registered. It is impossible not to have a huge amount of sympathy for the latter group. We all know that that is appalling, not just because of the inadequacy of the Home Office response, but because of the human effects. There will be children in this country getting on for eight, nine, 10 or 11 who have never known another country, but who have no legal status in this one. Surely that is unacceptable.

Many of the adults will be exploited. I was struck by some of the evidence given by trade unions to the Public Bill Committee on the UK Borders Bill about the fact that groups of Portuguese workers in this country are claiming to be Brazilian so that they can take jobs illegally, and the only jobs available to them will be at wages below the minimum wage. They know that no unscrupulous employer will employ them if they are Portuguese because they will then have rights. Therefore, they pretend to be here illegally when actually they are here legally. Clearly that is unsatisfactory. I am sure that the Minister will acknowledge that the Opposition supported the Government through the passage of the UK Borders Bill to tighten up regulations against unscrupulous employers.

We have heard many of the arguments for the amnesty and the financial argument put by the IPPR, which are plausible, but perhaps not overwhelmingly so. We heard about the need to stop people being exploited, with which of course we all agree. We heard also the argument that we must try to stop the rise of the extreme right. Again, everyone here approves of that. The question is whether this particular measure would help in any or all of those endeavours. In parenthesis, when discussing such issues, we must mind our language. I say gently to the Minister that she could have a word with some of her fellow Ministers, particularly the Minister for Industry and the Regions, who in recent weeks has not shown great care in her language and might have contributed to the inflammatory nature of some of the debate.

I shall get to the nub of the counter-arguments. The claim is that the proposal would be a one-off amnesty. I agree with the hon. Member for Taunton (Mr. Browne) that that is, of course, what any Government would say, and it has been said by other Governments. My hon. Friend the Member for Kettering (Mr. Hollobone) rightly mentioned the cases of Spain and Italy. Spain has had five amnesties and Italy has had six. France and Belgium have had two each. It would be entirely rational for anyone to think that if an amnesty comes once, that country has crossed a line and will grant amnesties in the future.

Although that would have a beneficial effect on those already here, of whom there are many, we must consider the effect on those not yet here, but who might be considering coming. We are not talking only about those who might be oppressed or wish to better themselves economically by moving to western Europe. We must think also about people traffickers, who are some of the nastiest and most evil criminals in the world. They wish to "help" those who desire to come here. We have all seen pictures of those small boats either coming across the Mediterranean or going across the Atlantic to the Canary islands. What we do not see are the tragedies of those boats that do not get there and the many hundreds, possibly thousands, killed in such endeavours.

If this country took a public policy step that made it easier for people traffickers to persuade some of the most wretched and poorest people in the world that it is worth their while taking a boat across the Mediterranean or Atlantic, we would be doing something immoral and foolish. That is one of the factors that we need to consider. I have heard the arguments put by my hon. Friend the Member for Ryedale about the Spanish case and how it does not act as a pull factor, but I shall wait to see the report in full before deciding whether that is the case.

It is clear that we need much better control of our borders. That is why Conservative Members advocate a specialist border police force. Clearly, if we have open borders, the argument that we are having in this debate is irrelevant, because many more people will come here illegally. A final point of detail is the point made by Keith Best that we can consider an amnesty more sensibly when the e-borders system is in operation.

Unfortunately, it will not be fully operational until 2014—a long way in the future.

I agree that this is a difficult argument, because everyone wants to do the morally right thing, but acting morally does not mean that we should necessarily suspend our intellectual faculties. If the second-order effects of the proposal would be to encourage more illegal migration across the world, we could do more harm than good, so I am not convinced by the argument but, like everyone else, I am very grateful to the hon. Member for Dagenham for raising this important issue.

10.50 am

The Parliamentary Under-Secretary of State for the Home Department (Joan Ryan): Like other hon. Members, I congratulate my hon. Friend the Member for Dagenham (Jon Cruddas) on securing the debate. It is on an important subject and one that is very important to our constituents. Whether we can reach consensus on the way forward or not, it is crucial that we debate these issues.

I associate myself with the remarks made by many hon. Members in entirely rejecting the extremism of the British National party and any who align themselves with its views. That is linked to why I think that it is so important that we debate the issues. If we do not address people's concerns and we leave a vacuum, and if we are not honest about debating the subject, that will open the door to people feeling that perhaps the only groups that are addressing their concerns are those such as the BNP, so it is our responsibility to discuss these things. Even if we do not reach consensus, I accept that everybody who has taken part in the debate has shown genuine care and concern about the problems and finding a way forward.

That said, I reject what the hon. Member for Ashford (Damian Green) said about my right hon. Friend the Minister for Industry and the Regions. I do not see her remarks as inflammatory. They were in the context of being honest and open in the debate and reflecting the concerns of her constituents in an open and honest way. She has the right to do just that. If we categorise those remarks, which were about something that concern her constituents—housing—as inflammatory, we are doing the BNP's work for it by closing down our ability to address our constituents' concerns honestly. Whether or not people agree with her conclusions, she has the right, and was right, to make those remarks.

My own view is that a fundamental British value—a value that really characterises British people—is fairness and the belief in fairness. Immigration and asylum issues go to the heart of our society. Our approach to those issues must reflect our values and therefore must be a fair approach, and our constituents must believe that we are dealing with the issues fairly. In addition, I see no point in having asylum and immigration legislation if we do not implement it.

For the Government, an effective and managed immigration system is fundamental to the interests of the United Kingdom. Migration has provided an economic gain for this society, as well as bringing diversity to us. I make no bones about the fact that controlled legal migration is critical for our security and our social and economic well-being.

I shall set out clearly the Government's position on the proposal by the Strangers into Citizens campaign for a new pathway from illegal status through a work permit stage to settlement, as that was the crux of the argument advanced by my hon. Friend. I accept that there are other similar models. I need to be very straight with him. He would expect nothing less, and I do appreciate the way in which he put his arguments. However, for the following reasons, the Government do not accept that the proposed pathway to regularisation is either necessary or appropriate. Incidentally, I have some sympathy with the question asked by the hon. Gentleman: when is regularisation regularisation and when is it an amnesty? Even if it is partial and it depends on people having been here for a certain number of years illegally or whatever, it is still a partial amnesty, so I do not draw a particular distinction between those two terms.

The first reason for not accepting the proposal is that there is no legitimate argument that our labour market needs to be supplemented by regularising people from the illegal population. Our existing immigration rules provide clear and fair routes for people to come to the UK for employment and settlement, and they fully meet our needs. We are committed to a system of managed migration to ensure that economic migration routes are available to admit people selectively to maximise the economic benefit to the UK and are responsive to labour markets, skill needs and the interests of the UK.

In addition to the work force available as a result of freedom of movement within the EU, the introduction of the new points-based system will open up legal migration routes. Those who want to apply to come to work in the UK can do so on the basis of informed choice and with access to the rights and freedoms available to other workers. The points-based system will be further supported by increasing resources to increase enforcement capacity. To create a new route to regularisation for people here illegally would disrupt the transition arrangements for EU accession nationals.

Secondly, I simply do not accept the contention that the proposal would have a neutral impact on uncontrolled economic migration to the UK. Many hon. Members addressed that. It would send a message across the world that the UK legitimises illegal migrants. In effect, we would be throwing aside our immigration controls and ignoring our rules and managed systems. I do not think that that would strike anybody as fair. If we do it once, that will create a very real expectation that we will do it again—the rubicon will have been crossed.

I am aware that we have had amnesties in the past under previous Administrations. There is no evidence that that has resolved the problem, and hon. Members are again asking for regularisation. If one-off regularisations or amnesties worked, Spain would not have had five, Italy would not have had six and Belgium and France would not have had two. We have had the same situation and there is still a call for regularisation.

The figure of 500,000 was mentioned. We have been very honest about the fact that there is a backlog. The 500,000 relates to the number of cases. It could be lower than that, because people die, return home, or go through the system in another way and get the right to remain through a different route. The 500,000 figure refers to cases as opposed to individuals, and we have already started dealing with that backlog, which is a very good thing. It is important that it is being dealt with.

[Joan Ryan]

Hon. Members will know that we are now dealing with initial claims for asylum within two months and we are seeking to complete claims within six. They will also know that we have the lowest level of asylum applications since 1993. We have hugely speeded up the system, which is important, and made it much more efficient. We have tightened up our borders. We have sent the right messages and we have therefore reduced the pull factor. The other side of the argument is that by increasing enforcement and bearing down on those who knowingly and deliberately employ illegal migrants, we cause harm to those migrants and put them at risk. I accept the arguments—

Mrs. Janet Dean (in the Chair): Order. We must now move to the next debate.

Lending to Developing Nations

11 am

Ann McKechin (Glasgow, North) (Lab): There has been much talk over the past few weeks about the Prime Minister's legacy from the past 10 years. With great justification, it can be claimed that the triumphs of the Prime Minister's premiership, which benefit millions of people, include championing debt relief to the world's poorest nations, winning what was at times a difficult battle to persuade the international community of the merits of debt relief and securing the multilateral debt relief initiative at Gleneagles, which, along with the existing heavily indebted poor countries initiative, has now cancelled the multilateral debts of 24 nations. As chair of the all-party group on debt, aid and trade, I, like many other colleagues in the House, welcome the Government's strong commitment to debt cancellation, which builds on the considerable public and parliamentary pressure for progress that we have seen over the past 10 years.

Debt cancellation has been a successful element in the fight against global poverty and economic injustice. For example, an independent study in 2001 found that 10 African countries that had received debt relief through the HIPC initiative had increased spending on health care by 70 per cent. and spending on education by 40 per cent. in just four years. Meanwhile, military spending had remained static. An IMF working paper from 2006 found that reducing debt service for low-income countries had a significant impact on social spending. However, a number of concerns have been raised over recent months about progress on debt relief and particularly about prior debts and new lending. I therefore want to take this opportunity to raise those issues with my hon. Friend the Minister and to seek his assurances on a number of points.

My hon. Friend will be aware of the court judgment that was handed down in London in February in respect of a claim against Zambia by the US company Donegal International, which is owned by Michael Sheehan. The claim related to debts that that impoverished southern African nation incurred more than a decade ago, mainly as a result of buying agricultural machinery from Romania during the cold war. In 1999, Donegal bought the Zambian debt, which had a face value of about $40 million, from Romania for less than $4 million. Appropriately, companies such as Donegal are known as vulture funds because they seek to make a profit by buying up bad debt cheaply and then trying to recover the full amount, often by suing through the courts.

In this case, the courts were critical of the evidence provided by Donegal, but nevertheless found that there was a valid contract and awarded the company a reduced amount of about $15 million. This year, Zambia expects to save $40 million in debt relief through HIPC and other initiatives, but paying Donegal International $15 million will severely limit the impact of that relief. The people who will suffer will be the very poorest, who will be denied basic health and education services in a country where the average life expectancy is a shockingly low 34 years—less than the age of myself and my hon. Friend.

It is hard to know the full extent of such lawsuits because companies do not publicise their actions. As a recent report about the case on the BBC's "Newsnight"

showed, these people work in the shadows and do not welcome the light of publicity. However, the Jubilee debt campaign in the UK has identified at least 40 lawsuits, many of which are still outstanding, that commercial creditors have brought against heavily indebted poor countries which had reached decision point by September 2006. The debts known to be subject to litigation in those cases amount to a staggering $1.9 billion—more than the approximately $1.5 billion in commercial debt that those countries expect to be cancelled.

As I am sure my hon. Friend accepts, public and creditor confidence in debt cancellation rests on the understanding that the resources that are released will be used for poverty reduction, not to pay large sums to commercial creditors who seek to make substantial profits from some of the poorest countries in the world. The Chancellor has been openly critical of the operations of vulture funds—with reason—but it is essential that such criticism is matched by distinct action to combat the problem so that we can assure the thousands of people, including constituents, who have called for debt relief that it will continue to reach those most in need.

The Government are already providing legal advice to debtor countries to allow them properly to defend any court action, and that is welcome, but it is vital that such advice is available at the earliest opportunity. In the Zambian case, the negotiations with Donegal International took place over three years, and the Zambian Government probably made some mistakes in the early part of the negotiations in acknowledging the debt. Perhaps my hon. Friend can advise me, therefore, whether any thought has been given to setting up a rapid-response legal-technical facility that is independent of the Bretton Woods institutions and which can help low-income countries to pre-empt and avoid such lawsuits.

I urge the Government and other donor Governments to consider introducing legislation that requires the creditors of sovereign debtors to participate in collective action, whereby all creditors must provide comparable terms in respect of any rescheduling or relief that has been agreed by a majority of the creditors. That would be similar to the regulatory principles that already apply to individual debtors in the UK, which require all creditors, for example, to abide by any debt relief plan that is agreed by creditors representing 75 per cent. of the value of the debts. In addition, many potential law suits will be based on UK contract law, and I urge the Government to introduce legislation similar to that in the USA prohibiting the purchase of debts solely for purpose of litigation.

I would also be grateful if my hon. Friend indicated whether creditors have given consideration to refinancing the debt reduction facility—a fund based at the World Bank that allows International Development Association-only countries to repurchase commercial debt at a substantial discount. That would allow us to extend the facility to HIPC-eligible nations that have not yet reached decision point and ensure that it covers other categories of debt, such as debts owed to other low-income country creditors.

In the longer term, we all need to recognise that there are still unresolved issues from the current debt crisis, and if we do not tackle them properly, they could re-emerge to create a new crisis as new lending increases. In addition, many of the poorest nations possess considerable natural resources, which are increasingly attracting interest from a wide range of foreign investors. However, worries are building up that much of that investment will fail to benefit the poorest citizens unless it is properly regulated and the benefits are targeted at development.

Some have argued that vulture funds simply do what markets do best and that they are just another financial instrument providing a service to those who want to sell off unpaid bonds or securities and minimise their risk. That may be so, but an unregulated market will not protect the weakest, and such practices will certainly not benefit those who struggle to live on less than $1 a day.

One way to tackle such problems is to support and press for the development of, a just, independent, transparent and comprehensive system for working out international debt, perhaps through an international law on sovereign debt. Such a system would take account of the origins of debts, as well as of their current impact and sustainability, while placing the same moral and legal obligations on companies as it did on Governments. Anne Krueger, the former deputy managing director of the International Monetary Fund, has called for reforms based on principles common to corporate bankruptcy laws so that countries can be given legal protection from creditors and allowed time to negotiate proper restructuring.

Central to such issues is instilling the concept of responsible creditor and lender behaviour. Consideration of creditors' shared responsibility for the creation of debts will help to indicate the principles that should govern new lending and the behaviour of existing creditors, as well as the proper extent to which outstanding debts should be cancelled. Responsible lending to sovereign borrowers, which should also take into account the granting of export credit guarantees, requires respect for the principles of public accountability, transparency and co-responsibility. To achieve that, lenders should reassure themselves that the borrowing Government are legitimate and accountable to their people in respect of the contracting and use of the loan, and clearly defined checks and balances, such as compulsory parliamentary scrutiny, should be in place. Both lender and borrower should be encouraged to report fully and transparently, ensuring public access to the amounts, terms, purposes, use and repayment of loans.

The lenders should assure themselves that the loan or credit is not for a clearly illegitimate purpose, such as for the purchase of arms to be used against civilian populations. Any loans to finance projects should require conformity to the relevant international labour, environmental and other standards, and be conditional on satisfactory impact assessments on social needs and environmental aspects.

It is welcome news that the G8 Finance Ministers have recently announced their intention to support the development of a charter of responsible lending. However, as I am sure my hon. Friend will agree, it will require further work to ensure that any high-level voluntary charter is given substance and force through the adoption of detailed guidelines by multilateral, bilateral and commercial lenders. I believe that the UK and other Organisation for Economic Co-operation and Development Governments can take a lead and show their intention that they expect the charter to be the industry standard, by making ratification of such a charter a condition of eligibility for an export credit guarantee. I hope that my

[Ann McKechin]

hon. Friend can give me some reassurance about the Treasury's intentions for progressing with such a charter.

Finally, there needs to be acceptance by creditors of their shared responsibility for some of the old debts that are still being serviced by low and lower-middle income countries, at the expense of spending on essential services. Many of those debts arose from the self-interested or irresponsible decisions of the creditors in relation to oppressive former regimes; for purposes that would not benefit the people of the recipient country; on extortionate terms; or for projects that failed because of bad lender advice.

The HIPC initiative could be interpreted as an acceptance, to some extent, of the unsustainability of some debts, but there has still been no systematic attempt to investigate how those problems arose and what steps should be taken to prevent similar problems in the future. I encourage the Treasury, following the recent example of the Norwegian Government, to initiate a system of debt audits, particularly for loans that are still being repaid to this country by Kenya and Indonesia, and to consider whether cancellation is warranted where the UK has been responsible in the past for poor or harmful lending—so-called odious debts.

I am the first to acknowledge that the issue is very complex and that changes will never be easy; but then neither were the debt cancellation deals that the Government have fought so hard for over the past decade. Our constituents rightly demand that our aid commitments reach the world's poorest, and the Government need to tackle the problems with action as well as words. I hope that my hon. Friend can today provide us with some reassurance on those points.

11.13 am

The Economic Secretary to the Treasury (Ed Balls): It is an honour to serve—for the first time, I think—under your chairmanship, Mrs. Dean. I congratulate my hon. Friend the Member for Glasgow, North (Ann McKechin) both on securing today's debate, on such an important and topical subject, and on her commitment to the cause of social justice around the world and her work in driving forward progress by Governments on the millennium development goals. It is because of the campaigning work of my hon. Friend and other parliamentary colleagues, and campaigners in her constituency and throughout the country, that we can make progress on many of these issues in international discussions. I commend her for all of the effort that she has made.

My hon. Friend is right to say that the progress that we have made on debt relief and on securing not only the millennium development goals but a substantial increase in the global resources devoted to tackling the issues in question is one of the great achievements of the past 10 years. Together, the work that we have done on multilateral debt relief and for heavily indebted poor countries will, over time, reduce the debt burden of the world's poorest countries by some $110 billion, allowing the savings from debt relief to fund country-owned strategies for poverty reduction. That has been a very important part of the wider leadership shown by the UK—through both the Prime Minister and the Chancellor of the Exchequer—in taking such matters forward in international discussions, so I agree with my hon. Friend's starting point.

My hon. Friend is also right that it is important to ensure that debt relief should help recipient countries to increase poverty-reducing spending in such areas as health, education and rural agriculture. As a group, the HIPCs have made great improvements in sanitation, child mortality rates, gender equality, the encouragement of primary education and environmental sustainability. Those are the positive benefits that flow, in pursuit of the millennium development goals, from the debt relief that my hon. Friend rightly highlights.

We need to remain vigilant, because of both the progress that we have made and the dangers identified by my hon. Friend. If we are to continue to tackle poverty and to ensure that the full benefits of debt relief will be realised, we need to continue with several actions. We need to ensure full implementation and financing of the HIPC and multilateral debt relief initiatives, with all countries delivering on their commitments; we need to see to it that HIPCs and other countries that receive debt relief ensure that the savings from debt relief are spent well, for poverty reduction; and we need, together, to ensure that new borrowing is appropriately concessional, well targeted and used for productive purposes, so that countries can achieve their development goals without running into new debt problems in the future. The UK is, in particular, committed to tackling the threat, described by my hon. Friend, posed by so-called vulture funds. They threaten to divert the benefit of debt relief away from those for whom it was intended and who need it most.

Recent events have highlighted the problem of so-called vulture funds, companies that buy debt from heavily indebted poor countries at a discount and seek to enforce the debt in full after debt relief has increased the countries' ability to pay. Those companies seek to profit from the world's most vulnerable countries, diverting much needed resources away from the fight against poverty. In doing so, they threaten to undermine the efforts that the international community has made to ensure that those countries receive debt relief under the relevant initiatives.

I am sure that my hon. Friend will agree that it is important to emphasise the scale of the problem. A study published in August 2006 by the World Bank and the International Monetary Fund noted that a growing number of commercial creditors and distressed debt funds are engaging in litigation against HIPCs. The last survey of participation in the HIPC initiative found that 11 of the 24 post-decision point respondent countries had been targeted with law suits by 44 litigating creditors. The total reported claims under litigation amount to about £2 billion, including principal, arrears, interest and penalties. The total claims were about 22 per cent. higher than total HIPC debt relief to be provided by commercial creditors, and for some countries they are very large relative to gross domestic product, so my hon. Friend is right to emphasise the scale of the potential threat.

My hon. Friend set out the case of Zambia, against whose Government a vulture fund brought a case in the UK High Court in 2007. We congratulate the Government of Zambia on the strong defence that they mounted in their recent legal case. It was the first defence in a case

of the kind that has ever been even partially successful. The claim by the vulture fund, Donegal, was for $55 million in respect of Zambian debt that it had purchased from the Government of Romania. The judge ruled that Zambia should pay only $15.5 million, plus £600,000 of defence legal costs. That was a partial but important success, and its impact will be felt across the world. Vulture funds cannot continue to expect to profit from the world's poorest countries. We are determined to limit the damage that vulture funds cause.

We are working to tackle the problem in two ways: first, by preventing vulture funds from being able to buy and aggressively pursue debts in the first place, and secondly by limiting the damage done by cases that are already under way. To prevent the problem, we are working with the World Bank to help poor countries to buy off their commercial debts at the earliest possible opportunity. Under those deals, for which the UK and others provide funding, countries buy off their debts at a huge discount. The debts are then gone forever and the matter cannot be taken to court. More than $8 billion worth of debts have already been cancelled in that way, and we are working to make the system more effective. As I have highlighted, however, in some cases, debts are already in the hands of vulture funds, so we are working with the African Development Bank and others to ensure that countries have access to the best possible legal support to fight those cases. For example, the strong defence that Zambia recently put up reduced its costs by $40 million.

We are also working with countries to improve their debt management and to develop a charter on responsible lending to reduce the risk of debts being sold to vulture funds. The details of those measures were set out in a written statement to the House on 10 May. I would like to reassure my hon. Friend that that statement makes it clear that we support proposals at the African Development Bank to develop a legal assistance facility to help countries that are facing legal action to gain access to technical and legal support.

We continue to raise this issue in international forums. When the Chancellor raised the problem at the meeting of G8 Finance Ministers on 18 May, G8 Ministers expressed concerns about the actions of some litigating creditors against heavily indebted poor countries, and agreed to work together to identify measures to tackle the problem, based on the work of the Paris Club. We continue to work with our international partners on that, and I hope that my hon. Friend is reassured that that is very much a priority for us.

My hon. Friend raised several other issues on which we must keep moving forward. We must ensure that future lending is more responsible. The experience of the past 20 years has shown how damaging excessive debt burdens can be. A number of studies have concluded that developing countries with high debt ratios have suffered lower growth rates—possibly as much as a percentage point of gross domestic product per year, which might sound like a small amount, but is huge. That problem is a result of the debt overhang problem, whereby private investors are deterred from making growth-enhancing investments because of concerns that future profits will be taxed away to pay for debt service.

Our debt relief efforts are freeing money to support poverty reduction strategies, and have introduced significant headroom for new borrowing. As my hon. Friend pointed out, it is essential that we work together to ensure that new borrowing works to support development. Appropriate concessional lending can fill a market gap and help to establish a track record of good debt management, which is essential to creditworthiness. Excess or inappropriate borrowing puts that process into reverse, and can take former HIPCs back into the problems from which we have helped them to escape. That is why we must be responsible about future lending. It is right that the international community should consider carefully the issues that my hon. Friend has raised.

Partnership lies at the heart of our work on debt sustainability and responsible lending. Both creditors and borrowing countries must share the responsibility of ensuring than any new lending is appropriately concessional and is used for productive purposes.

Ann McKechin: What discussions has my hon. Friend had with the banking community in the UK about the charter and whether it is prepared to adopt it as part of its future lending criteria?

Ed Balls: May I provide a little more context before coming to that point? We believe that Governments should work together to improve co-ordination and transparency, take account of debt sustainability when making decisions on lending, and ensure that their lending supports economic development and good governance. We also believe that all new lending to low-income countries should take account of the World Bank and International Monetary Fund debt sustainability framework, should be appropriately concessional and targeted, should be used for productive purposes, and should be in line with the economic and development priorities set out in IMF-World Bank programmes. When G7 Finance Ministers met in February, they highlighted the importance of developing a charter on responsible lending. Our intention is that that charter should highlight the role that all Governments must play to ensure that their lending to low-income countries is sustainable, and we are keen to ensure that a wide range of countries sign up to those principles.

We hope to build on all that by working with leading commercial creditors on having their own voluntary charter for lending to low-income countries. I have raised that issue informally in my discussions with the London banking community, and I shall continue to do so in the coming months, as well as starting formal discussions of those issues. It is important that we focus not only on Government responsibility and lending, but commercial creditor responsibility, so we are keen that a voluntary charter should be drawn up. I am happy to keep my hon. Friend informed about those discussions as we formalise them and take them forward.

As part of our commitment to debt sustainability, the UK has supported the development of the debt sustainability framework by the World Bank and the IMF, which is an important tool that debtors and creditors can use to inform their lending decisions. The framework has a key role to play in preserving and supporting debt sustainability. The commitment to ensure that all lending is guided by and fully consistent with the framework should underpin work on the charter for responsible lending and the voluntary charter for commercial creditors, which I have mentioned.

My hon. Friend also asked about export credit agencies. I am pleased to report that the UK has led a successful

[Ed Balls]

international initiative to regulate lending to developing countries. By way of background, it is important to note that Government-sponsored export credit agencies have played a significant and important role in lending to developing nations. Those agencies help domestic companies to export goods and services, including to developing countries, by providing insurance and guarantees to protect exporters from non-payment and political risks. However, loans from export credit agencies have added to the external debt problems of developing countries in the past. Before the recent debt relief programmes, 30 to 40 per cent. of developing countries' debt was owed to ECAs, but most of that debt has been forgiven, thanks to the large-scale debt relief provided under our debt relief initiatives.

New borrowing can play an important role in meeting the millennium development goals, but it needs to be properly managed, especially on commercial terms. To avoid a repeat of the "lend and forgive" cycle, the UK has been leading international efforts on responsible lending by ECAs. The Treasury has been working in an effective partnership with the Department for International Development and our Export Credits Guarantee Department, as well as working through the EU and the Organisation for Economic Co-operation and Development to establish a framework for ECA-supported lending to the countries that are most at risk of debt distress. Those countries include HIPCs and countries for which the International Development Association will give only grants, not loans—the so-called IDA-only countries.

The UK's Export Credits Guarantee Department has always operated to higher standards than those in many other countries when assessing the suitability of supporting exports to poor countries. For example, any requests for ECGD support for projects in HIPC and IDA-only countries have to be approved by both DFID and the Treasury. DFID assesses those requests against several criteria to check whether the lending is affordable and whether the project will add to the social and economic well-being of the country.

One reason why the UK sought certain changes to the OECD statement of principles was to bring the world up to our high standards. There is an OECD statement of principles on unproductive expenditure, which governs ECA-supported lending to poor countries. We are working closely with the IMF, the World Bank, and Finance Ministries of the Netherlands, Sweden and Italy to promote an extension of the OECD statement to all low-income countries, as well as taking various other steps to make lending more responsible.

Positive steps were taken at the OECD export credit group meeting in April 2007. The meeting agreed two key developments, the first of which was to extend the scope of the OECD statement of principles beyond HIPCs to cover all IDA-only countries, in line with the policy of the UK's ECGD. As a result, at least 26 more countries will be covered by the agreement, including Afghanistan, Angola, Bangladesh, Kenya, Nigeria, Sri Lanka, Sudan, and Vietnam.

The second key development was a move to improve information sharing with the IMF-World Bank on the volume and terms of ECAs' new financial commitments. That will allow the IMF-World Bank to cross-check data that they receive from borrowing countries and thereby ensure that there is debt sustainability. The agreement will help the OECD's efforts to encourage new, emerging lenders to improve data sharing and reporting. The IMF and World Bank have also announced that they will set up dedicated electronic mailboxes to respond to questions from ECAs on certain issues.

We have made good progress, but we will not stop there. We are working with international institutions and other countries to develop the initiative by making proposals at the next OECD export credit group meeting in November. We will propose further enhancements to the OECD statement of principles to give clearer guidance. Those important steps show that we are taking forward the agenda, which my hon. Friend rightly says is important.

11.30 am

Sitting suspended until half-past Two o'clock.

Gypsies and Travellers (Hertfordshire)

2.30 pm

Anne Main (St. Albans) (Con): In debates earlier this year, I drew the Minister's attention to our concern about regional housing allocation in Hertfordshire. I can honestly say that I am against unsustainable, inappropriate or unjustifiable development, whatever its purpose. As she knows, I have major concerns about the proposed additional Gypsy and Traveller pitch allocation for my constituency and for Hertfordshire as a whole. I have sent her the figures for Hertfordshire so that she can give us a detailed response.

This Government have attempted to tackle Gypsy and Traveller site provision through the circular on planning for Gypsy and Traveller caravan sites, which tries to address health and education outcomes for Gypsies and Travellers by proposing a large increase in site provision. It asserts:

"Gypsies and Travellers are believed to experience the worst health and education status of any disadvantaged group in England. Research has...confirmed the link between the lack of good quality sites for Gypsies and Travellers and poor health and education."

That situation has resulted in the East of England regional assembly—EERA—conducting a skewed consultation in an effort to deliver the Government's objectives. I shall not become distracted, but it is worth noting that only the Conservative party has pledged to scrap these undemocratic regional assemblies. They are the instrument of the Government and are fully endorsed by the Liberal Democrats.

The new planning policy issued by the Government in 2006 said that one of the main intentions was

"to create and support sustainable, respectful, and inclusive communities where gypsies and travellers have fair access to suitable accommodation...where there is mutual respect and consideration between all communities for the rights and responsibilities of each community and individual."

Another aim was

"to increase significantly the number of gypsy and traveller sites in appropriate locations"

I want to set out for the Minister why we in St. Albans believe that the whole community, both settled and travelling, is disadvantaged by that consultation, which was undertaken to achieve, via our regional assembly, the Government's aims. Rather than having a key role in the consultation process, we in St. Albans are being dictated to. That will do little to improve community relationships and could have a destabilising effect on relationships with our Traveller communities. In the EERA consultation, our current pitch provision was not acknowledged in the calculation process. Does the Minister agree that that is not acceptable? We would argue that the flawed consultation in which we have been asked to participate would require us to over-provide pitches via EERA. It has determined an unfair allocation of new and additional pitches in the St. Albans district. I wish to make it clear that no one wants to discriminate against a minority group. However, it is only fair that all those who live in a community should abide by its laws and regulations, otherwise it is the majority who are discriminated against. We need to have recognised, well-supported, authorised sites and we need to clamp down hard on costly and often unsightly incursions into fields and public open spaces.

My basic contention is that the Government's need hypothesis, which is crucial to the allocation process, has not been accurately proven and that EERA must rethink its rather enthusiastic embracing of the Government's desire to provide a large number of additional pitches in Hertfordshire. EERA based its assumptions on the fact that even more pitches should go to localities where sites are located, because that is obviously where Gypsies and Travellers want to live and join their friends and family. In a high house-price area such as St. Albans, many local young people from the settled sector would also like to have that facility. Indeed, London Colney, where two sites for Travellers have been identified as potentially suitable, has a settled community. It has several areas with recognised poverty indices and there is significant overcrowding within some of the private and social housing units in the village, but the group affected has not been singled out for special consideration. The Minister ought to be aware that this single-issue revision of the regional spatial strategy will at best raise eyebrows, and at worst cause concern. It could even lead to tensions in the settled community, which is unhappy about the proposals.

Mr. Oliver Heald (North-East Hertfordshire) (Con): Does my hon. Friend agree that in making provision, it is important that the traditional routes used by Travellers for their purposes on a seasonal basis are part of the picture, because Travellers stop in some places but not in others?

Anne Main: My hon. Friend makes a good point. Crucial to today's debate, and to my argument, is the fact that there is a lack of information behind the consultation. The Minister ought to be aware that the approach taken would raise a few eyebrows, because one cannot extrapolate from our existing pitch provision figures the conclusion that there is a huge unmet need for extra sites in my, or any other, constituency. I am sure that other hon. Members will make their own case.

According to the Government's own figures, St. Albans has only 11 unauthorised pitches, yet we have been asked to accept a further 34 pitches. Perhaps the Minister would like to explain why. The formula, however it was arrived at, appears to create an oversupply of pitches in St. Albans that will encourage even more settlement in the area and thus, by the Government's own odd calculations, create an even greater spiral of need as our numbers swell and extended Traveller families seek to join their relatives. Historically, St. Albans district council has endeavoured to tackle the difficult issue of providing sufficient suitable sites for the travelling community, but it appears that, perversely, we will not be rewarded for our actions. Instead, we face an open-ended commitment to meet a continuously increasing identified need.

Under the previous caravan legislation, St. Albans accepted more site and pitch provision than any other neighbouring authority, giving rise to a total of 59 authorised pitches and 11 pitches on unauthorised sites. That is more than six times the provision of neighbouring Watford. This is not about arguing for other parts of Hertfordshire to take more pitches. We are unhappy about the flawed consultation and its muddled thinking—my hon. Friend the Member for North-East Hertfordshire (Mr. Heald) drew attention to one aspect of that.

[*Anne Main*]

EERA has admitted that it is the first region to examine this issue and that other regions are far behind. We would argue that other areas are proceeding more cautiously and that EERA has made a big mistake in its approach, which could have a detrimental effect on the whole community. If we are to work within a regional strategy, EERA needs to look at the bigger picture and take a far more reasoned approach. It has made no consideration of cross-border migration and the pressures that it brings. Indeed the Milton Keynes, Luton and Dunstable core strategy has a housing designated area near Caddington, right on the border with Hertfordshire. There is a Gypsy and Traveller site, too, in the vicinity, which, if expanded, could have a devastating effect on the rural community. None of those things have been brought into the picture.

Let me make it clear that the Government's alterations to planning guidance have compelled local authorities to address the issue. The Government are using the undemocratic regional assemblies to deliver their bidding. Providing additional pitches to meet identified needs is now a firm requirement for local authorities, but I seriously question both the way in which that need has been identified by the Government and the evidential basis for the projections. It is generally accepted that well managed, appropriately located sites can be of benefit to the Gypsy and travelling community, which is seen as vulnerable, and that the appropriate location of a reasonable number of well run sites can lead to improved relationships with the settled community. Such an approach allows for rigorous defences at planning level against illegal incursions and protects local authorities from large and possibly costly remedial works associated with illegal incursions.

The key to making that work in any area is meaningful engagement and an acceptance by the established local community of demands for additional sites that are appropriate and reasonable. Many residents in my constituency share my view that current demands are not reasonable or appropriate, and that engagement in this process has been far from reasonable. St. Albans district council has always taken its responsibilities seriously, which is why we were amazed by the EERA consultation document, which failed to recognise our generous level of provision and allocated us a further 34 pitches—double that of any other area. The consultation drew heavily on jointly commissioned research that sought to deliver on the Government's assertion that more sites must be found.

Research published by the Department for Communities and Local Government and EERA in March suggested that the east of England needed 1,220 more caravan pitches for Gypsies and Travellers by 2011. Consequently, local people were asked for their views on the matter, and two possible options were advanced to help try to resolve the supposed gap in provision. Option one would distribute pitches in local council areas

"where research has identified need."

That would involve 1,216 additional caravan pitches in the east of England. I hope that hon. Members note the telling phrase,

"where research has identified need."

My constituents are entitled to a reasonable explanation from the Minister of what formula was used to calculate the travelling community's need, distribution and, as my hon. Friend the Member for North-East Hertfordshire said, movement patterns. Whatever it is, the report suggested in option one that an additional 34 pitches should be allocated to St. Albans, which was double any other pitch allocation in that option. My constituents were then asked to consider option two, which was based on option one, but with a minimum of 15 pitches in every local council area throughout the region, apparently to provide wider distribution and a choice of accommodation for Gypsies and Travellers, leading to 1,220 additional pitches in the east of England.

That might appear to my constituents to be a more balanced distribution, with each authority shouldering its fair share of additional pitches. However, on close examination of the figures, St. Albans would still have an extra 34 pitches, more than double the suggested 15-pitch minimum allocation for other areas and twice the allocation for any other authority. Why? Whatever the results of the consultation choices, options one and two for St. Albans would both allow 34 additional pitches, which is twice the allocation for everywhere else.

St. Albans is the only authority affected in that unfathomable way, so the Minister will understand why local people are angry. They believe that it is a done deal, so it was pointless to engage in the consultation exercise. My local papers, the *St. Albans Observer* and the *St. Albans and Harpenden Review*, ran a story on the consultation, and the editorial comment said that

"taking part in the public consultation on the number of new Gypsy pitches in Hertfordshire would appear to be an utterly redundant exercise for St Albans residents."

I wholeheartedly agree with that perceptive analysis, and would welcome the Minister's view if her analysis is different. My other local paper, the *Herts Advertiser*, assured residents their

"views are important and will be listened to"

by local councillors. Given the figures in the rather weasel document, there is no point in people being listened to if the council's hands are tied and it is obliged to deliver the same number of pitches, whatever choice it makes.

Mr. James Clappison (Hertsmere) (Con): My hon. Friend is making an excellent case. I agree with her point about consultation, and I am sure that she agrees that there is bound to be a problem with regional government if local people believe that they are not consulted about regional bodies. Should it not be clear where regional responsibility rests in the first instance in this flawed system? The Government devised it and put in place the system of consultation, so they must bear responsibility if local people feel cheated.

Anne Main: Absolutely, and I hope that the Minister will take on board the fact that in my district council area, Labour councillors are leading the protest against the supposed attack on St. Albans, which is perverse, given that it was their Government who asked us to consider the proposals.

Mr. Eric Pickles (Brentwood and Ongar) (Con): Does my hon. Friend share my concern about the strong and provocative language that those Labour councillors used in their criticism? She is eminently reasonable, but does she agree that those in authority

have a responsibility to be measured in their criticism, and not to seek to stoke up racism, as the local Labour councillors have done?

Anne Main: My hon. Friend is right, and I thank him for making that point. Councillors are often directed to make difficult decisions on behalf of the wider community. On the night before a local election, those councillors said that only a Labour council could fight off the attack of having more Travellers in our community, and they are now running a campaign suggesting that the chosen sites in London Colney are near housing, a paddling pool and a children's play area. The Government, however, have urged us to look for sites that provide a better quality of life, so I suggest that they have a word with their Labour councillors. Frustration is no doubt fuelled by the fact that we believe that we have no voice in the consultation.

May I draw the Minister's attention to a phrase in the EERA consultation that refers to

"wider distribution and choice for Gypsies and Travellers"?

Given the itinerant nature of that community, will she explain to my constituents why one section of society has been singled out for choice and diversity of accommodation, while the settled community, which has pressing housing needs, has received no special consideration?

The consultation finished at the end of May and is now closed, and the contentious options are being considered. I hope that the Minister has read the consultation, will listen to the issues that are raised today, and will intervene before any new decisions are made on the spatial strategy revision. I wish to draw her attention to questions in the consultation that were irrelevant or puzzling to residents. The first was:

"Do you think 1,220 net additional pitches is a reasonable estimate of the level of unmet need for residential pitch provision taking into account how this may change over the period until 2011?"

I suggest that local people would find it impossible to answer that question in an informed way because they were given no information or data on which to draw. The second question, which was equally taxing, was:

"If you think 1,220 net additional residential pitches is not a reasonable estimate of need what alternative level do you think is a more reasonable estimate of need at 2011? And please make clear why."

The document, however, points out:

"Establishing facts about Gypsies and Travellers in the East of England is not always easy...For instance there is no reliable figure currently available for numbers of Gypsies or Travellers resident in the region."

Will the Minister tell my constituents how on earth they were supposed to answer those detailed and technical questions that will inform Traveller provision in my constituency and other constituencies? I doubt whether a simple reply such as, "No more pitches for St. Albans, thank you; we believe that we have provided enough for our area", would be taken as an informed, evidence-based view in the consultation. I think that that would be discounted as nimbyism.

Question six was equally loaded and asked:

"Is it reasonable to accept the principle that each local council area should seek to provide at least one additional site?"

The terminology has moved on from pitches to sites, which can have vastly different consequences, although I am not sure whether the public would pick up on that. A pitch can vary in size and hold up to three vehicles, but sites have no specific size criteria. What exactly have my constituents, and other constituents who have taken part in the consultation, been asked to agree to?

There were other equally impossible-to-answer questions, which I shall not go into, but I hope that the Minister has gained the flavour of the wholly unsatisfactory nature of the consultation, which EERA undertook at the Government's behest, and which will have important and far-reaching consequences for my constituents. There is a vacuum of information, which prevents balanced planning decisions from being made. Without that information, the planning system is being used to bulldoze through a huge social project of the Government's making and which I believe is ill informed. By their own admission, the Government have little informed or accurate data on the Gypsy and travelling community and, as with any other proposed development, I suggest that they scrap the findings of the consultation, whatever they are—I hope that I have demonstrated that they are not informed—ignore totally useless and speculative responses to unanswerable questions, and do considerably more work on, and rigorous study of, the issue before asking my constituents to help to put their plans into practice. My constituents are understandably concerned about the proposals, and the impact on their local area and their quality of life. They simply want to be treated fairly and reasonably.

Mrs. Janet Dean (in the Chair): Before I call the next speaker, I remind hon. Members that I intend to start calling the Front Bench spokespeople at 3.30 pm.

2.48 pm

Mr. James Clappison (Hertsmere) (Con): It is a pleasure to serve under your chairmanship, Mrs. Dean.

I congratulate my hon. Friend the Member for St. Albans (Anne Main) on securing the debate. She has done a service to her constituents, as well as to those in Hertfordshire as a whole. I also congratulate her on the thorough and sensitive way in which she explored the subject. It needs sensitive handling for the sake of everyone, including Gypsies and Travellers, as well as local residents and communities.

Local residents and communities need to be heard, and their views must shape decisions. They must feel that they are part of the process. Hertsmere borough council, for example, is seeking early consultation with Hertsmere residents and is holding a series of meetings in July in each of the principal communities to seek people's views on sites. It is committed to consultation, listening to local residents and reflecting their wishes, in so far as it can.

I have three points to make. The first adopts the concerns that my hon. Friend so ably raised about the nature of the process. It strikes me as bureaucratic and remote from ordinary people. However, as I said, that must be the case when regional governments are involved. District councils, such as Hertsmere, are closest to local people. Local people can get in touch with their local councillors, and meetings can be held locally so that people's views can be taken into account. District councils are very much on the receiving end of the process, and local people may be left feeling that many decisions

[Mr. James Clappison]

have already been shaped before the issues reach their district council—the level at which it is easy for them to have their say.

We must be clear that the Government have initiated the process and that they require local authorities to undertake it and to meet in full the need for sites that are identified by housing assessments—something that the Government do not require in respect of the need for affordable housing, which is identified by the same housing needs assessments.

The Government require regional planning bodies to produce figures for Gypsy and Traveller sites right down to the level of individual district authorities. One is bound to ask whether it is appropriate for regional planning bodies to go into that level of prescription and detail when regions are so remote from local communities. Have local people's views shaped that process? At the end of the day, the regional government is required to produce something described as a "single-issue revision", which is what I was given when I got my homework wrong, and I say that as somebody who is no fan or enthusiast of regional government. In the east of England, we have never been asked whether we want a regional government; we simply have one. When people in other regions were asked whether they wanted one, they said no.

Having seen the way in which the process has been placed in the hands of regional authorities—I am not necessarily criticising the authorities themselves—having looked at what the Government have required them to do, and having seen the way in which the Government have put such a premium on them, it is easy to understand why people were not instantly attracted to the idea of regional government. The process seems to bear out all the concerns that people expressed about regional government.

My second point is on a separate matter. What account has been taken of the green belt when making those requirements of local authorities? The Government's planning circular on Gypsy and Traveller caravan sites skates over the problem. Paragraph 49 states:

"National planning policy on Green Belts applies equally to applications for planning permission from gypsies and travellers, and the settled population. Alternatives should be explored before Green Belt locations are considered. Pressure for development of sites of Green Belt land can usually be avoided if the local planning authority allocate sufficient sites elsewhere in its area in its LDF"—

local development framework—

"to meet identified need."

I shall break away from that Government statement, because it is somewhat disingenuous. It would be difficult, to say the least, for an authority such as Hertsmere to provide sites that were not on the green belt, because almost, if not all, the sites identified in Hertsmere and in south-west Hertfordshire are on the green belt. Are the Government saying that local authorities can apply normal green belt principles and refuse to permit such development? Or are they saying that the authorities cannot take such a course and must provide the sites, but that the Government are not prepared to take any responsibility for that? I wonder which is true. The regional planning body, to give it credit, is more realistic than the Government about the green belt. I wait to hear from the Minister the Government's approach towards the green belt in that regard.

My third and final point is how confident we can be that the process that the Government are instituting will address the problems. The objective is to meet the local need for sites for Gypsies and Travellers, but the sites that could be established as meeting that need might be in private hands. There is no way in which site owners can be required to meet the needs of local Gypsies and Travellers. A requirement cannot be placed on site owners to meet local needs, and there is nothing that local authorities can do to ensure that pitches on those sites are occupied by local families.

Annexe C of the Government's planning guidance specifically deems as unacceptable local authority criteria that allow applications from Gypsies and Travellers to be refused. Presumably, a site owner from outside the area could decide to buy a site inside Hertsmere, St. Albans or elsewhere in Hertfordshire and fill it with people from a long way away. The Government could ostensibly say that the objective of local need had been met, even though it had not, because people had come from some distance away to occupy the site. That would be a worrying scenario and I hope that the Minister will throw some light on it.

People in Hertfordshire know that we are under the same pressures from Gypsies and Travellers as we are from other people. Many people from outside the area want to come and live in Hertfordshire.

Mr. Pickles: Surely the approach is topsy-turvy. The Government will never know whether their targets have been met; rather, they will know that a process has been gone through.

Mr. Clappison: My hon. Friend hits the nail on the head. The whole process might be fulfilled, and the sites might be filled with people from outside the area, but the people whose need was originally identified locally might still be in the same conditions locally as before. The need would not have been met. No doubt the Government would trumpet the idea that they had met local needs, but the people would remain in the same position. Even if the site were owned and managed by a registered social landlord, it would not be clear whether there was any guarantee that it would be occupied exclusively by local people.

There is a flaw in the system. A large number of the sites are privately owned and managed, according to the various surveys that have been carried out. Registered social landlords might come in as well, and these questions must be asked to determine whether we will meet the Government's objectives.

Another Government objective draws the connection between providing sites and reducing or avoiding the problem of unauthorised encampments. Given the pattern of unauthorised encampments in Hertsmere, whereby people often come at irregular intervals and from a considerable distance to strike up an unauthorised encampment before leaving when the processes of the law finally require them to do so, I am not as confident as I should like to be about the provisions' ability to meet the objective of preventing unauthorised encampments. Does the Minister believe, and is she prepared to say, that the problems associated with unauthorised encampments will be avoided as a result of the Government's proposals?

Although I support the way in which Hertsmere borough council has responded to the process, and its conscientiousness in seeking to listen to the views of local people and to play its part, I have yet to be convinced that the whole process, which the Government initiated, will meet either with the consent and support of my constituents, or with the objectives that the Government have set themselves.

2.59 pm

Mr. David Gauke (South-West Hertfordshire) (Con): It is a pleasure to serve under your chairmanship, Mrs. Dean. I, too, congratulate my hon. Friend the Member for St. Albans (Anne Main) on securing this useful debate and apologise for missing her opening remarks.

All of us in Hertfordshire have a fair amount in common. It is an attractive county, in which there is enormous demand for housing. A lot of people want to live there, although I shall not deliver a travelogue in the style of a maiden speech and dwell at length on my constituency. I do not know whether the Minister knows my constituency, although I do know that she has a cousin who lives in Berkhamsted—at least, she used to live in my constituency. Hertfordshire is an attractive place to live, with small market towns of a manageable size, where people are very comfortable, surrounded by attractive countryside.

One of the problems that we face in South-West Hertfordshire is that we are a victim of our success, in that people desperately want to live in the area. There is not the scope for an enormous amount of development, given that we are in the green belt, and the people living in South-West Hertfordshire do not desire it, for understandable reasons. However, that creates tensions for those on a low or even a medium income who want to buy their own property. Politicians will always have to strike a balance between those conflicting desires. What is seen as fundamentally unfair, however, is if a particular section of society receives what appears to be special treatment because a development is designed specifically for them, while the adult children of home owners in South-West Hertfordshire do not have the opportunity to acquire their own property. That drives at why so many of our constituents feel as strongly about the issue as they do.

That point also relates to the green belt, which my hon. Friend the Member for Hertsmere (Mr. Clappison) rightly touched upon. Most, if not all, of the area available for development in my constituency, whether in Dacorum borough council or Three Rivers district council, is in the green belt. There appears to be a conflict between the desire to provide Gypsy and Traveller sites and Government policy on the green belt. In circular 01/2006, from the Office of the Deputy Prime Minister, the Government state that they recognise the importance of the green belt, that new Gypsy and Traveller sites are normally inappropriate within them and that they require alternatives to be explored before green belt locations are considered.

However, there are no alternatives to green belt development. Perhaps the Minister could dwell on how Government policies on the green belt and on Gypsy and Traveller sites relate to each other. The solution that I suspect we shall see is that areas of land will cease to be designated as green belt and the green belt will change to accommodate particular sites. Again, that relates to the sense of unfairness that residents feel about the problem. There is clearly tension between what the East of England regional assembly has proposed and green belt policy.

Let me anticipate the argument that the Minister will use, which is one that I believe the Liberal Democrats essentially support. It is that we need more authorised sites, because otherwise there will be more unauthorised developments and that is undesirable.

Anne Main: My hon. Friend may find that Liberal Democrat support alters to meet whatever the electorate want to hear, depending on where they are. The Liberal Democrats have come out with a resounding no in my constituency, where the portfolio holder in charge of the Gypsy and Traveller sites says that we do not need any more in St. Albans.

Mr. Gauke: My hon. Friend's description of the position of the Liberal Democrats does not surprise me in the slightest. However, unless I receive a clear and categorical correction, I understand that their policy is strongly to support the need for more authorised sites.

The Parliamentary Under-Secretary of State for Communities and Local Government (Meg Munn): Is the hon. Gentleman saying that it is Conservative policy not to have more authorised sites?

Mr. Gauke: If I may, I shall explore the point a little further.

I appreciate that because of court judgments and the Human Rights Act 1998, it is difficult to take enforcement action against unauthorised sites unless there is an alternative, authorised site. However, one of my concerns about increasing the number of authorised sites is that it will not necessarily end unauthorised developments, but increase the Traveller and Gypsy population as a whole.

Mr. Heald: The Government's figures seem to show that in July 1979 there were 1,000 caravans on unauthorised sites and 2,500 on socially rented authorised sites. However, in July 2005 there were 5,000 caravans on unauthorised sites and 6,500 on socially rented sites, as well as an additional 2,000 on Travellers' own land and a further 2,000 authorised private sites. Does that not show that increasing the number of authorised sites does not stop the numbers on unauthorised sites from increasing?

Mr. Gauke: My hon. Friend makes an eloquent and important point, which underlines my point. Increasing authorised sites does not necessarily reduce the numbers. Indeed, the evidence that he presented suggests that there was an increase in the number of unauthorised developments. One has to ask why.

On the issue of demand, according to the latest figures from the East of England regional assembly, there were no unauthorised sites in my constituency, which covers two district councils—Dacorum borough council and Three Rivers district council—in January 2006. There certainly had been an unauthorised development in my constituency a few months before, at Cow Roast, but if the argument is, "Well, we need more authorised sites to deal with the unauthorised developments that we currently have," the answer is that we do not currently have any in the area.

Mike Penning (Hemel Hempstead) (Con): My hon. Friend makes a good point, but we are making an assumption that all Travellers travelling around this country wish to be on an organised site. Those of us who understand the travelling community or have lived with Travellers—I grew up around a travelling community—know that many of them do not want to be on organised sites. At certain times of the year, they are happy to pull off the road, but at other times even organised sites are half empty. At certain times of the year, many Travellers are not actually in this country, because they come from southern Ireland.

Mr. Gauke: My hon. Friend makes the point that the provision of authorised sites does not necessarily mean that Travellers will use them. By their very nature, Travellers travel.

It appears to be anticipated that the number of Gypsies and Travellers will expand, on the basis of the figures that have been presented for Hertfordshire. I should be grateful if the Minister could clarify whether that is the case. Will she also say whether that is being driven in part by the fact that the Government in the Republic of Ireland have been taking stronger measures to deal with Gypsy and Traveller sites, the consequence of which has been migration into the UK, and whether there is any evidence of something similar happening in accession states in the EU?

We will not deal with that supply by increasing the number of sites that we provide; instead, we will be increasing the demand. Does the Minister think that that is happening and does she think that it is in some way desirable? That outcome might be the very objective that the Government seek—to preserve the Gypsy and Traveller way of life—rather than an unintended consequence. If that is the Government's position, I should be grateful for some clarification.

My final point takes us back to the essentially undemocratic manner in which the process has been undertaken, which was mentioned by my hon. Friends the Members for Hertsmere (Mr. Clappison) and for St. Albans. The East of England regional assembly is implementing the policy, but this is very much a Government policy—it is the Government who are determining things. They can hide behind the regional assembly and use regional bodies to implement unpopular policies for which they do not want to take the rap. That enables Labour councillors in places such as St. Albans and Hemel Hempstead—the few there are—to say that any decisions are nothing to do with them and that they are the fault of the wicked Conservatives at the regional level.

Similarly, Conservative district councils are forced to implement the policy—they have little or no choice over whether to do so and are forced to identify sites. However, although there is little that individual councillors can do, no one will be more vigorous in supporting the views of local residents affected by proposed developments outside Berkhamsted—the Scott Wilson report mention Swingate lane—than Councillors Julie Laws and Steve Bateman. Similarly, in Tring, Councillor Derek Townsend will provide vigorous support for his local residents. None the less, democratically elected politicians—whether Members of Parliament, district councillors or county councillors—have little say in the process, and that feeds into local people's enormous frustration. People ask, "What can we do about this? Who can we complain to?" but the answer is that there is little that elected politicians can do. That is a failure of the system, and it needs to be addressed.

3.11 pm

Mr. Peter Lilley (Hitchin and Harpenden) (Con): I, too, congratulate my hon. Friend the Member for St. Albans (Anne Main),who is a fellow Member for the St. Albans district, on securing the debate and on introducing it in such a thorough but sensitive way.

There is great concern throughout the St. Albans district, not least in the part that I represent, about the current proposals, which, strangely, only became public on any scale after the local elections. People in Redbourn are concerned because there is already an authorised site, as well as unauthorised sites. People in Kinsbourne Green and Harpenden Rural are concerned because they are quite near Redbourn, and several new sites are proposed near them. Likewise, people in Wheathampstead are concerned because potential sites have been identified right next to residential areas. There is concern throughout the rural part of my constituency about what such developments could mean.

I have met several delegations and visited potential sites, and although my constituents are concerned, they are extremely reasonable: they accept that Travellers must live somewhere and want good relationships between the travelling and the settled communities. However, they also want a fair, transparent and balanced approach to be taken when deciding how many sites should be allocated and where they should be, but they do not see the current proposals as fair in substance or procedure.

St. Albans district council already has a quarter of all the authorised sites and more than half the unauthorised sites in Hertfordshire, but it is now being told that it must accept 30 per cent. of the additional sites. However, St. Albans district council is only one of the 10 councils, covers only 10 per cent. of the area of Hertfordshire and has only 13 per cent. of the population, so why are things being done in this way? The answer is that the formula that is being used says that the number of new pitches required in any area will be equal to 40 per cent. of the number of authorised pitches plus the number of unauthorised pitches that the area already has. My area already has a large number of authorised and unauthorised pitches, so it is expected to have a lot more pitches in future. The more pitches an area has agreed to have in the past, therefore, the more it is expected to have in the future; the more it has had to put up in the past—even though they may have been illegal and unauthorised—the more it will have to put up with in the future. People do not think that that is fair.

Anne Main: My right hon. Friend makes a really powerful point, and I draw his attention again to why the public are so annoyed by what has happened. The EERA consultation says:

> "This public consultation is a real chance for everyone in the settled and travelling communities...to learn more about the options on the table and to have their say on the number and distribution of these additional pitches",

but that has not been the case at all.

Mr. Lilley: My hon. Friend is right. People are concerned because they are expected to have new authorised sites, where the number of pitches will reflect the present number of unauthorised pitches, but

there is no guarantee that the unauthorised ones will be removed; indeed, given human rights considerations, it is quite possible that there will be no possibility of removing them, and that is a concern. As my hon. Friend spelled out, we have been given a choice between two options, both of which are identical, and that, it may astonish the Minister to know, does not seem fair to people.

The process is not transparent either. The consultation documents give no explanation of how the assessment of the additional numbers was reached, and one really has to dig deep to find out; one has to read an extremely opaque report from the Department for Communities and Local Government called "Preparing Regional Spatial Strategy reviews on Gypsies and Travellers by regional planning bodies". Indeed, the report consists largely of serial acronyms—it was not until I read a lot about the subject, for example, that I realised that G and T stood for Gypsies and Travellers—but there is no glossary to tell us what those acronyms mean.

If one works one's way through the report, however, one will be astonished to find that there are no figures for the Gypsy population and that there are figures only for the number of caravans and sites. There are also no figures for occupancy rates at existing sites, which one might think would provide some measure of demand or need. One wonders why things are so opaque and obscure and why such a strange solution has been reached, and one finds that the Department does not really have the information on which to make the relevant decisions. Page 18 says:

"our understanding about Gypsies and Travellers—about their requirements and the factors influencing these—is not yet sufficiently developed or adequate to inform the development of site provision which we can be certain will meet the extent of need in a way which is appropriate to the requirements and preferences of all sections of this population.

However, action must be taken."

The Department does not, therefore, have the information on which to take any reasonable action, but it proposes to go ahead anyway, which is why it goes ahead with unreasonable action.

The Department has decided to develop what it calls a "tool"—it keeps using that word—based on GTAAs, or Gypsy and Traveller accommodation assessments. Local authorities are obliged to carry out regular assessments, which are then examined. Although they form the basis of all subsequent work, the report observes:

"Assessments—which are usually based on interviews with Gypsies and Travellers in the study area—find it hard to estimate the need to be in the study area of those currently living outside it, perhaps because of lack of accommodation. There is also a tendency to conflate need, demand and aspiration."

The Department's basic tool therefore measures three different things and conflates them all. That is done on the basis of interviews that provide no real measure of the demand, need or aspirations for sites in an area.

The report concludes, somewhat arbitrarily, that some of the assessments are robust, while others are not. On average, the robust ones show that demand, need or aspiration is 40 per cent. greater than the current supply, so the Department has decided arbitrarily to use that 40 per cent. factor everywhere as part of a one-size-fits-all approach, with no recognition of local differences.

Nor is there any clarity in the document as to why the Gypsy and Traveller population seems to be expanding so fast. It says that the number of caravans rose by 90 per cent. between 1979 and 2006 over the country as a whole and that the population is growing by 3 per cent. per annum in the UK and 4 per cent. per annum in Ireland, but it does not tell us how much of the UK population growth is due to people coming from Ireland or elsewhere. However, 3 to 4 per cent. annual population growth is very rapid—it is more rapid than the population growth in Africa, which is the fastest growing continent in the world. Yet the assessments will be made only for five years ahead. At the relevant rate of growth, that is about 18 per cent., so one might think the call for 40 per cent. more accommodation does not naturally follow. As I have said, in addition to that 40 per cent., extra sites are proposed to match the number of unauthorised sites, but with no guarantee—or, at least, the document is so non-transparent that we cannot see whether there is any guarantee—that unauthorised sites will be replaced by authorised ones, if those are forthcoming.

Finally, my constituents do not think that the approach seems very balanced. Because of the enormous housing pressures that we face, which we have discussed previously, the settled population of this country is being pressed to live in flats rather than houses, in terraced houses rather than detached houses, north rather than south, on brownfield sites rather than in the green belt. Yet no similar pressures seem to be exerted, or nothing analogous seems to be expected, of the G and Ts. The settled population find that housing is rationed by price. In my constituency young people now stay at home five or 10 years longer than they used to when I was first elected, because they cannot afford a home. Alternatively, they must move north. Everything is rationed by price, and I reiterate that no analogous pressures are exerted on the better-off Gypsies and Travellers.

Constituents have told me that they feel particularly aggrieved that when they look up this subject on the web, as everyone does when the subject suddenly comes on to their radar screen, they find hundreds of sites detailing Gypsies' and Travellers' concerns—which they acknowledge are perfectly legitimate—about the pressures and discrimination that they potentially face, and their grievances. There is nothing equivalent to enable my constituents to express or register their concerns or their experience of some parts of the Gypsy and Traveller population. They feel that they need to register those concerns if the Government's objective of achieving social cohesion and a sensible relationship between the Gypsy and Traveller and settled communities is to be reached.

My constituents hope that the Government will listen to them, but they are pretty sure that they will not. They would like fairness, but they cannot see any. They want some transparency and they are presented with something absolutely opaque. They want balance and they feel that things are loaded heavily against them. They know that the Government are to blame, and they want the Government to answer.

3.22 pm

Mr. Oliver Heald (North-East Hertfordshire) (Con): I congratulate my hon. Friend the Member for St. Albans (Anne Main) on securing this debate on an important subject and I echo the comments of my right hon. Friend the Member for Hitchin and Harpenden (Mr. Lilley). People in North-East Hertfordshire want to be fair about this matter, but they also want to be satisfied that the Government have done their homework and that

[Mr. Oliver Heald]

what is proposed is about meeting need, rather than creating demand. That was something of a theme of my right hon. Friend's speech, too.

It seems remarkable that in the document published by the Minister's Department, "Gypsies and Travellers: Facts and Figures", a table of official figures shows that in 1979 there were 3,500 caravans, either socially rented or in unauthorised encampments, whereas by July 2005 that had risen, with all categories considered, to 15,500. I understand that the latest count from the Department is 16,611. Clearly, that is a very substantial increase. I have asked representatives of the local authority why that should be. The only explanation that they came up with was that there are now some traditional Travellers from eastern Europe coming to this country. Even so, I should be grateful if the Minister could explain that four to five-fold increase in travelling.

My second point is about whether, from a policy point of view, the Government intend to encourage travelling. Clearly, there are difficulties associated with it, such as social exclusion. If the Government do not intend to encourage travelling as a way of life, can the Minister explain how the increase has occurred? Surely Government policy must have played a part in it, given its substantial nature.

Meg Munn: I am puzzled that the hon. Gentleman says the Government must have played a substantial part in the increase. We are talking about a few thousand, whereas for the settled community the formation of new homes is much greater. As the hon. Gentleman knows, we aim to produce 200,000 new homes a year. Let us get things in proportion.

Mr. Heald: That is a worrying intervention from the Minister. There is not a five-fold increase in household formation in the United Kingdom. If she thinks that there is, that is deeply worrying. A five-fold increase in household formation in the sector that we are considering is a different scale of change. Perhaps the Minister thinks that it is amusing, but people in North-East Hertfordshire do not.

North-East Hertfordshire has not had much traditional interplay with the Traveller community. There are a small number of sites, but it is not on one of the traditional routes. Yet it seems that in the second option that is being put forward by the regional assembly a very large increase in the number of sites is proposed. The effect of that will be to create opportunities for Travellers to move into North-East Hertfordshire, which traditionally they have never chosen to do. Are the Government encouraging numbers of Travellers to move there for a particular reason? I should have thought that the Government would want a sustainable approach—that they would want to meet the needs of Travellers, as established over time, to follow particular routes and live their lives as they choose, and not to interfere in that and say, "Rather than do what you want, do what we want as the nanny state, and move to North-East Hertfordshire."

When the Labour group on the North Hertfordshire district council suggested, some years ago, that there should be extra sites in North Hertfordshire, the Conservatives did some survey work, as one does. The idea was not very popular. If the Minister feels that there is some reason for the change to happen, perhaps she will explain it.

3.27 pm

Lorely Burt (Solihull) (LD): It is a pleasure to serve under your chairmanship this afternoon, Mrs. Dean.

To describe my reaction to the comments of the hon. Member for St. Albans (Anne Main) and her Conservative colleagues this afternoon as surprise is putting it extremely mildly. I am amazed that the hon. Lady complains about the provision of Traveller sites when it was her party that said that 67 per cent. of Traveller sites should be closed between 1986 and 1993; it was the Conservative Government who caused the problem.

Anne Main: I draw the hon. Lady's attention, before she goes any further, to something issued today by the notionally Liberal Democrat-controlled St. Albans district council, and the portfolio holder, Liberal Democrat councillor Chris Brazier:

"We have already over-provided for gipsy and traveller pitches within the district so we are saying that we don't see why we have to take an extra 34. We want a more equitable share across the country. Our response to EERA is no".

Lorely Burt: I am making a general point. The tone of the argument from the Hertfordshire Members has been quite technical on the way the allocation is created. If the hon. Lady will allow me, I shall continue to develop my argument. She should be reassured that the Liberal Democrats want a fair allocation of sites as much as any party does.

The Conservatives closed 67 per cent. of Traveller sites between 1986 and 1993. In 1994 the Conservative Government released local authorities from their obligations to provide sites and introduced new laws penalising families for stopping without permission. At a stroke they destroyed the Traveller way of life in this country. It is estimated that in this country there are between 200,000 and 300,000 Gypsies—Romany, Irish, Scottish and so on. Most live in houses.

Mr. Lilley: I do not know what country the hon. Lady has been living in. I have been a Member of this place for a long time, and Gypsies have been an issue throughout. However, no Gypsy site in my area or known to me has been closed down during that time, either by this Government or previous ones.

Lorely Burt: I am grateful for that intervention from the right hon. Gentleman, who has clearly been around a little longer than I—*[Interruption.]* In this place, I mean. I am alluding not to what has happened in specific areas, but to the general figures that apply to this country as a whole.

Mr. Heald: I am happy to lend the hon. Lady the Government's own document, "Gypsies and Travellers: Facts and Figures". It contains a graph that shows the constant increase in the numbers of caravans on official and unofficial sites. Would she like to read it? It certainly deals with the points that she has made.

Mr. Lilley: What is her source?

Lorely Burt: My source is the Government figures, which were given to me a few weeks ago by the Minister.

I shall make progress. Approximately 4,000 Gypsies and Travellers—27 per cent. of the moving population, or the population who live on sites—live on unauthorised sites. We have talked about the scale of the problem. Indeed, the Minister intervened on that issue, and the proportions involved have to be considered as we talk about it. All new provision for Gypsy and Traveller sites could be provided within 1 square mile of land. Please—let us get the proportion right.

Anne Main: Will the hon. Lady discuss Hertfordshire? That is what this debate is about.

Lorely Burt: The hon. Lady asks me to discuss Hertfordshire. I am attempting to draw some conclusions, which she may find useful. I hope so.

The problems arise because local authorities do not provide sufficient sites. That is why the Government intervened with the Housing Act 2004. When local authorities provide sites, they are usually well run and there is no problem or conflict with the local authority. On receiving a briefing, I learned that there is an approved site in my own borough of Solihull, although not in my constituency. I did not even know that it was there. The provision of sites does not have to be the end of the world for a local authority. When sites are well run, and Solihull borough is run by the Conservatives, it is clear that the need is met and the problems can be evaded. However, I am not talking about illegal encampments, which result from a group of Travellers moving on to an illegal site. That is an entirely different matter.

I should like to give some idea of how some local authorities have reacted to Traveller encampments. One devotes 5 per cent. of its entire budget to evictions, but spends nothing on the provision of authorised sites. That shows how the emphasis causes the problem. The 2004 Act places a requirement to assess housing need and provide adequate housing for all members of the local community; indeed, the regional spatial strategy cannot be cleared unless that is done. Planning permission for new sites is more likely to be issued if the local authority is not providing authorised sites. Greater decision-making power is given to the local authority if there is an adequate supply of sites in the area.

I turn to the situation in respect of regions. Various speakers have said that the region is some sort of pariah that seeks to dominate and suppress the freedom of different local authorities. Might I suggest to Conservative Members that it is sometimes helpful to have a regional body, which can take into account need within a specific region and not just within a local authority? Subsidiarity is a fundamental part of Liberal Democrat philosophy. It means that decisions should be made as close as possible to the individuals affected by them. We want a regional authority so that we do not get the situation to which Conservative Members have alluded: the Government trying to impose from the centre on local decision making.

Mr. Gauke: If the hon. Lady believes in localism, as many of us do, she should surely believe in decisions being made as close to the people as possible; she said that she did. Surely that should be at a district—or at most, county—level. In my constituency, I find that one of the problems with regional government is that it completely ignores what happens over the border in Buckinghamshire, because the region does not consider that. However, a district or borough council is far more likely to take all such local factors into account.

Lorely Burt: I am grateful to the hon. Gentleman.

Mrs. Janet Dean (in the Chair): I remind the hon. Lady that she has about another two minutes to speak.

Lorely Burt: Thank you, Mrs. Dean.

My worry is about the continuing demonisation of Gypsies and Travellers; it makes conflict by not producing appropriate authorised sites. One third of adults admit to being personally prejudiced against the group. Lack of provision causes conflict, reinforces prejudices and takes its toll on a group that has 18 times more child deaths, far worse examination results, and life expectancies 10 to 12 years shorter than those of the settled population. As Trevor Phillips said, prejudice against Gypsies and Travellers is the last acceptable form of racism. We want an open and transparent system, in which each local authority does its fair share. The hon. Member for St. Albans is clear that hers does. We do not want a honey pot situation that attracts people from local authorities that are not taking their share and providing appropriate approved sites.

If we could restore a proper balance to the adequate provision of sites, things would be calmer for local residents and there would be a huge boost to the security and quality of life of the most disadvantaged minority in our country. It would also be a lot cheaper for local authorities and better value for money for local residents.

3.38 pm

Mr. Eric Pickles (Brentwood and Ongar) (Con): Good afternoon, Mrs. Dean. I have never had the privilege of serving under your chairmanship. It has been great; I have had a wonderful time this afternoon, because my mind has been changed on this subject on so many levels—not least by the hon. Member for Solihull (Lorely Burt), whose speech I shall long remember. I shall especially remember her most vicious attack on local Liberal Democrats in Hertfordshire and castigation of Cuncillor Chris Brazier in particular. I suppose that he at least has an advantage over the hon. Lady in knowing where Hertfordshire and St. Albans are.

Lorely Burt: Will the hon. Gentleman give way?

Mr. Pickles: I will in a second; I have not yet finished with the hon. Lady. Despite the fact that Councillor Brazier lives in the area and has come to a decision, the hon. Lady apparently knows better than him—so much for subsidiarity.

Lorely Burt *rose—*

Mr. Pickles: I shall give way to the hon. Lady in a second. We were also quite astounded to see the way in which she dealt with the statistics, which were clearly wrong. I assumed that some spotty researcher had given her that bucket of rubbish, but it turned out to be the Minister. Perhaps she should be a little more careful about people from other parties who give her information, and about relying on those figures. We are grateful for her admission that Solihull under the Conservatives is a well run authority. I thank her for telling me why we need a regional body—apparently, we need a regional body to take regional decisions.

Lorely Burt: I am disappointed that the hon. Gentleman seeks to demonise any individual who cannot stand in this place and defend themselves. He is talking about a specific instance. I am not from Hertfordshire, as he points out, but I have been trying to the best of my ability to draw out principles that Liberal Democrats adhere to, wherever they are in the country.

Mr. Pickles: But apparently not in St. Albans. I was not demonising Councillor Brazier; I think that I was trying to demonise the hon. Lady.

Another reason that I enjoyed the debate, and that it substantially changed my mind, was that I had always felt that the Government were carrying out some great Stalinist plot, whereby they merely looked at the figures, sent down to their people and said, "Give us more pitches; give us more figures," in the way in which the great dictator used to say, "I want more tractors; I want more tanks; I want more executions." Apparently, there is no logic at all. My right hon. Friend the Member for Hitchin and Harpenden (Mr. Lilley) put it rather well. At times, I felt that he was describing a combination of King Lear and the Red Queen in "Alice in Wonderland". The Government are essentially saying, "Supply us with pitches. We know not where, and we know not in what number, but they will truly be the wonder of the world."

My hon. Friend the Member for Hertsmere (Mr. Clappison) made a magnificent point. It apparently does not matter whether there is a local connection or whether local Travellers have sites, just so long as there are sites. Local provision does not matter at all. It is possible under the system to provide as many sites as one likes. Travellers could come in from entirely different parts of the country, leaving Travellers in Hertfordshire without pitches, and still the Government's criteria would be met.

I have been remiss in not congratulating my hon. Friend the Member for St. Albans (Anne Main) on securing the debate. I thought that she put her point across civilly and reasonably, and she showed a marked understanding that these decisions are not easy. It is immensely difficult to decide where pitches are going to go, and the conflict between the settled community and Travellers can be injurious to good community relations. Where those decisions work and there is an established understanding, things are excellent and we can be proud. However—I agree completely with Trevor Phillips on this point—in truth, in a lot of parts of the country that conflict is exactly what is happening. The regulations and the decisions from the regional bodies do not accept that, because the formula is difficult and incomprehensible. As my hon. Friend said, there is a feeling that such decisions are being bulldozed through by a remote authority and that they are a done deal.

My hon. Friend the Member for South-West Hertfordshire (Mr. Gauke) raised the difficulty of green belts and other areas, and of finding brownfield sites. He made the reasonable point that not that many sites are available on the green belt. A sensible community might eventually have to come to that decision, but we must clearly demonstrate beyond peradventure that the authority and the council have gone through the correct process before that decision is taken.

My hon. Friend the Member for Hertsmere rightly said that the Government must accept some responsibility. He clearly demonstrated that the whole process is about ticking the box, and showed that his local community feels extremely badly done by. My hon. Friend the Member for North-East Hertfordshire (Mr. Heald) said that it was important for a sustainable approach to be taken and he is absolutely correct.

The Minister has clearly not enjoyed the debate. Her body language and attitude have shown that she has not been entirely happy, and nor has she had much support from her own side. She could, no doubt, have done without such support as came from the Liberal Democrats. Perhaps I could give her some solace. We are not entirely critical of the Government. We recognise that they have moved some way since we presented our seven point action plan some time ago. They have moved towards us, particularly in making some moves to tackle some of the more flagrant abuses, such as those typified by the encampment at Crays Hill. We also recognise that the Government understand the importance of private authorised sites and the role that they can play.

However, waiting for the regional spatial strategy to be ticked off before sorting out the authorised sites is a mistake, as it is leading to a drift. In particular, circular 01/2006 from the Department for Communities and Local Government has led to a number of decisions on planning whereby sites that would be singularly inappropriate have been allowed to go through while people are waiting for the spatial strategy to arrive. Essentially, Travellers' sites are being developed based on drift rather than authority.

I shall conclude as I started. Such decisions are difficult. Tensions tend to rise. Above everything, people want a feeling of equality before the law. The settled community and the travelling community want to be in roughly the same position so that planning permission should not, must not and cannot be given to the travelling community in circumstances in which it would undoubtedly be turned down for the settled community. Until that is firmly established in the public's mind, there will be resistance, as we have seen this afternoon. Until the Government can demonstrate clearly that they want to treat all their citizens in equal measure, a significant part of the population will not believe that the Government come out of this with clean hands—forgive the use of the word—and a degree of integrity.

3.48 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Meg Munn): I congratulate the hon. Member for St. Albans (Anne Main) on securing the debate. The Government believe that everyone in the community should have the opportunity to have a decent place to live. The shortage of authorised sites for Gypsies and Travellers means that there is currently no such opportunity for households in one in four Gypsy and Traveller caravans. That is an unacceptable situation, and we are committed to significantly increasing site provision to address it.

Local authorities are required to undertake a strategic housing market needs assessment for the whole community. No one is being singled out—those assessments should be undertaken for the whole community. Unfortunately, Gypsies and Travellers were rarely included, hence the need for a specific requirement for the assessment of need. It has already been said that the Conservative Government ended the requirement for local authorities

to provide sites in 1994, and that is what has created the significant difficulties that we experience today.

Many grown-up children of those in the Gypsy and Traveller community have their own young children but cannot access a home of their own and are on overcrowded sites. The situations affecting people in the settled community and the Gypsy and Traveller community therefore have some similarities, but the difference is that unauthorised sites can cause genuine problems. The settled community can experience those problems through, for example, unauthorised encampments that prevent the use of important local amenities. The problems can also be experienced by Gypsies and Travellers who find themselves in places that lack even basic facilities and are sometimes even downright dangerous.

The shortage of authorised sites, however, is not a big problem and not the huge social problem that the hon. Member for St. Albans would have us believe. As the hon. Member for Solihull (Lorely Burt) said, just one square mile of land is needed to accommodate the caravans for which there is currently no pitch on an authorised site.

The problem can be particularly challenging to solve. Many people do not want sites to be built near them as they have fears about them based on rumour and misinformation. There is groundless prejudice and I should like to take this opportunity to dispel some common myths. Data collected in Northamptonshire showed that an encampment does not result in a spike in crime levels. Gypsies and Travellers are required to, and do, pay council tax, whether or not their sites have planning permission, and they are active in their local communities. They are local councillors, and young Gypsies and Travellers are represented on the UK Youth Parliament. Everyone—Gypsies and Travellers, the settled community and local authorities—stands to gain from site provision.

Anne Main: If the Minister so roundly believes that my area is being unfair in not wanting to accept any more sites, will she instruct the local Labour councillors to drop their campaign against them and the hypocrisy in their literature, which implies that only they are on the side of local residents?

Meg Munn: If the hon. Lady will bear with me, I shall get to the situation in Hertfordshire.

Providing more authorised sites will reduce unauthorised camping and the tensions that it can create. Having good-quality accommodation will also help to tackle the serious social exclusion experienced by Gypsies and Travellers and improve health and education outcomes. The life expectancy of a Gypsy or Traveller is 10 to 12 years less than that of a member of the settled community, and Gypsy and Traveller mothers are almost 20 times more likely to experience the death of a child. Gypsy and Traveller children do not do anywhere near as well in their GCSEs as settled children.

Site provision will also reduce the resources that authorities spend on costly enforcement action, estimated by the Commission for Racial Equality at £18 million a year and described by the Audit Commission as a "wasteful use of resources." The enforcement costs of one council have dropped from £200,000 a year to £5,000 a year since it built a new site. Site provision also makes it easier for authorities and the police to take enforcement action when unauthorised camping takes place.

To achieve the significant increase that we are seeking we have established a new framework for site provision. Local authorities are now required by the Housing Act 2004 to undertake accommodation needs assessments for Gypsies and Travellers in the same way as for the rest of the community. I understand that assessments are now under way or have been completed in 90 per cent. of local authorities. We want all of them to be completed by the end of the year.

I understand that St. Albans was covered by the south and west Hertfordshire Gypsy and Traveller needs assessment, which has gone to the regional assembly. I am informed that the regional assembly has scaled down the assessment of need arrived at in that document—it has not gone up since the assessment that St. Albans was involved in, but has been scaled down. It was felt that waiting lists for sites may have been overestimated.

The assessments will inform revisions to the regional spatial strategy, and the regional assembly will take a strategic view of need across the region and set out the number of pitches that each local authority will be expected to deliver. Guidance commissioned jointly by the Department for Communities and Local Government and the East of England regional assembly will support that process, and local authorities will then need to identify in their development plan documents sites to deliver pitches. I understand that the research used by the East of England regional assembly was conducted by Pat Niner, who is a renowned academic and has worked on Gypsy and Traveller issues for many years. That is how the needs assessment is being drawn up.

Hon. Members made a number of criticisms of that process, but for a long time site provision has not been made and there are no data on it, so it is an early stage in the understanding of the range of needs. That is why there is a process of consultation with not only local residents but local councils to ask whether they believe that the assessments set out by the regional assembly are correct. Backing up that new framework, we have increased the resources available to provide and refurbish sites through the Gypsy and Traveller site grant.

The hon. Lady set out the two options in her area, and the decision on which is more appropriate to meet needs is for the regional assembly to take, taking into account the views expressed during the consultation. That decision will feed into the draft revision of the east of England plan, which will be submitted to the Secretary of State later this year and subject to further consultation before the final plan is published in 2009.

Compared with the amount of conventional housing that needs to be supplied, the number of pitches needed is tiny. On the basis of what the regional assembly set out, Hertfordshire will be required to deliver either 115 or 173 pitches depending on the option chosen for distributing them.

Lorely Burt: I have done the maths and there are 444,000 households in Hertfordshire. The number of pitches that the Minister gives is 0.00047 per cent., or similar, of that number, which goes to show the infinitesimal size of the problem.

Meg Munn: I have some further maths: it is less than 1 per cent. of the number of new houses that Hertfordshire would be required to deliver by proposed revisions to the plan.

[Meg Munn]

Hertfordshire needs to consider the need for pitches. The general principle is that they should be provided when need arises, and it is surely much better for that need to be met through good quality, well-managed sites than through unauthorised sites, which can create problems for the settled community and Gypsies and Travellers alike. When sites are allocated in development plan documents they will be subject to a sustainability appraisal, which will include an assessment of their environmental, economic and social impact. In fact, as we know, the number of pitches to be provided in south and west Hertfordshire has gone down because of what the regional assembly has done.

It is unacceptable for anyone to suggest that their area has its fair share of an ethnic group. That applies to Romany Gypsies and Irish Travellers, which are identified as ethnic groups under race relations legislation, as much as to any other group.

Hon. Members mentioned the green belt. There is a general presumption against inappropriate development of any kind in the green belt, but we recognise that some local authority areas contain a high proportion of green belt and that no other suitable sites might exist. In those exceptional circumstances alterations to the green belt boundary may be made to meet a specific, identified need, whether for a new Gypsy and Traveller site or any other type of development.

Anne Main: I am conscious that the Minister has only two minutes, but I wish to say that local Labour councillors are campaigning, quite correctly, for not having more sites, on the grounds that we already have 50 per cent. of the sites in Hertfordshire. The Minister has just denounced that position. Will she either rein in her Labour councillors and ask them to get on message or denounce them?

Meg Munn: I do have only two minutes left and I want to finish answering hon. Members' other questions.

Local authorities are required to identify sites in their development plans and documents and to deliver the number of pitches allocated to them in the regional spatial strategy. The Scott Wilson report, which ranked a number of potential sites in south and west Hertfordshire, is intended to assist local authorities in preparing those documents. Not all the sites identified will be necessary to deliver the number of pitches allocated. The report considered sites against several criteria including whether the scale of a site would complement its surroundings; whether it was within reasonable distance of amenities, public transport and key services such as doctors and schools; whether it had access to essential services such as water, sewerage and drainage, and whether it avoided contaminated areas. The framework that we have established and the process that the East of England and other regional assemblies are going through are crucial to making progress on site provision. Only by significantly increasing the number of authorised sites will we ensure that all parts of the community have a decent place to live, thereby reducing the tensions that unauthorised sites can cause—

Mrs. Janet Dean (in the Chair): Order. We must move on to the next debate.

Revenue and Customs Offices (Cornwall)

4 pm

Mr. Dan Rogerson (North Cornwall) (LD): It is a pleasure to serve under your chairmanship, Mrs. Dean. I am grateful to have an opportunity to raise this issue, which is a matter of growing concern to people across Cornwall, particularly in the town of Launceston in my constituency.

I shall start by sketching out the situation in which my constituents who are employed by Her Majesty's Revenue and Customs in Launceston find themselves. The office is one of several across Cornwall. There is a network of offices in the towns of St. Austell, Truro, Redruth, Penzance and Launceston, and it is important to recognise that each one provides slightly different functions.

The work in Cornwall involves compliance—that is, the examination of tax returns and the tax affairs of individuals and companies to ensure that the Exchequer receives exactly what it should, and that tax law is complied with. There is also an element of risk assessment—employees consider which files ought to be examined further by compliance teams—and an inquiry element that allows people to have face-to-face meetings with the experts employed by HMRC to discuss their affairs and raise particular problems. That is a valuable service, and I shall return to it later. Some staff are employed in processing and have particularly busy periods of the year, but processing work carries on throughout the year. Finally, there is a historical Customs presence in Falmouth.

The surrounding area of Cornwall—the region that I am discussing—is one of the poorest in the country in terms of incomes and some of the problems that people face on a day-to-day basis. That has been recognised by the European Union through the provision of objective 1 funding, and in the move to convergence. It is one of only two areas in the country that will benefit from convergence. Those are indications of the sort of area that it is. It is not an affluent part of the country, and it does not have many alternative jobs for people who are currently employed in Revenue and Customs work to take up.

House prices, particularly in north Cornwall, have been pushed up because of second-home ownership and related problems. As measured by the ratio of incomes to house prices, the area is the second most unaffordable place in the country to live after Kensington and Chelsea. The serious effects of any decision to close HMRC offices must be borne in mind. There would be negative effects on, first, the local economy. I have already given some reasons for that, but I will go on to explore it further later. Secondly, the customers—those people who interact with HMRC in the local area—will be affected, and, thirdly, there would be an effect on what I hope are the ultimate aims of the Treasury to maximise the amount of revenue that is collected through the tax system so that the Government can deliver all the projects that MPs up and down the country demand for their areas. We want to maintain the stream of revenue and maximise it.

A national axe, however, could fall on some of those vital jobs. I shall focus on the office in Launceston, which is a small market town with a fantastic history. However, as one might imagine, agriculture in the

surrounding area is under pressure. There is an industrial base at the Pennygillam industrial estate in the town, but, as there is a shortage across Cornwall of high-quality jobs, the public sector has an important part to play in providing employment. In this instance, about 60 highly skilled people are employed in the HMRC office in Launceston. There is low staff turnover. The employees have put down roots in the community. They have a high quality of life and are committed to remaining in the Launceston area. They are very much part of the community.

The uncertainty over the future of the office, as well as the introduction of regulations about taking on new people, mean that temporary staff are used to carry out some of the work, particularly processing work. Some people are there for only a short time. They are trained to do the work and then, because of regulations that apply if they are in the job longer than 11 months, they have to go to other jobs, and a new set of temporary staff is brought in. Of course, that can undermine the work that the office does. I am seeking to show that there could be a damaging effect on the local economy if the jobs were withdrawn.

Julia Goldsworthy (Falmouth and Camborne) (LD): Redruth in my constituency is another area that is likely to be affected by job losses. There is concern not only about the loss of high-quality jobs, which my hon. Friend has just mentioned, but about the loss of footfall to the town, which Redruth has been struggling to build up. There are many vulnerable independent shops. The town council has done everything that it can to attract additional footfall, and it is concerned that job losses will have an impact on the town's wider economy.

Mr. Rogerson: My hon. Friend makes an important point. She illustrates the effect that any closures could have on towns in Cornwall.

In discussing job losses, it is fair, too, to discuss the effect on customers who can speak to someone at the inquiry centres in offices around Cornwall. We have highly skilled people, as I said, and customers can go to them with their concerns. Cornwall is largely a small-business economy. Many people in the area have accountants, but others might be new to business or lack the resources to investigate tax matters without some form of support. Surely it is more efficient to provide local resources so that people can have face-to-face contact?

There is pressure to move to a call-centre approach. Indeed, that is under way. However, I have received feedback from people who often find that the person whom they get through to on the phone—the calls are answered quite quickly—does not necessarily have the information at hand to be able to offer advice. Even worse, they could be given incorrect advice, which could lead to further work and greater inefficiency. There are therefore problems with the call-centre approach. We must consider, too, issues of accessibility and distance if people need to see someone at an inquiry centre and are successful in getting an appointment. If the closure programme left us with one office, for example, people would have to travel large distances. From Launceston, it is 35 miles to St. Austell—a journey of about 50 minutes—and about 26 miles or so to one of the offices in Plymouth, which is in Devon, on the other side of the Tamar river. It is 47 miles to Truro; 52 or 53 miles to Redruth; and nearly 70 miles to Penzance. We are talking about significant distances and inconvenience for people who require face-to-face meetings.

I have spoken about the impact on local businesses and customers of HMRC in Cornwall, but we should explore the impact on the objectives of the Minister and her colleagues. I certainly accept in principle that it is absolutely right for any responsible Government to examine the number of civil servants employed in central and local government, to analyse just what they are doing and to determine whether efficiency savings could be made, thereby bringing down the wage bill and freeing up more resources for front-line services. I am sure that we would all support that approach where it is taken effectively.

People working in HMRC, however, are the very people who raise money for all the services that we want. Those who work in compliance, in particular, return 10 or 12 times their salary through the work that they do, the fraud that they uncover and the anomalies with which they deal. It is important to make the point that those people do not cost money but generate it. If jobs are concentrated in larger urban areas, that will have an effect on the Cornish economy. Moving those jobs is also a bad use of resources, because it is cheaper to accommodate offices in market towns where there is less competition for office space.

If, for example, we ask people who are employed in Cornwall to drive in and out of Plymouth every day when they are offered alternative employment, that would add to the traffic pressure on such cities, and would not offer the sustainable approach that would be provided if people worked in the other population centres around Cornwall. I will draw my remarks to a close soon because my hon. Friends may wish to contribute, and I want to leave the Minister enough time to respond. I understand that pressure has been put on rural west Wales, which is a similar area where closures would have an impact on the economy. The Under-Secretary of State for Wales met the Minister to discuss the effect of proposals in that area and I hope that, whatever measures she is contemplating, when she considers the effects of a closure programme on west Wales, she will consider, too, the effects on Cornwall.

Closing offices in areas such as Launceston would damage the local economy, as jobs and money would be taken out and it would undermine the best efforts of objective 1 and convergence programmes to support and strengthen the Cornish economy. The closures would reduce and worsen the service provided to customers and those people who interact with HMRC daily, and could cost money as a result of the loss both of skilled jobs and of people who uncover problems in tax returns and anomalies. Closures would be damaging for all those reasons and, when the Minister considers what proposals to adopt when the reconfiguration of HMRC takes place, I urge her to examine the Cornish case closely and to do whatever she can to ensure that the effects that I have described do not come to pass.

4.11 pm

Andrew George (St. Ives) (LD): I am pleased to follow the excellent contribution of my hon. Friend the Member for North Cornwall (Mr. Rogerson). He made an excellent case, and I congratulate him on securing

[Andrew George]

this important debate. The issue has led to concerns not just among staff, but among customers of the service in Cornwall and elsewhere.

At the last Treasury questions, I asked the Financial Secretary about this subject and he reassured me that the full review of Cornwall offices would not commence until next year and therefore we must wait and see what happens to reviews in other places. The Government are therefore at least claiming to be listening to the responses that they have received and are adjusting their proposals accordingly. Before that review takes place, it would be helpful if the Department and the Paymaster General reflected on the concerns that have been expressed by my hon. Friends across Cornwall. The staff and trade unions are very anxious about the socio-economic impact of the proposals on the poorest region of the UK—Cornwall—so it would be reassuring if the Paymaster General acknowledged that that factor will weigh heavily in the assessment of the proposals.

There would also be a wider impact on the Treasury itself, and I hope that the Paymaster General will reflect on that. The problem is not unique to Cornwall, although there are unique reasons why it would have a significant effect on Cornwall, where staff reductions and office closures would have an impact on recoverable tax. When considering the nature and structure of businesses and tax paying in Cornwall, we must recognise that there are large numbers—in fact the highest proportion in the country—of self-employed people, and of small and micro-businesses. In such an economic environment, the existence of local tax offices is an issue of particular sensitivity and importance. Given the climate, I hope that the Department will reflect on the impact of closures on the Treasury itself and on its ability to recover tax from the local community.

I have met staff at the Penzance office in my constituency, and they expressed anxiety because the office has been subject to almost perpetual review in the past 10 years. It would be helpful if the burden could be lifted from tax offices after the full review commences next year and if they could be given reassurance about their future. Those members of staff perform excellent work at a very high level and are often recruited to assist in other parts of the country, which may not be reflected in the review that is about to commence. However, consideration should be given to that fact, and those officers should be given not just a clean bill of health, but the support to continue in the future with the proper backing that they richly deserve.

4.15 pm

The Paymaster General (Dawn Primarolo): I congratulate the hon. Member for North Cornwall (Mr. Rogerson) on initiating the debate, although, if I may delicately say so, he is a little premature. He may stand up in this Chamber and make statements that local offices collect local tax and give the ratio, but that does not necessarily make those statements accurate. On the whole, there is no correlation between what local offices do and their location, although it is sometimes the case.

The hon. Member for St. Ives (Andrew George) has also pursued this matter, as has the hon. Member for Falmouth and Camborne (Julia Goldsworthy). They have rightly been assiduous in raising the issue with me, but they need go no further in seeking reassurance that the Government listen when they consult than speak to their hon. Friend, the hon. Member for Kingston and Surbiton (Mr. Davey). They will then find out what happened in the reviews undertaken in his area. All hon. Members should be interested, regardless of the location of their constituency, in the proposals and the future formation of the merged Revenue and Customs. May I tell the hon. Members for North Cornwall and for St. Ives that the notion that officers in Cornwall have somehow lived under a cloud of insecurity for the past 10 years simply does not stand up to scrutiny, and I shall give two examples to show why. The hon. Member for North Cornwall referred to contact centres, and he will be well aware that one has recently relocated to St Austell and that that guarantees more than 200 jobs. I do not recollect that he was unhappy about that type of job and I do not accept his description of the expertise of our staff in contact centres. I say gently to him that taxpayers increasingly want to contact the Department outside normal working hours, when it is convenient for them to do so, by phone or via the internet. If we are to continue to be a responsive Department that uses its resources efficiently, as the hon. Gentleman rightly identified, it is vital that such a service is provided in an efficient and effective way. The continued collection of tax at the correct level is, of course, part of that process.

The figures on HMRC's presence in Cornwall show that there has been an increase since 1998 from 417 staff to a headcount now of 781. By any stretch of the imagination, that cannot have led to staff living in insecurity and fearing for their jobs. In fact, jobs have been transferred to the area. The hon. Gentleman is right to point out Cornwall's importance as an objective 1 area. Let me explain to him how I intend to proceed and how the reviews are progressing, because, to be honest, that will answer many of his questions. I shall address the key commitments in the review programme and the issues facing the Department. Although there are slight variations across the country owing to mergers and changes within the Department, its accommodation is some 40 per cent. over capacity, which means that we are paying for accommodation that we are not using, which does not make sense.

The Department has key commitments on the way in which it works with and supports taxpayers. I shall outline the basics, because they are the ones that the hon. Gentleman touched on, but there are many more. Of course, the economic impact and the likely effect on the local labour market are part of that. There is an absolute commitment to ensure that inquiry contact centres, which are the only part of tax offices providing the type of support and advice that he rightly identified, will be maintained. Staff will not be moved compulsorily from an office before a review has taken place, so there is no need for anybody to feel insecure. No review is going on. We have not started one yet.

Mr. Rogerson: I thank the Paymaster General for the comments that she has put on the record. However, it is difficult for me to take on board her comment that there is no need for people to feel insecure. Clearly, one of the major factors that led to my involvement in this matter and to my visit to the Launceston office, with her permission, for which I thank her, was the fact that some people are highly insecure about the future of

that office and of their jobs. That is what led to my involvement and to this debate.

Dawn Primarolo: I hope that the hon. Gentleman will forgive me for saying so, but is it not one of his responsibilities as the local MP to ensure that people do not fear what has not happened? Should he not reassure them, rather than take up and elevate rumours about something that does not exist?

I should like to point out to the hon. Gentleman and to his hon. Friends the Members for Falmouth and Camborne and for St. Ives that there have been no announcements or decisions to close any office in Cornwall. It seems to me that in serving his constituents well, the hon. Gentleman needs to ensure that he gets that message across very strongly. No decisions have been taken, but there will be a review of office space in the county later this year and in 2008, after which there will be a consultation. As a result of that consultation, staff, stakeholders, local authorities, Members of Parliament, taxpayers and their representatives will be asked for their views. The simple fact is that if we are over capacity, we need to know what to do with the office space.

We have a good track record of consulting on our proposals and listening to the public, and I have every intention of ensuring that consultation on the proposals, which will not begin until the autumn, is transparent and reflects the views of the local community, staff and the unions. Their points will be taken on board during the consultation.

Julia Goldsworthy: I would like to follow up the issue of excess office space, as other Departments and local government are looking at it, too. Will the Paymaster General reassure me that there will be cross-departmental conversations to ensure that services are protected and that the Government as a whole use their space efficiently?

Dawn Primarolo: I understand that the Cabinet Office has responsibility for ensuring that that is the case. The hon. Lady is quite right, and her party supports, for instance, the relocation of staff from London and the south-east wherever possible, as well as the efficient use of departmental expertise and of available office space.

There is always the possibility, of course, which has been raised in consultation, of sharing office space, if not between Departments, between Her Majesty's Revenue and Customs and local authorities, for instance. We all want to ensure that we maintain the best possible service at the most efficient rate and that, as the hon. Member for North Cornwall quite rightly pointed out, more money is spent on front-line services and perhaps on other Departments—I know that people in Cornwall would have a view on which Departments. That is important.

I have asked departmental managers to look at our offices, cluster by cluster, and they have made reasonable proposals. We will put those proposals out to consultation and ask people for their views, rather than act on them immediately. That is not because I do not trust the departmental managers, but because people have their own views on the economic impact of the proposals and about what is happening in particular markets. Of course, the point that the hon. Gentleman made about transport is much more pertinent to some areas than to others. I cannot make a rule that would cover all offices, because clearly it is easier to travel between some offices than between others. However, his point about the difficulties that might arise was well put.

The hon. Gentleman mentioned objective 1 status. In case he thinks that I have forgotten about that, Cornwall is not the only area, but all those things need to be considered. When the results of the consultation are in, I shall publish the response rate and the comments made, as I have done with reviews undertaken thus far, and they will be open to everyone and be circulated to all staff and stakeholders. If the hon. Members submit written submissions, they will be given that information. There will be briefings for the local MPs as well. On that basis, I shall decide with managers whether to vary the proposals.

Andrew George: The Paymaster General is being very helpful, but would she kindly advise me on the criteria that will be used to assess the responses and whether, as I asked earlier, the impact of staff reductions on recoverable tax and socio-economic impacts will be factored into the assessment?

Dawn Primarolo: Yes, socio-economic points will be factored in. However, I should point out gently to the hon. Gentleman—and I will not say of which reviews this been a feature—office staff do not always speak with one voice about their preferred options for the future. There is a belief that there is a united view; there is no such view. Some staff said, "Yes, we would quite like to go and work in that office instead of this one." Such information will be available in the report on the consultation, although we will not identify the individuals concerned.

The Department will consider its future structure, where particular services are needed and how best to deliver those services efficiently. Hon. Members might find that surprising, but I thought that it was fairer and more transparent to take each cluster, tell them what suggestions have been made, if any, then ask people what they thought of them. In addition, in each office, local managers will conduct meetings and consultations. The staff will have many ways in which to contribute.

Fryer Report

4.30 pm

Helen Jones (Warrington, North) (Lab): I am very pleased to have this short debate on Professor Fryer's report "Learning for a Change in Healthcare", because it is an extremely important report that points the way towards investing further in our NHS staff and continuing the improvements that the Government have made in the health service.

There is no doubt that the health service has improved greatly under this Government. More money is being spent than ever before, people are being treated more quickly, and we have invested huge amounts in building new hospitals and improving existing ones. In my area, for instance, we have, to name just a few things, a new accident and emergency department, a new endoscopy suite and a new cardiac catheter suite, which I visited recently. Investing in plant is very important, especially as some of our hospitals were built before the NHS was founded. Such investment is important for staff and for patients but, as everyone knows, the key to revitalising the NHS is really its staff. How the staff are trained, their opportunities for in-service training and how they can acquire new skills as services change are vital issues as we go forward. If we are serious about that, it must include all staff—those on the lowest pay grades as well as those on the highest.

If I have one criticism of Governments, and it has been true under many Ministers, it is this: when we talk about health service staff, we often talk about doctors and nurses, but we do not talk enough about all the other staff. As I know my hon. Friend the Minister accepts, the health service works on a web of interdependence. Surgeons cannot work in an operating theatre without porters, cleaners and the technicians who deliver the oxygen. A sister cannot run a ward properly without good support staff and good cleaners. I could go on and on making those connections.

Professor Fryer's report flags up clearly the fact that staff on the lower pay grades have far fewer opportunities for learning than they should do and that attempts to address that have been bedevilled by short-termism and a lack of consistent funding. That is a cause for concern. In fact, much of the report tells us what we already knew or at least suspected: staff on the lower pay grades often need help to improve their literacy, numeracy and information and communications technology skills. The Government's own labour force survey showed that 40 per cent. of the staff in the NHS are qualified at level 2 or below. In fact, 25 per cent. of them have qualifications below level 2 or no qualifications at all. The same pattern appears in social care: 40 per cent. of staff are qualified at level 2 or below. That has major implications for us as we try to reconfigure services and move services out into the community.

Many people would say, "Well, what does it matter?" It matters for a number of reasons. Many of the staff are the people who come into direct contact with patients every day—they are the face of the health service for many people. At a time of change, it is important that everyone understands the changes, can contribute to them and can benefit from them. Only in that way can we benefit patients, and we cannot afford not to make the best use of the experience and dedication of many of the staff in the NHS.

As Professor Fryer makes clear in his report, however, there is a big learning divide. When he compiled his report, he discovered that 57 per cent. of managers and professionals had had some work-related learning in the previous 13 weeks, but when he went to those in semi-routine jobs, he found that it was down to 32 per cent.—I think that I have got that figure right—and when he went to those in routine jobs, he found that it was only 12 per cent. Clearly, that situation is unsatisfactory. To remedy it will require a great deal of planning and consideration of how we can ensure consistent funding.

Education and learning in the NHS often suffers from not being a priority for managers. The Minister and I were in this Chamber earlier in the year talking about the NHS and higher education, but there is the same problem throughout in respect of learning. When budgets are under pressure, it is often the first thing to be squeezed, but we cannot build a 21st-century health service in that way.

I suspect that we are wasting a great deal of talent, because one of the things that the Select Committee on Education and Skills discovered when we examined further education and adult learning, and talked to such people as trade union representatives and learning providers, was the huge amount that many people can achieve when they are given the opportunity to do so. However, we must put in place the process that will allow that to happen.

I give the Government full credit for having tried to do that, because in the three years from 2002-03, they allocated £180 million to fund learning for staff on the lower pay grades. It was pump-priming money. The problem is that there is very little evidence that that pump-priming has led to real change in the system, because once strategic health authorities take over, learning goes down the priority list again.

Professor Fryer discovered that many health organisations did not even collect data on learning. He said:

"Without such data, it is difficult to see how healthcare organisations and their senior managers can evaluate their own performance and that of their staff".

I agree. Decisions cannot be taken without information, yet when I asked the Department of Health what it was doing to improve data collection, I received what I am sorry to say to the Minister was a standard Department answer:

"This is a matter for local employers and strategic health authorities."

I also asked what the Department was doing to improve access to learning among lower-paid staff and I received a similar answer:

"Access to training courses or learning opportunities in the workplace is a local decision."—[*Official Report*, 20 March 2007; Vol. 458, c. 866W.]

I understand the reluctance to impose more bureaucracy on the NHS, but all the evidence is that the current system is simply not delivering, and unless we make this issue a national priority, it will not become a priority for those managing the system. Changes have been introduced nationally. For example, all staff on "Agenda for Change" conditions are now entitled to an annual review to assess their personal development and learning needs and to identify gaps in their knowledge, but there is not much point in identifying the gaps unless we have a system in place that can fill them.

That is why the report suggests that there should be learning entitlements for health care staff and that

everyone should have a personal development review and be helped to access the learning identified in their personal development plan. Unless we put such a system in place, health care managers will not analyse their training needs, collect consistent data and work out how to meet those needs. In addition, as Professor Fryer points out, if we are to have changes in the system, the necessary learning has to be built into the plans for change.

None of this is easy or straightforward. I give the Government full credit for recognising that in the first place, for ensuring that we have a national director for widening participation in learning, for publishing the report and for being willing to face the changes that are needed. We now have to consider how we make the aspirations in the report a reality. I hope that the Minister will tell us what is going to be done to ensure that health care managers have the support that they need to put in place proper plans for learning. How will we integrate those plans for change with plans about the learning that staff need to promote that change?

It is important that all health care organisations introduce plans for their staff's learning and development, particularly for staff who do not have level 2 qualifications. After all, the Government are urging companies in the private sector to sign up to delivering on the target that all their staff should have level 2 qualifications. We cannot expect them to do that unless we are willing to do the same for staff in the public service.

The report suggests that learning entitlements should be introduced and that staff should receive 10 hours a year and 25 hours after two years' service. That would be a step in the right direction, but it will work only if we start negotiations now with the Department for Education and Skills and the learning and skills councils to ensure that we have in place the right programmes for the staff who need them. The report suggests ambitious targets for bringing the literacy and numeracy skills of all staff up to level 2 over five years by reducing the number of people without level 2 skills by 15 per cent. year on year. That is a difficult target to deliver, and we must start considering how we will deliver it.

Professor Fryer also made the important suggestion that there should be a common core of learning for all health care staff. That would have great advantages and ensure that we deliver common minimum standards to patients, because support staff can make a real difference to people's experiences. When my mother was in hospital last year, dying, I was eternally grateful for the care that she got not only from doctors and nurses, but from support staff and cleaners. They looked after her and me as well when I was sitting on the ward. I remember that the lady in the bay opposite my mother, who was being looked after by a support care worker, said, "Isn't it wonderful? It's just like being in a hotel," and I thought, "That is what we want to achieve." The staff there were well-trained, dedicated people. We have lots of staff like that in the NHS who are willing to go the extra mile and to do things that are above and beyond their job descriptions. We must ensure that they have the training to deliver.

Professor Fryer suggests that there should be a common core, taking into account the aims and values of the NHS, such as the need to secure respect and dignity for patients and the need to improve the patient experience. That would go a long way towards dealing with many of the more common complaints about hospitals. I do not know what my hon. Friend's experience is in his constituency, but mine is that complaints often are not about medical or nursing care, but about many other things. Those things might seem trivial, but they assume a great deal of importance when one is in hospital.

The targets and aims will be difficult to deliver, but they could be delivered if all relevant Departments, employers and trade unions worked together to deliver them. There is work to be done to develop the role of trade union learning reps in the health service. They have been very successful elsewhere, and I am sure that we could do more to develop their role in the NHS. We have to deliver for the reasons that are set out in the report. We cannot deliver transformational change in the health service without delivering the learning that goes with it. We cannot expect staff to cope with change and to take on new skills and new ways of working unless they have the requisite learning to do that.

I have touched on only some of the relevant issues in the comprehensive and challenging report, which has received widespread support from strategic health authorities, training managers and trade unions in various parts of the country. We must now start to deliver what the report asks of us. That will ensure the future progress of the NHS and will show that we are serious about developing our NHS staff. It is clear that we cannot go on with a system under which 40 per cent. of the staff are not getting the learning that they need to progress. That is a waste of talent and resources, and it damages the service. I hope that the Minister will tell us how the Government intend to take the report's recommendations forward.

4.45 pm

The Minister of State, Department of Health (Andy Burnham): This is, indeed, the second time in recent months that my hon. Friend the Member for Warrington, North (Helen Jones) and I have exchanged views on training in the national health service. I mention that because I want to pay tribute to her dedication and clear commitment to these important NHS issues. She began by saying that in our discussions on the health service we focus a lot on investment in equipment, new facilities and buildings, but that we do not talk anywhere near enough about investing in the people who make up the NHS. She is 100 per cent. correct to say that they make the NHS what it is and make it special, because their work is what people take away from their experience of NHS treatment.

My hon. Friend spoke with authority, knowledge and passion, and I hope to show her that I share some of that passion. She has done the House a considerable service by bringing to its attention the report, "Learning for a Change in Healthcare: First report to the Department of Health and the NHS from Professor R H Fryer, CBE", who is the Department's national director for widening participation in learning. Given that the NHS work force is so large and that every constituency has a considerable number of people who work in the NHS, the report is incredibly important for every Member of the House. We all depend on those staff, their commitment to their work and their motivation.

I also pay tribute to Professor Bob Fryer. He has produced an excellent piece of work that deserves

[Andy Burnham]

prominence, attention and a wider audience. He points out in his recommendations that there is an onus on NHS leaders to promote and sustain

"wider participation in learning for all healthcare staff, especially those in bands 1 - 4".

I, too, take on that challenge, because it goes all the way up to Health Ministers. We have a responsibility to prioritise this issue and to be honest enough to say when we have not performed well enough.

My hon. Friend was right to say that the Government have not focused enough attention on the NHS staff in the lower grades. I accept that criticism and believe that we need to do much more. The figures that she quoted are not impressive: we need to make much better inroads into how we train and equip our staff. Indeed, I will go further and say that now is the time to prioritise this issue and have a new drive on "Agenda for Change". Under that incredibly groundbreaking deal, we agreed with the main health trade unions that we would introduce a structure, in all parts of the country, under which staff would not only be adequately rewarded for their work, which is obviously vital, but be able to progress and to develop their careers through the knowledge and skills framework that underpins the agenda. It is time to reconsider that structure and ask whether we are getting the full benefit from it, and whether it is bringing everything that we intended from "Agenda for Change". We can probably say, "No. We could do more."

It is important to place on record our thanks to Bob Fryer, who has produced an excellent report, which deserves a wide audience in the Department and throughout the NHS. He has had a distinguished career in lifelong learning and improving access to basic skills, not just in health but in a broader context. I pay tribute to him for the work that he has put before us, and I hope that the Department can make it a reality in the months to come.

My hon. Friend cited figures from the report, and it is worth putting them on the record again. It stated that almost a third

"of NHS staff, or well over 400,000, reported being offered no opportunities for taught learning...in the last year and 70 per cent., or over 900,000, said they had received no supervised on-the-job training in the past twelve months".

The report also said that

"a quarter of all NHS employees are qualified below NVQ level two, or have no formal qualifications at all...over half a million NHS staff are currently qualified below NVQ level three".

Just to broaden the sphere slightly, I should say that 40 per cent. of social care staff are qualified only to NVQ level 2 or below. Professor Fryer rightly concludes:

"The NHS will not reach its aspiration of becoming a world class employer and employer of choice whilst the least qualified and least well paid members of the current health and social care workforce are the least likely to be offered training and staff development opportunities."

I agree with all those things, and my hon. Friend is right to focus the House's attention on them. She would expect me to draw attention to the work that the Government have done in this area—I believe that she mentioned it herself. Under the terms of the Government's 10-year NHS plan, earmarked funds were identified to enable staff with few or no formal qualifications to gain NVQs and to make use of the specially created individual NHS learning accounts to undertake other programmes of education and development.

The scheme was successful. As my hon. Friend pointed out, it was originally planned to last for only three years, but the Government extended it twice by a further 12 months. Over the four years since 2002, an investment of about £240 million has been made to develop the skills and competences of more than a third of a million support staff through the initiatives. There are signs of progress, but we have so much more to do to realise the full potential of all our staff.

My hon. Friend talked about the recent experience of her mother being in hospital. She mentioned the support staff, who, in many ways, are the public face of the NHS, and who often do far more than their job says. As she may know, I undertook a process of work shadowing in the NHS. I shadowed a porter, a cleaner and other NHS staff, and I could not agree more with her view that patients derive huge reassurance from cleaning staff and porters. That is not sufficiently recognised by the NHS at times. They help patients through what is often an incredibly stressful experience and provide direct human contact, basic care and communication. That is hugely valued by patients.

My hon. Friend talked generally about how the NHS handles complaints. On that broader perspective, I hope that in creating the kind of learning culture in the NHS that we all want, we change perspectives sometimes. We should invest and equip staff at the front door to the NHS—that direct point—so that they can show the best face of the NHS to the public. I hope that, in many ways, the development and increasing use of patient choice in the NHS will stop organisations looking up to Departments and Whitehall and thinking about what they want; organisations should think more about what affects their reputation. They would then consider cleaning, portering and administrative support staff, who have that direct contact with the public. The clever and enlightened organisation makes a big investment in the people that affect its reputation in the local community. I hope that such a culture is developed in the months to come.

It was precisely because of those issues and the need to widen participation in learning across the whole of health care, that we asked Professor Fryer to become national director for widening participation in learning and created a strategy unit to support him. The culmination of this work to date is Professor Fryer's report. My hon. Friend is right that it has been extremely well received in the service and the Department.

The Government are looking forward to agreeing priorities and a practical, fully costed and phased implementation plan with Professor Fryer and with representatives of the NHS, key partners and stakeholders. The Government see the way forward as a matter of successful partnership. We need to build on and strengthen the good relationships that exist between health care providers, educational institutions, trades unions, professional bodies and, especially, the public bodies charged with investing in national skills and educational priorities.

To that end, I am pleased to hear of the excellent progress being made in discussions about agreeing new joint funding arrangements for support staff between Skills for Health, the Learning and Skills Council, work force directors in the strategic health authorities and the

widening participation in learning strategy unit. I look forward to hearing of the positive outcome of the discussions. I am pleased to tell my hon. Friend that the Government are seeking further to strengthen our commitment to continuing staff development and achievement through learning by consolidating the work of the widening participation strategy unit within Skills for Health. We want to take the agenda forward.

My hon. Friend asked a direct question about what the Government are doing to improve access to training for lower paid staff. Some of that will come through the action plan that we agree with Professor Fryer. I agree that it is not enough to say, "It is just a local matter." If that were the gist of the answers given, that would not be good enough, because this is not just a local matter; it is much bigger than that, given the size of the NHS work force.

I hope that my hon. Friend will be pleased that, now that we have been able to restore financial stability across the NHS, and as part of the most recent financial settlement for multi-professional education and training—MPET—the Government are requiring strategic health authorities to publish coherent strategies on the learning plan for staff in pay bands 1 to 4 by September. As part of the process in which we are engaged with SHAs, whereby we are passing that responsibility to regional level, we will get a better response to the issues that she raises.

Helen Jones: I am grateful to the Minister for that reassurance. Will he also comment on the point about ensuring that embedded in any plan for change in the service is a plan for dealing with the learning requirements of that change?

Andy Burnham: My hon. Friend is right to raise that question, because that is often an afterthought and is not sufficiently thought through. I shall ensure that however we develop the action plan, we shall take that point on board. I stress to her that these issues are very much in my mind as we move forward on the Government's 10-year plan in the NHS. We need to ensure that we get the most from our human resource in the NHS—

Helen Jones: People.

Andy Burnham: What a way to say it—human resource. We must get the most from people who make up our wonderful NHS. Lord Hunt of Kings Heath and I are examining how we can refresh and relaunch the knowledge and skills framework later this year. It concern me that the most recent figures show that only 61 per cent. of NHS staff have had an appraisal in the past 12 months and of that group 81 per cent. reported having agreed a personal development plan. We need to get more focus back on to ensuring that appraisals are part of the annual entitlement of every member of staff and that training flows from them. That would give us the platform to take forward the incredibly positive agenda that Professor Fryer has set out in his report.

I probably have not covered all the points. I thank my hon. Friend for securing this important debate and I hope that over the course of this year she will see that the Department really does mean what I have been saying.

Question put and agreed to.

Adjourned accordingly at one minute to Five o'clock.

Westminster Hall

Thursday 21 June 2007

[MR. MIKE HANCOCK *in the Chair*]

Shipman Inquiry

[Relevant documents: Eighth Report from the Constitutional Affairs Committee, Session 2005-06, HC 902, and the Government's response thereto, Cm 6943. Uncorrected minutes of evidence of 8 May 2007—follow-up, HC 515-i.]

Motion made, and Question proposed, That the sitting be now adjourned. *—[Andy Burnham.]*

2.30 pm

The Minister of State, Department of Health (Andy Burnham): I am pleased that we have been able to secure time this afternoon to debate the findings of the Shipman inquiry, which dealt with a matter of huge significance that has far-reaching ramifications for several Government Departments and which raised matters of great horror for the families who were affected and for the communities that still, to this day, remember the consequences.

To begin, let us remind ourselves of the facts. In January 2000, Harold Shipman, a sole-practice general practitioner in Hyde, Greater Manchester, was convicted at Preston Crown court of murdering 15 of his patients. He committed those murders by injecting his patients with lethal doses of diamorphine, a strong painkiller that is related to heroin. It has legitimate and widespread use in the treatment of the terminal stages of cancer and of other medical conditions. As further information came out during and after the trial, including the results of an audit of Shipman's mortality data that was commissioned by the Department of Health, it became apparent that those crimes were not isolated but were merely a small sample of an horrific series of murders committed over a period as long as 25 years and spanning virtually the whole of Shipman's professional life.

The Shipman inquiry was set up in January 2001 and was tasked with investigating the extent of Shipman's unlawful activities, inquiring into the activities of the statutory authorities and other organisations that were involved, and making recommendations on the steps needed to protect patients in the future.

The inquiry published a total of six reports. The first report addressed the extent of Shipman's criminal activities as a GP. The second report covered the 1998 investigation by the Greater Manchester police. The third report covered the system of death certification and the coroners system. The fourth report covered the systems for ensuring the safe and appropriate use of controlled drugs. The fifth report covered the arrangements for monitoring and disciplining GPs, including arrangements for the handling of complaints in the national health service, and the sixth report addressed the extent of Shipman's criminal activities in the early part of his career as a junior hospital doctor. I wish to put on record the conclusion of Dame Janet Smith, now Lady Justice Smith, in paragraph 28 of the summary to the sixth report. It states:

"My overall conclusion, therefore, is that Shipman killed about 250 patients between 1971 and 1998, of whom I have been able positively to identify 218."

That is the scale of the crimes. We are debating the ramifications as they affect not just the Department of Health but several Departments, and we continue to build a system that will reduce significantly the likelihood of any crimes on that scale ever being repeated.

I welcome this opportunity to debate the findings of the Shipman inquiry and the action programme that the Government have set in place to ensure, as far as we can, that a similar tragedy never happens again. I begin with an obvious but vital point. The overwhelming majority of health professionals and staff working in the NHS are dedicated to providing the best possible care that they can for their patients. They bring to their work skills, professionalism, commitment and empathy for their patients, and we in turn entrust them with crucial aspects of our health and the health of our families. In the vast majority of cases, that trust is well placed. Opinion polls repeatedly tell us that, of all occupations, health professionals such as doctors and nurses are the most trusted.

It is therefore all the more bewildering, as was expressed in the Shipman inquiry's first report, when that trust is betrayed. Tragically, that is exactly what happened in the case of Harold Shipman. To outward appearances, he was a devoted, caring doctor. In some respects, he was at the leading edge of his profession—for instance, in his approach to clinical audit. It was that outward appearance that enabled him to conceal the evidence of his crimes for so many years and to pull the wool over the eyes of many people who should have been more alert to what was happening.

I believe that I speak for colleagues on both sides of the House when I say that we owe an immense debt of gratitude to the Shipman inquiry, in particular to its chairman, Lady Justice Smith, for the meticulous work that was done in unravelling the story of Shipman's crimes and the failure of the systems in place at the time to protect patients. Anybody who has reviewed the reports, as I have in preparation for this debate, will be impressed by the extremely detailed analysis of every aspect of the Shipman story. A mere glance at the title pages of the inquiry's six reports gives an indication of the breadth of the work.

I pay tribute to the skill with which the inquiry sought in its recommendations to balance the need to safeguard the normal processes of patient care with the need to protect the public from the rare cases of professional abuse. It is important to acknowledge at the outset that it is incredibly difficult to get that balance right. It is vital to recognise that the vast majority of health professionals are dedicated to the care of patients and go about their work in an exemplary fashion, doing nothing but good for the communities that they serve.

Dr. Evan Harris (Oxford, West and Abingdon) (LD): I welcome the way in which the Minister has introduced the topic. May I explore an issue with him? He maintained that doctors are more trusted than most other groups, and I certainly agree with that. The point that I would like him to address is that they are still the most trusted, even after the Shipman inquiry. There is no sign in polls that they are any less trusted. Therefore, does he agree

[Dr. Evan Harris]

that policies that the Government wish to put into place following the Shipman and other inquiries must be designed to protect patients and not seek purely to restore or increase faith in the medical profession? That would be a wrong and unnecessary motive, and there is enough work to do if the motive for action is to ensure that patients are protected.

Andy Burnham: I agree entirely with the hon. Gentleman. The guiding principle of every measure that has been and will be introduced—there is, of course, some considerable way to go before we have done full justice to this hugely significant inquiry—is the protection of patients and the public. All the measures that we take must contribute to that aim, but, in doing so, they can provide further reassurance to the public that their trust in health professionals, and doctors in particular, is not misplaced. As we all know, that trust is not misplaced, but the perception that the systems are transparent and robust is part of ensuring patient safety. The profession has nothing to fear. Indeed, I am hugely grateful for the constructive engagement that we have had with the British Medical Association, the royal colleges and the General Medical Council in getting this complicated package right. As I said when we published our response to the inquiry in February, this has to be a settlement for a generation. It must produce a conclusive and consensual agreement on the right way forward, and that will be done only by working co-operatively and in partnership with the professionals.

Mr. Andrew Lansley (South Cambridgeshire) (Con): I share the gratitude of our colleague, the hon. Member for Oxford, West and Abingdon (Dr. Harris), for the manner in which the Minister is introducing the debate. As we are establishing the principles that we should apply, does he agree that the enormity of what Harold Shipman did and the huge betrayal of trust that occurred, to which the Minister referred, does not invalidate the principle that the medical profession is capable of self-regulation within a statutory framework? Although the balance of professional and lay participation in the process will change, we should start from the presumption that, with the appropriate levels of transparency, doctors are capable and competent enough to regulate themselves.

Andy Burnham: Yes, I agree. The package of reform that we introduced in February does retain the system of independent self-regulation and suggests a parity between lay and professional representation within the main regulatory bodies and that those appointees should be independently appointed. It is important to ensure that the public have confidence that the regulatory system balances the public interest alongside professional standards. The system that we have proposed would achieve that aim, but there are different views on that and I will continue to discuss the matter with the medical profession. It is not in the interests of any profession for a closed discussion to take place on an issue of such import. As the hon. Member for Oxford, West and Abingdon (Dr. Harris) rightly said, we are discussing matters of patient and public safety and it is important that there is and is seen to be openness, transparency and balance in the way we do so.

I do not want to mention any particular regulator, but I have to be honest and say that I have seen evidence that some professions can become too inward in the discussions that they have about regulatory matters among themselves. At times, they are not sufficiently outward facing in the way in which they consider public safety. I do not want to go into detail, but the hon. Member for South Cambridgeshire (Mr. Lansley) may know to what I am referring. It is important that the professionals' role in self-regulation is balanced with the voice of the lay representative, but we can discuss those matters further as the debate progresses.

Today's debate is about the Shipman inquiry, but I will mention in passing the work of three other inquiries—the Ayling, Neale, and Kerr/Haslam inquiries—that also deal with the abuse of trust by doctors. The details differ, but the underlying issues are similar: the failure of those in authority in the NHS to take seriously repeated expressions of concern about the actions of trusted health professionals, and to take effective action to protect patients. In responding to the fifth report of the Shipman inquiry, we found it sensible to consider at the same time the related recommendations of the three other inquiries, and I propose to do the same today.

I know that the colleague of the hon. Member for Oxford, West and Abingdon, the hon. Member for Harrogate and Knaresborough (Mr. Willis), who is Chairman of the Select Committee on Science and Technology, has a constituency interest in these matters. Indeed, he wrote to me a few weeks ago and asked whether we could have time for a Government debate on the issue. Unfortunately, it has fallen on a day when I believe he is out of the country, but I put my appreciation of his suggestion of a debate on the record.

Dr. Evan Harris: I am grateful to the Minister for his comments. I can confirm that my hon. Friend the Member for Harrogate and Knaresborough (Mr. Willis), who Chairs the Science and Technology Committee, is on a Committee trip to Portugal. I would also be there if I was not participating in this debate, but we wished to ensure that at least one of us took part. I know that he is grateful to the Government for finding time for the debate, even though it fell on the wrong day for him.

Andy Burnham: I am grateful that the hon. Gentleman has put that on the record.

As the Shipman inquiry recognised, the NHS is in many ways very different from the NHS in which Shipman practised. In particular, since the publication of the Government's quality strategy in 1998, "A first class service", new structures have been put in place to ensure the quality of care, to focus health care organisations on continuous quality improvement, and to identify and deal with poor professional performance. In the new climate it seems unlikely that abuses such as those perpetrated by Shipman, Kerr and Haslam would have continued for so long without coming to the relevant authorities' attention. Nevertheless, the list of the weaknesses in earlier systems that were revealed in the four inquiry reports leaves us no room for complacency. We need to learn from the past to ensure that future safeguards are as robust as we can possibly make them.

The inquiry recommendations that we are dealing with today fall into the following broad areas: arrangements for death certification and for critical overview of the information on death certificates; the coroners system; safeguards over the use of controlled drugs; the handling of complaints and concerns in the NHS; routine monitoring of professional performance and conduct; arrangements for professional appraisal and revalidation; and disciplinary processes, including the fitness- to-practise processes of the national professional regulators.

In the time available, I cannot hope to do justice to the wealth of detail in the recommendations in those areas. Instead, I propose first to set out some general principles, and, second, to mention selectively the most important changes that we will introduce. Our action programme is summarised in the paper that we published in February, "Learning from tragedy, keeping patients safe", and in a series of more detailed papers, all of which have been laid before Parliament. The paper that we published in February provides an overview of all Government activity in response to the Shipman inquiry and will, I believe, provide a document of historical importance and use to people who research these matters as it brings together a vast programme of work.

The Minister for Pensions Reform, my hon. Friend the Member for Stalybridge and Hyde (James Purnell) originally asked the Prime Minister whether the Government would produce such a document. I am pleased to have put the document together at his request and that he has joined us today to hear the proceedings. I pay tribute to him for the assiduous and respectful way in which he has pursued the interests of his constituents in this matter. It will be some time yet until those interests are fully resolved and until we can genuinely say that all of the issues that arose from the Shipman inquiry have been properly dealt with.

I am also pleased that my hon. Friend the Member for Calder Valley (Chris McCafferty) is here. Shipman mainly practised in the constituency of my hon. Friend the Member for Stalybridge and Hyde, but he also practised in her constituency. It is pleasing that they and m[illegible] Friend the Member for Denton and Reddish [illegible]ew Gwynne) are here. I believe that he also know[illegible]ple in his local area who were affected. I thank all th[illegible]f my hon. Friends for their work on the issue, bu[illegible]articularly thank my hon. Friend the Member for S[illegible]ybridge and Hyde for the measured way in which he has pursued the interests of his constituents. On the record, I give an assurance that we will continue to work through the issues until they are resolved to the satisfaction of him and his constituents.

On the general principles of the matter, our overriding priority has to be the protection of patients and the general public. Secondly, that should be done in a way that minimises any potential impact on the delivery of normal patient care and that affirms and supports health professionals—the overwhelming majority of whom, as I have already noted, aspire to do their best for their patients. Thirdly, any additional safeguards should build on existing processes, in particular on the processes in the NHS for ensuring clinical quality and safety, which are collectively known as clinical governance. Finally, those additional safeguards should apply consistently across all sectors of health care and on a proportionate basis to all health professions, not just to doctors. Shipman was, of course, a doctor in general practice, but it would be deeply irresponsible for us not to consider the further implications for secondary care and for other health professions.

On the detail of the coroners system and, in particular, the proposed changes to that system, generally coroners and coroners officers do a good job in often difficult circumstances, but the inquiry exposed a range of limitations. Proposals for reform of the coroners system were set out in February last year and a draft Bill was published in June. A substantive Bill will be introduced as soon as parliamentary time allows. There was a Westminster Hall debate on the proposals in March this year, so I do not propose to go into great detail, but some of the main proposals are to allow bereaved people a greater opportunity to contribute to coroners' investigations and to appeal if they are unhappy about decisions taken; to reduce variability in service and spread best practice by introducing national leadership for the service through a new chief coroner's post and inspection programme; to make investigations more effective by removing some archaic, restrictive legislation and giving coroners additional powers; and to make coroners' posts whole-time appointments, and to provide them with better medical support and advice.

Death certification is, of course, the basis of the system on which the coroners service operates. It is important to go into that in detail.

Dr. Evan Harris: I am sorry to interrupt the Minister's flow, and I do not know if he is coming back to the coroners system, but can he give some idea of the timetable for those reforms, because, as he knows, the Government's initial draft Bill, although well motivated—a great deal of work went into it—did not meet with wholesale approval, so to speak, when it was scrutinised? It is not clear when that Bill is coming back into what is, I accept, a crowded Government legislative programme. If he can provide some information about Government thinking, it would be useful.

Andy Burnham: I appreciate the hon. Gentleman's frustration, perhaps, and the need to make progress. We all feel that. Obviously, I cannot pre-empt future Government decisions on the future legislative programme, but I hope that he accepts that in publishing the draft Bill, we showed good faith in consulting on these important matters. Indeed, we listened to the Select Committee on Constitutional Affairs, which commented in detail on the draft Bill.

In November 2006, the Government responded to the Committee's report, which was published before that.

Mr. Lansley: In July.

Andy Burnham: I thank the hon. Gentleman for that.

The Committee talked about the importance of the system of death certification, and, because of the interrelationship between the coroners system and that for death certification, to which recommendations 5 and 6 of the report apply, asked the Government to come back to it. Again—I hope that this shows to the hon. Member for Oxford, West and Abingdon that the Government have listened to those concerns—I have taken a personal interest, partly owing to the promptings

[Andy Burnham]

of my hon. Friend the Member for Stalybridge and Hyde, but more generally because the system is incomplete, in my view, without reform in the system for death certification. I hope that when any Bill for reforming the coroners' service is introduced, the hon. Gentleman will look at it in tandem with proposals soon to be published for arrangements to improve death certification.

The Shipman inquiry found that existing arrangements for scrutinising death certificates were confusing and inadequate. The main problems are that arrangements are different for burials and cremations, with very little oversight at all for burials; scrutiny in cremation cases is not always sufficiently independent and is not subject to effective quality assurance; and there is no systematic analysis for local clinical governance purposes of the information on death certificates. As Lady Justice Dame Janet Smith pointed out, the system relies heavily on the honesty of the certifying doctor and she felt, partly for that reason, that the system was inadequate. She pointed out also that the doctors involved do not get full access to the medical records so that they can make a careful and detailed judgment, and that it must be integrated with clinical governance arrangements.

As I said, I have looked in detail at that whole area on the prompting of my hon. Friend and others. Parliamentary colleagues will know that this issue has a history, in recent times and before. I refer hon. Members to chapter three of Dame Janet's third report where she talks in detail about the origins of the existing cremation certification system. In particular, however, she focuses on the more recent attempts to reform that system, beginning essentially with the report of the Brodrick committee in September 1971, which was a major change. It was set up in March 1965 following the British Medical Association paper "Deaths in the Community", which was published in 1964. In particular, the committee dealt with the suggestion that homicides were passing undetected through the existing certification system. That suggestion was based on the book "The Detection of Secret Homicide" by Dr. John Havard, who was, at that time, assistant secretary of the BMA, and played a prominent part in its dealings with the Home Office over a period of several decades.

It is important for us to remember the history. Dame Janet's report deals with that history from the publication of the Brodrick committee report, which recommended a fairly detailed overhaul of the system. In paragraph 3.82 of her report, she states:

> "Progress towards implementation may depend upon a willingness to take a definite policy decision, regardless of objection from some quarters."

She says that because she details at length in the following paragraphs the extraordinary exchanges of views between and within Departments, and how eventually they came to a halt in the 1980s. It is a salutary lesson on how, in considering the detail, we sometimes lose the bigger picture. Since the Brodrick committee's recommendations in 1971, the system has gone unchanged and still dates from the origins of the cremation system in the early 1900s.

In the final paragraph of the third report, Dame Janet concludes:

> "As it happens, I do not think that implementation would have prevented the Shipman tragedy. But, in many respects, the systems would have been improved. Today, the systems do not meet the needs of society. There is a groundswell of opinion in favour of change. It is to be hoped that the proposals of the Coroners Review and of this Inquiry do not, as did those of Brodrick, end in stalemate."

That is a salutary lesson to all of us. Dare I say it, in our recent deliberations on those issues, we have begun to see the mirroring of some of what happened in the 1970s and 1980s. It is difficult to cut through the different perspectives held by different Departments and interests. However, it requires a very definite political decision to reform the system, which I believe is what we now have, following the promptings of my hon. Friend.

Mr. Lansley: I do not want to intrude on the private grief of Departments trying to resolve these matters between themselves, but I have a question. I am not clear about the extent to which some aspects of reform, such as the establishment of medical examiners in primary care trusts, which clearly the Minister and his colleagues favour, can make progress, notwithstanding the fact that Ministers are waiting for the point at which they can introduce legislation. Does the Minister share that view? I imagine that he might. Introducing legislation to reform the regulation of health care professionals alongside reform of death certification and the coroner system would be desirable. Given the current situation, the regulation of health care professions is not something that need be delayed very long beyond the next Session. It feels as though we should have a timetable in mind.

Andy Burnham: The hon. Gentleman will accept that these matters are extremely complex and of huge import for everybody—for the whole of society. I hope—speaking openly, for once—that we might have a Bill at the end of this process. It would be wrong to call it the Shipman Bill, but it would be the Bill—

Mr. Lansley: Or two Bills.

Andy Burnham: It would be the Bill or the two Bills that deal with these matters. I hope that they would be dealt with either in one Bill or in more than one concurrently, so that we could consider them in the round, deal with them from a parliamentary point of view and achieve parliamentary consensus on them. There are different timetables on how quickly that consensus can be gained. The package of proposals that we introduced on professional regulation achieved a measure of consensus earlier this year. I am sure that there are different views on elements of the package, which I may touch on. We are now working through a detailed package relating to death certification.

To give the hon. Gentleman some reassurance, my right hon. Friend the Prime Minister, at my request, made a definite decision in the early part of this year that we should reform death certification and that there should be a unified system covering both burials and cremations, with scrutiny by an independent medical examiner linked to the local clinical governance team in the PCT. That was a definite decision of the Government and, for as long as I hold this job—which, who knows, may be only a few days—I will work to ensure that progress is made on that. However, I believe that progress will now be made, because there is growing consensus about how we can take the proposals forward.

A detailed discussion paper will be introduced soon in a consultation paper. That is at a fairly advanced stage of preparation. I hope that it could lead to legislation—if there is broad agreement about the proposals—at the same time as measures dealing with professional regulation.

Dr. Evan Harris: I hear what the Minister says and I am grateful to him in so far as he is giving us an understanding of Government thinking, but he did refer to something that might be called the Shipman Bill. May I ask him to reflect on that? There are good reasons why Government legislation should not be too closely linked to a particular tragedy. The danger is that anyone who, for good reason, seeks to oppose any of the measures would have to face the impression being given, perhaps by the media or political opponents, that they are unsympathetic to it. With the Bill that became the Human Tissue Act 2004, which might have been called the Alder Hey hospital Bill, there was a danger that someone expressing real concerns about over-regulation would be perceived as displaying insensitivity or a lack of understanding of what had happened at Alder Hey, which certainly for my part was not the case and was not the case with the Royal College of Pathologists either.

Mr. Mike Hancock (in the Chair): Order. You will have to learn to be a bit briefer than that, Mr. Harris.

Mr. Lansley: Dr. Harris.

Andy Burnham: I take the point made by the hon. Member for Oxford, West and Abingdon. It was, perhaps, inadvisable of me to suggest that that label could be applied to the Bill. I was seeking to make a point about the breadth and depth of the reports from Dame Janet Smith's inquiry and that we are also dealing with the recommendations of other inquiries relating to very serious professional misconduct. I simply wanted to say that it is desirable, in my view, to introduce a package of legislation at the same time, so that the matters could be considered in the round, because that would be helpful for all concerned.

The hon. Member for South Cambridgeshire mentioned the private grief of Departments. That may be the case, but he should read the third chapter of Dame Janet Smith's third report, to which I referred, because colleagues of his who are still in this place were engaged very deeply in the relevant matters. I am not making a party political point, by the way. It is simply that there is a salutary lesson in that chapter for Governments generally about how such matters can be resolved. They ran aground in the 1980s for precisely the reasons that are set out. I hope that when we finally put the proposals before the House, we do not allow that to happen again.

The Government's action programme for strengthening the safeguards on controlled drugs was published in December 2004, and action is nearing completion. The fourth report of the Shipman inquiry considered how Shipman could have amassed such a lethal armoury of diamorphine, and the recommendations are intended to deal with that very point. I shall set out the key elements of the programme which have been introduced. First, the new governance arrangements introduced in the Health Act 2006 build on existing NHS clinical governance processes by requiring all health organisations to appoint an "accountable officer" with specific responsibility for controlled drugs to share information and to collaborate in action needed to protect the public.

The second key element is restrictions on prescribing controlled drugs, placing on all health care professionals a clear requirement to prescribe only within their professional competence. The third element is strengthening the audit trail for controlled drugs, for instance by capturing information on the private prescribing of controlled drugs and developing and implementing an audit trail for controlled drugs requisitioned for internal use by GP practices.

The fourth element is improving information for patients on the therapeutic uses and special status of controlled drugs. Fifthly, we are working closely with professional bodies to improve the education of health professionals in the appropriate use of controlled drugs and in the special precautions needed.

On the issues raised by the Shipman inquiry's fifth report and the reports of the Ayling, Neale and Kerr/Haslam inquiries, the crucial first step is the initial identification of causes for concern. In Shipman's case, despite the ingenuity with which he attempted to cover his tracks, potential clues were missed. In the case of Clifford Ayling, that was compounded by the failure of different NHS organisations to combine the information that each held.

Health care organisations need to work with information of two types. The first is routine indicators of clinical processes and outcomes, which, taken together, give a broad view of the clinical performance of clinical teams and individual clinicians. The second is information derived from complaints from patients and carers and from concerns raised by other professionals or organisations. Clearly, information of that type needs to be used sensitively and with appropriate safeguards to ensure that the reputations of health care professionals are not unfairly impugned. The Government will work with professional, NHS and patient organisations to develop further the use of routine quality indicators and to agree guidance on the appropriate use of softer forms of intelligence, in particular on the safeguards that should apply to the sharing of such information between organisations.

Complaints and concerns are potentially a vital source of information that may indicate poor professional performance or abuse. However, patients, carers and professional colleagues need clear signposting so that they know where to register their concerns. They may need support and help in articulating concerns, and reassurance that they will be taken seriously. In particular, they will want reassurance from those responsible, including senior managers, that action will be taken to ensure that there will be no recurrence of the incidents that caused concerns and that organisations take on board the concerns as part of their ongoing service improvement.

This week, the Government launched a consultation proposing comprehensive reform of the complaints system for health and social care. Key features relevant to the debate are proposals for a right for patients with complaints against a GP to go directly to the PCT, rather than to the practice itself; closer collaboration between organisations receiving complaints to ensure that complaints are speedily routed, where necessary, to the most appropriate body; developing good practice on keeping complainants informed

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about the progress of their complaint; placing a responsibility on PCTs to maintain an overview of complaints against GPs; and working with the NHS to build capacity and skills for investigating more serious allegations.

I have always believed that the NHS needs to adopt a more open culture in handling complaints from the public. Too often in the past, the tendency has been to allow the shutters to come down and to push complainants towards the legal process. There needs to be a learning culture at the very bottom of the NHS so that complaints are received and acted on. In the vast majority of cases, patients' motivation in bringing complaints, including to Members of Parliament, is to prevent what happened to them from happening to somebody else; it is not to seek financial redress or to take the NHS to the cleaners. It is important that the NHS understands that and works with it.

Where local information indicates a potential issue over professional performance, health organisations have a responsibility to take whatever action is needed to protect patients and, where possible, support and help the professional to get their career back on track. Experience shows that intervening early—before problems have become ingrained—is far more likely to be effective, and that is a major theme of the White Paper on professional regulation, "Trust, Assurance and Safety", which we published in February.

In recent years, the Department has agreed new arrangements with the professions to clarify and strengthen such processes in primary and secondary care. The new arrangements incorporate important safeguards, including the separation of the investigation of concerns from the formal decision-making process. Despite those reforms, the Shipman inquiry considered that primary care trusts did not have adequate powers to protect patients in the case of poor performance by GPs. The Government agree and will this year carry out a review of the operation of the performers list system, relating it to the proposals for reform of professional regulation, to which I will now turn.

The Shipman inquiry's fifth report was critical of many aspects of the regulation of the medical profession, particularly the lack of clear standards for judging fitness to practise, the lack of demonstrable independence in the adjudication of the most serious fitness-to-practise cases and the way in which earlier proposals for the revalidation of doctors had been implemented.

Given the radical and, in places, controversial nature of the inquiry's recommendations on those points, the Government decided in early 2005 to set up a review of medical regulation under the chief medical officer and a separate review of non-medical regulation under the then NHS director of human resources, Andrew Foster. Those reviews reported in July 2006, and, following a period of consultation, our final proposals were published in the White Paper on professional regulation, which I mentioned.

Our proposals include inviting the professional regulatory bodies and specialist organisations such as the royal medical colleges to develop clear standards to determine whether health professionals remain fit to practise. We also propose improving co-ordination between local NHS employers and national regulators—in the case of doctors, through a network of General Medical Council affiliates. That system was proposed by the chief medical officer to close what he termed the regulatory gap—a situation in which a professional's behaviour may be causing local people concern, but there is insufficient evidence to take a complaint all the way to the national regulator.

Mr. Lansley: I am prompted to intervene by the Minister's remark about the relationship between professional regulation and clinical governance among NHS employers. If I recall correctly—I do not have the quotation to hand—Dame Janet Smith was clear about the desirability of ensuring that we did not rely excessively on NHS clinical governance structures where those who were providing the medical services were not necessarily in NHS employment structures. Does the Minister agree that clinical governance is of great importance not only for the NHS but for health care providers that happen not to be NHS organisations? We should create a structure that is robust in both those circumstances.

Andy Burnham: I agree entirely that that is what we need to create. The systems that we are describing should transcend all organisational boundaries and apply right across the piece. Different organisations will seek to achieve the same ends in different ways, but the principles should transcend organisational boundaries and apply equally to the private sector and the NHS. In that respect, the GMC affiliates could play quite an interesting role. Originally, it was proposed that that should happen at trust or local community level, but following discussion with various stakeholders, the regional or sub-regional level would seem to be the right one. We therefore want to take the proposals forward carefully to ensure that they do what we hope they will, and I hope that they will achieve some of the aims that the hon. Gentleman has alluded to.

The Government's proposals also include setting up an independent body to adjudicate the final stages of the fitness-to-practise process. That will initially apply to doctors, but the other regulatory bodies will be invited to establish a similar separation between their adjudication and other functions. In addition, we propose to strengthen the current system of appraisal for doctors so that it can become an adequate basis on which to carry out the periodic revalidation of their generic fitness to practise, with separate arrangements for specialist recertification overseen by the appropriate royal medical colleges. Finally, for other professions, we propose that revalidation should be carried out by employers or other appropriate means.

When we leave this issue, as I told the hon. Gentleman, we need to put in place a system that will stand the test of time and which constitutes a generational settlement on these issues. In this day and age, it is not enough to tell the public that we have done the job; the system that we put in place must be seen to be transparent and to uphold the public interest. That is why there should be parity between the professional and lay appointees to each of the regulators.

We can, however, deal with that issue in the parliamentary debate that follows our proposals. Although it is important that we hear all the views on the issue, it would surprise me if parliamentarians of all parties did not agree that

upholding, and being seen to uphold, the public interest was crucial; indeed, it is in the interests of professional self-regulation, because it will strengthen the image of self-regulation in the mind of the public. We should remember that we are not talking about Government regulation, because those appointed to the regulatory bodies would all be independent.

I have spoken for a considerable time, but I appreciate that I have given only a superficial summary of the action programme that the Government have set in hand to address the many thoughtful recommendations of the Shipman, Ayling, Neale and Kerr/Hasham inquiries. Some of those actions are already in hand, and we are working closely with regulatory bodies and patient, NHS and professional groups to implement the remainder.

Unfortunately, we can never give an absolute assurance regarding criminal behaviour of the kind perpetrated by a Shipman. However, the action that we are setting in hand will make it highly unlikely that any future criminal could go on for as long without being detected. We can achieve that without disrupting the excellent care that the vast majority of our health professionals give their patients day in, day out.

Let me conclude by thanking those hon. Members who are here for the debate for their interest in the issue. I cannot stress enough how important the determination of those hon. Members who represent constituencies in which Harold Shipman practised for so many years has been in ensuring that these matters are adequately concluded. The Government will eventually bring the issue to the right conclusion so that my hon. Friends' constituents can—this is very important—draw this awful chapter in the history of their towns to a close, and that applies particularly to Hyde. We have some way to go yet, but we are making clear progress towards our goal.

Mr. Mike Hancock (in the Chair): I thank the Minister for that thoughtful presentation; before I call the hon. Member for Calder Valley (Chris McCafferty), may I explain for the record and for the benefit of any of his constituents who may be in the Public Gallery that, although the hon. Member for Stalybridge and Hyde (James Purnell) is present for the debate as a constituency MP, under a convention of the House, because he also happens to be a Minister, he is restricted as to his participation in the debate.

3.20 pm

Chris McCafferty (Calder Valley) (Lab): I am grateful for the opportunity to speak on behalf of my constituents in Calder Valley and those of the Minister for Pensions Reform, my hon. Friend the Member for Stalybridge and Hyde (James Purnell), who, as you pointed out, Mr. Hancock, is in the Chamber but may not speak because of his ministerial responsibilities.

I thank the Minister for outlining the proposals which, I stress, are historic and wide ranging. He is correct that we would not have reached the stage that we are now at without huge political will. The proposals will set out for the first time a national framework for the work of coroners, who will become full-time professionals, with a chief coroner heading the service. The proposals will empower bereaved families by giving them, for the first time, a proper legal standing. They will have the right to a second opinion, and the ability to challenge coroners' rulings. Those changes will be welcomed by families who have had a relative die a violent or sudden death, but especially by families who were patients of Harold Shipman, such as my constituents in Todmorden in the Calder Valley and, of course, many constituents of my hon. Friend the Member for Stalybridge and Hyde. We should never forget the extent of the tragedy, especially for the hundreds of families in Hyde and Tameside who lost loved ones.

The extent and magnitude of Harold Shipman's crimes were such that they were hard to encompass, unless one was personally involved and touched by the tragedy. Of course, by killing himself and going to his grave, Harold Shipman robbed all those families of the one thing that he could have given them: the truth—the right to know what happened and perhaps to help to put an end to what for most of the people concerned is a continuing horror story. The Government can help by making sure that the lessons of what happened in the Harold Shipman case are learned. That case gives rise to today's debate and is probably the case of the greatest magnitude, but there are other instances in which GPs and medical and health professionals have not only gone beyond the bounds of their duty, but have behaved in a wholly inappropriate way, in relation to the life and death of their patients. The reforms are definitely necessary.

I hope that the reforms will ensure that a tragedy like the Shipman case can never happen again. My hon. Friend has had regular contact with the bereaved families in his constituency, and he has told me that he never ceases to be impressed by their resilience and their commitment to ensuring that reforms are made. They have met Ministers several times and have helped to develop the new proposals. My own constituents in Todmorden believe that Dame Janet Smith has done a remarkable job in very difficult circumstances. Of course, in the case of my constituents the events happened at the beginning of Harold Shipman's time in practice. It was very difficult for those families when the bodies were exhumed, because the deaths were so long ago that there was little if any medical evidence to be assessed. That did not make things any easier. Families in Hyde have always made their respect for Dame Janet and her team, and their commitment to the implementation of her findings, very clear. I want to express my own gratitude for the dedication that all Ministers concerned have shown to introducing good and relevant legislation, for the spirit in which the Government have approached all the reforms, and for today's debate.

My biggest concern, which is central to the debate, is the proposed reform of the coroners system by the draft Coroners Bill, and the reform of the regulation of the medical profession initiated by the chief medical officer. It is widely known that Dame Janet has concerns about some of the proposals in the Bill, particularly the way in which death certificates are to be checked. I know that the Minister has examined the proposals carefully and that, as has already been said, it is intended that there will now be a single process for both cremation and burial certificates, operated through local primary care trusts. That is a very welcome development.

There has always been widespread concern among patients—certainly among my constituents in Todmorden—about the fact that Shipman could write any name he fancied on medical certificates and it would not make a

[Chris McCafferty]

scrap of difference; they would still be accepted, and not detected as fraudulent. I should be grateful if my hon. Friend assured me that the new system will deal with those concerns. In addition—I know that other hon. Members have already asked about this—will he try to clarify the time scale for the introduction of the reforms? I am particularly interested to know whether the reforms will be extraterritorial. Will the family of someone who has died abroad, perhaps in suspicious circumstances, be able to contribute to the coroner's investigation or challenge the verdict? Will the Government implement the suggestion that a simple information leaflet should be provided to bereaved families, setting out their rights? When does my hon. Friend expect the draft Bill to be presented to Parliament?

Another key question, which I think all the families have asked, particularly in Todmorden, given that Harold Shipman practised there for a period before going to Hyde, is why the medical system could not identify him earlier. When he practised in Todmorden he was found to be abusing drugs. That was brought to light by an eagle-eyed medical practitioner who was his colleague. Shipman was subsequently investigated and suspended from the Todmorden medical practice, and convicted in the Halifax court of misuse of drugs and prescription fraud. However, he was then able to go down the road and carry on practising in Hyde, with no monitoring at all. In both Todmorden and Hyde, his prescription and death rates were off the Richter scale, but he was never detected.

How does the Minister think the new system will ensure that that cannot happen again? Does he have confidence that we are now reforming the system overall? Are all the pieces of the jigsaw falling into place? Joined-up thinking and the interconnectedness of the reforms are important considerations, which, as the Minister pointed out, have caused some delays in implementation—and he is right that the reforms need to stand the test of time. I expect he understands the frustration of Members of Parliament whose constituents have been affected by Harold Shipman, and of the general public, who feel great anxiety about whether they will be protected in the future. Only a very small minority of medical practitioners abuse their powers, and the vast majority of GPs and health professionals are in that business because they want to help people, but the affair has left a very bad taste in many people's mouths, as well as a lot of fear. The general public are anxious for the reforms to be implemented. Given all that I have said, and given our understanding of the need for interconnectedness, joined-up thinking and transparency, and the fact that it is important to get the reforms right for the 21st century, perhaps the Minister will tell us when he expects the reforms to be fully and finally implemented.

3.30 pm

Andrew Gwynne (Denton and Reddish) (Lab): It is a privilege to follow my hon. Friend the Member for Calder Valley (Chris McCafferty). She and the Minister for Pensions Reform, my hon. Friend the Member for Stalybridge and Hyde (James Purnell), have been at the forefront of the campaign for justice for Dr. Harold Shipman's victims. I echo all of the views that she expressed.

As one of the three Members of Parliament for the metropolitan borough of Tameside, I am grateful to be allowed to contribute briefly to the debate. I know that my hon. Friend the Member for Stalybridge and Hyde would have liked to contribute as well, because the Shipman tragedy so directly affected his constituency, as it did mine, to a much smaller extent, but, as has been explained, he is not able to take part due to ministerial protocol.

I welcome the Minister's thoughtful comments, the details in the various reports before us and the work of the Select Committee on Constitutional Affairs. We should never forget the extent of the tragedy, in which hundreds of families in Tameside lost their loved ones. The extent of Dr. Shipman's crimes are such that it is hard for anyone who was not involved or from the affected communities to understand just how deep the wounds are and, in some cases, will be for some time. Despite that, the communities of Tameside, particularly the town of Hyde and the parts of Denton that were covered by Dr. Shipman's surgery, have not let him win. The borough has pulled together to make sure that we are defined not by that tragedy, but by our successes. Tameside officially has the best council in the north-west of England, and the area is growing rapidly and becoming increasingly prosperous as a result of massive inward investment. We should focus on those positives in Hyde, Denton and Tameside.

I strongly agree with my hon. Friend the Member for Calder Valley that by ending his life, Harold Shipman took the one thing that he could and should have given the affected families: access to the truth and the full story, and information about the full implications of his actions. What the Government can do, however, is ensure that such a situation can never happen again. I was reassured, as, I am sure, were my hon. Friends, by the Minister's positive and forward-looking opening remarks.

I know that my hon. Friend for Stalybridge and Hyde has had regular contact with the families, and that they have met Ministers several times. The Minister of State, Ministry of Justice, my right hon. and learned Friend the Member for Camberwell and Peckham (Ms Harman), and the Under-Secretary of State for Northern Ireland, my hon. Friend the Member for Wythenshawe and Sale, East (Paul Goggins), both visited Tameside in their official capacities to discuss the proposals while—this is the important point—they were being developed.

The families in Tameside welcomed the inquiry of Lady Justice Janet Smith and her team, and they are as committed as we all are to ensuring that the Government implement the inquiry's findings. The onus is on us to ensure that that happens, so I welcome the spirit in which the Government have approached this issue and I reiterate that the Minister's remarks were very positive. It is also positive that we have been allowed to air our views on this matter again in the debate.

Reform of the coroners system and the need for tighter regulation of the medical profession are central issues. In its inquiry, the Select Committee thoroughly examined many issues regarding the reform of the coroners system, and its report and findings are to be welcomed, taken alongside what the Government have been doing. However, I wish to raise a small number of issues with the Minister, which follow my hon. Friend's comments almost directly.

The first issue that I want to address is death certification. The Select Committee report rightly highlighted concerns about death certification and the Government's approach to it. Lady Justice Janet Smith also highlighted a number of concerns about the proposals for changes to the coroners system, particularly how death certificates will be checked and monitored. The Minister has considered the proposals, and he told us that a single process will be operated through local primary care trusts. I hope that that means that there will be a single process for both cremation and burial certificates.

Patients have always been concerned that Dr. Shipman could have written almost anything on certificates—that he could have written "Donald Duck" or "Mickey Mouse" and it would have gone almost unchecked. That is a real worry for the families concerned. Will the Minister reassure us that the changes to the system that he proposes will address that worry, because people are very concerned that some of those practices went unnoticed for so long? He has assured us that a Bill will be introduced when there is parliamentary time. I understand the pressures that exist and that he might not be able to give firm commitments, but it is important, certainly for the families involved, that there is some degree of certainty about when the changes will be introduced. I understand that he cannot give absolute time scales, because of the programming of future legislation, but what are the general time scales in which we can expect some of the measures to be introduced?

The families also made a key point about medical regulation. I agree with my hon. Friend the Member for Calder Valley that the system should have flagged up what Dr. Shipman was doing a long time before it did. Of course, hindsight is a wonderful thing, but we know that he had a record of drug use and that he had been investigated and suspended in his previous post in her constituency. His death and prescription rates were considerably higher than they should have been, and should therefore have been detected, but they were not, so there are those issues to address. How will the system work differently to ensure that something similar could not happen? That is an important point.

On a more general level, the Select Committee emphasised the importance of medical regulation and scrutiny. Is the Minister confident that we are reforming the overall system, particularly in relation to medical regulation? That is crucial and is at the root of the problem.

Finally, it is worth recognising that the draft Coroners Bill was the first to be scrutinised in Westminster by families with recent experience of the inquest system. That is why it is so crucial that we get things right and why the Select Committee was absolutely right to highlight further areas in which work is required. The Minister has gone some way towards clarifying the Government's intentions. Getting things right will not erase the pain brought about by Dr. Shipman's activities, but it will make it more difficult for a similar episode to occur. That will offer some comfort and a sense of positive closure to the families concerned. I thank the Minister for his positive and thoughtful approach so far, and I am sure that my hon. Friend the Member for Stalybridge and Hyde and the communities that we represent look forward to hearing his response.

Mr. Mike Hancock (in the Chair): I apologise for not addressing Dr. Harris correctly earlier. I failed to realise either that I had made that mistake or the sensitive nature of that failure to him personally.

3.38 pm

Dr. Evan Harris (Oxford, West and Abingdon) (LD): I was shocked that you had even made a mistake, Mr. Hancock, such is your reputation for accuracy. I certainly did not take it personally. I hope that you do not mind me not taking it personally if you misaddress me, because I know that you are a perfectionist in all matters.

The Liberal Democrats welcome the debate and the opportunity to discuss these issues with the Minister in this sort of atmosphere. Several statements on the subject have been made in the House, but there is a limited scope for inquiry with statements. It has been extremely helpful to have a clear exposition of the background and the proposals from the Minister, and to hear from the hon. Members for Calder Valley (Chris McCafferty) and for Denton and Reddish (Andrew Gwynne). They spoke very well and, with clarity and sensitivity on behalf of their constituents, and they showed how much they have thought about this matter as a result of the representations made to them and because of their need to represent their constituents. They have added value to the debate and to the discussion of the matter in this House. I understand that everyone involved could speak for a long time, so I was grateful to hear them summarise the remaining questions that they have for the Minister and the points that they wanted to make.

Given that there is an opportunity for a direct exchange, it would not be appropriate for me to comment in detail on what the hon. Members for Calder Valley and for Denton and Reddish said. I merely say that, for the most part, I agreed with their points and the importance that they attached to some of them. I want to raise a couple of points in response on which I do not completely share their perspective. I hope that they will allow me the opportunity to do so, even though I recognise the importance, relevance and accuracy of almost everything that they said.

I should like to put on the record my condolences to the families of the victims of Harold Shipman, the biggest mass murderer in British history. It is appropriate to say that now, because the pain never goes. I imagine that every day, relatives of those whose lives were lost are reminded of what happened, the fact that people are no longer with us and that the manner of the deaths was evil, rather than natural, although many of the victims were in old age. I cannot imagine what it must feel like, particularly given the media coverage that followed and the references to that man.

I am a doctor. I qualified in 1991, but have not practised direct clinical medicine since 1994 and have only been called on to use my medical training on an occasional basis since. I am still on the medical register, so I ought to declare an interest in that I am potentially liable to be referred to the General Medical Council and to be subject to its revalidation procedures, if they ever happen—I hope that they do as soon as possible. I fully anticipate not being able to take part in those because of my lack of recent clinical practice and, at an appropriate point, expect to come off the register.

[Dr. Evan Harris]

I am also a member of the BMA's medical ethics committee, and attend the BMA annual representative meeting as a member from the Oxford division. I do so mainly to discuss medical ethics matters. I shall refer to some of the BMA's concerns, although I do not agree with them all. In the case of those to which I do refer, I shall be asking questions on the BMA's behalf, and I shall indicate where my party—not me personally—agrees that there are relevant questions to answer.

A couple of premises need to be stated and some myths need to be abolished. I am interested to know the Minister's view on a couple of important themes that run through what I am about to say. Does he accept the principle that doctors are more likely to be tougher on the underperformance, poor performance or criminal behaviour of other doctors than patients and the public? A strong argument can be made that doctors attach such significance to their responsibilities and greatly recognise the privilege that they have in practising medicine with the consent of their patients—they are able to do things to patients that people would not be able to do without the qualification—that they have a much lower level of tolerance for medical misfeasance and malpractice than the average member of the public. That is my experience. When dealing with my casework, I get visibly angry in my surgeries when I hear of allegations that appear to have some substance of poor practice or, especially, of attempts by management—this usually involves them but it can include some doctors—to cover up or unreasonably seek to excuse the behaviour of their close colleagues and other colleagues.

My general point is that the profession has a huge vested interest in having zero tolerance for doctors who behave in bad faith in a way that damages patients and, in doing so, damages the reputation of the profession. I invite the Minister to agree with that view, because it goes to the question of whether general professional self-regulation, rather than doctors judging doctors whom they know, is in any way weaker than the alternative that the Government appear to be proposing of Government regulation. They also have vested interests.

Andy Burnham: It is important that I say that I do not agree with the point that Government regulation is being proposed. We are proposing to maintain the system of professional self-regulation. It is as a result of the counsel of the regulators that we are proposing parity between the professional and lay interests. The hon. Gentleman will know that that is very different from the panels that hear fitness-to-practise inquiries. The GMC proposed bringing forward the parity proposal, which is as good as we can get in terms of a system of independent self-regulation where we enshrine and are clear about the public interest.

Dr. Harris: I accept what the Minister says. There is a debate to be had about terminology and I did not mean to caricature the Government's position, but the feeling exists that the alternative to professional self-regulation is some form of regulation by those appointed. One can have an independent appointments system, but there is no doubt that if a number of council members are elected by their profession to uphold its integrity and proper functioning, that will, by degree, represent greater professional self-regulation than a system of appointed medical members combined with an equal number of appointed lay members.

I hope that the Minister will accept that there has been a change or, at least, that a change has been proposed, in terms of moving away from professional self-regulation. When the measures come forward in statute, we will take a view on whether we think that the case has been made. A case needs to be made, because there is a danger that non-members of the medical profession may well take a more lenient view—in my experience, that argument can be made. If anything, we must ensure that there is less of a willingness to believe that the doctor is right. In the doctor-patient relationship, too much respect is sometimes shown by the patient for the doctor. The relationship needs to be more one of equals.

I was grateful that the Minister responded to my first point. My second general concern is the most important one regarding regulation and the health profession. Even with the best audit trails and the most empowered patients in the world, episodes of poor or impaired practice, malfeasance or malpractice are much more likely to be identified by doctors themselves or their close colleagues. I am sure that the best way of getting the most reports of poor or bad practice by doctors is by relying on people on the inside who can see what is going on and are prepared to report it.

Therefore, a test of any new regulatory proposals is whether doctors will be prepared to report their colleagues. If doctors do not think that their colleagues will get a fair hearing or if they think that their colleagues will be abused in the media, as they have been, with little protection and no ability to answer back on the basis of patient confidentiality or legal process, that will be a huge deterrent to people reporting their colleagues.

The treatment of doctors such as Professor Southall and Roy Meadow by the media, which continue to report the Meadow case as if he had been struck off or found guilty of serious professional misconduct, is extremely damaging not just to the individual concerned, but to doctors. Doctors say that if this is the way the GMC behaves, by getting it so wrong, as the appeal found, or if this is the way that the media behaves, by, in the case of Professor Meadow, hounding and decrying a man who has made a significant contribution to child protection, there will be a diminution in the ability to pick up real cases of poor practice, because doctors will not report themselves or their colleagues. It is a difficult problem, and I want the Minister to accept that it is real. Individual doctors—not the profession generally—must know that they not only have a duty to report, but that it must be unabridged in any way by a fear of lack of due process.

It is appropriate to speak about the standard of proof. Recommendation 81 of the Shipman inquiry's fifth report states:

"The GMC should reopen its debate about the standard of proof to be applied by"

fitness to practise

"panels. It should consider introducing a rule that the civil standard of proof should apply unless the doctor faces an allegation of misconduct which also amounts to a serious criminal offence"—

I emphasise "serious criminal offence". It goes on to say:

"In that limited class of case, the criminal standard of proof may well be appropriate."

The Government's response was:

"The Government has decided that all health professions regulators should follow the civil standard of proof. It should be flexibly applied to take into account the circumstances and gravity of individual cases."

The civil standard of proof is not the balance of probabilities, but a sliding scale that can go beyond reasonable doubt in a criminal case.

There is a misunderstanding in the recommendation that only when the charge is of a serious criminal offence should the criminal standard of proof apply. I think—I cannot be certain because the Joint Committee on Human Rights, on which I sit, has not looked into this, but no doubt it will—that there is a real risk of non-compliance with the Human Rights Act 1998 if something equivalent to a criminal charge is to be tested on less than the criminal standard of proof. That does not mean that the wording is not right, because the civil standard of proof can come up to that level, but it is a matter of concern. If we want to have the profession's confidence without the perception of a witch hunt, we must deal with that, and there is no doubt that it would have interfered with any GMC approach to cases such as Shipman or anything close to it.

Mr. Lansley: I intend to speak about this matter, but I want to be clear about the point that the hon. Gentleman is making. He was talking about circumstances that amount to the equivalent of a serious criminal charge, but the essence, as I understand it, of the application of the criminal standard of proof beyond a reasonable doubt is not simply that a criminal charge has been brought but that it entails criminal penalties. To put it another way, there is a difference of substance between, on the one hand, the risk of being deprived of one's livelihood as a result of adjudication and, on the other, the risk of being deprived of one's liberty by a criminal court. That distinction must be retained.

Dr. Harris: The hon. Gentleman makes a fair point, but there are two ways of looking at the matter. Loss of livelihood, particularly for someone who has spent years training, should probably not apply, but that would happen if someone were struck off on the balance of probabilities. That is not proportionate or right, and I would be interested to know the Minister's view. I do not understand why or on what basis the higher standard of proof should apply to a serious criminal offence, and I should like to know who should define what is serious on that scale, even if my point is not accepted that the loss of livelihood is such a serious penalty that it would be unreasonable to apply it to cases determined on the balance of probabilities?

Mr. Lansley: I am not competent to explain what "serious" means in this context, so I shall not even attempt to do so. However, the hon. Gentleman has slightly slipped back into saying that it is a case either of "beyond reasonable doubt" or "on the balance of probabilities". The whole point is that deprivation of livelihood, particularly in the case of a doctor, is a very serious penalty, and I do not dispute that for a moment. However, on adjudication by the GMC, the penalties are not confined to being struck off the register. Depending on the proof of misconduct and the severity of the misconduct, various penalties are possible. That is the whole point of a sliding standard.

Dr. Harris: I understand that, and I think the hon. Gentleman is making the point that it is perhaps the severity of the penalty rather than the severity of the charge that dictates the matter. However, the inquiry's recommendations do not mention the severity of the penalty, so perhaps it is an unfortunate misunderstanding on my part, or ambiguity in some of the language in the report and in the Government's response.

Andy Burnham: Could I inject a note of caution, as it is important not to lose sight of the bigger picture? The proposal was recommended by both Dame Janet Smith and the chief medical officer to address the hesitancy or reluctance to bring cases because of the difficulty of proving them. My advice from the Department is that there is clear legal authority so that in cases of sufficient gravity—that might be a matter for debate or clarification—the flexibly applied civil standard is virtually indistinguishable from the criminal standard. I also point out that six of the health regulatory bodies already use the civil standard of proof, including the General Dental Council.

Dr. Harris: I am grateful for the Minister's explanation. I want to reinforce my point about the motivation for the Minister's proposed changes, many of which we support. The fact is that public trust of doctors is still high, so it is important not to have the wrong motive. It is better to make policies to protect patients and to improve the practice of medicine, rather than to require doctors to restore a loss of public confidence, because the latter would mean that we, as parliamentarians and legislators, were passing our responsibilities on to the media, who create—sometimes rightly, sometimes wrongly—concerns and worries, and we would be legislating on the basis of opinion polls, which is something that is notoriously difficult.

I am reassured by much of what the Minister said: there is good evidence that each proposal will improve the safety of patients and reduce the risk of something like Shipman ever happening again, and the measure is not, even in part, an exercise to restore an alleged loss of trust in the medical profession. If it were, we might overreact or react wrongly, and that would not be of service to the public or the profession.

I want to put on record my admiration for Dame Janet Smith's work in her detailed reports. She went a long way in the scope of her recommendations, which show a huge amount of work and application. She has made sure that public policy-makers are not in a position to forget the views that she expressed. That is laudable, but as parliamentarians we must ensure that we do not—we all risk doing this, and I may have done so myself—simply make up our minds on the basis of the thinking of the person who ran the inquiry, whether it is the Alder Hey or Bristol inquiry. We have a responsibility to look at the generalities, perhaps even more so than individuals appointed to do a particular job. They are experts, and we should value their views and recommendations, but we should not abrogate or delegate our responsibilities to them.

The hon. Member for Calder Valley said that the general public are keen to see the reforms implemented. I would agree if she meant that they are keen for reforms to be implemented to ensure that the risk is

[Dr. Evan Harris]

reduced, but I am not entirely sure that the public are aware of the details of the specific reforms. I agree that there is an appetite to ensure that lessons are learned and that processes are put in place. I want to reinforce a point I made earlier, because the Minister misunderstood it. I did not complain about his use of the term, "Shipman Bill", which he immediately corrected and explained; I understand entirely his correction. However, if the Government propose something in legislation and refer to the Shipman case, we should be careful to avoid a situation in which people who have serious concerns about the legislation are regarded as unsympathetic or as having failed to learn the lessons. There is a genuine difference of opinion. During the passage of the Human Tissue Bill after the Alder Hey case, one sometimes formed the impression that if one really cared about what happened at Alder Hey hospital, one had to show it by backing measures that were quite restrictive. That situation was not right, and it may have been counter-productive in the end.

I do not want to dwell on the question of the coroner system, because we debated it in the Chamber some time ago. My right hon. Friend the Member for Berwick-upon-Tweed (Mr. Beith), who chairs the Select Committee on Constitutional Affairs, expressed his concerns very well, and other people, including the Minister, have commented on the need to make more progress. I accept that the Minister cannot give a clearer timetable, but there are serious concerns about the support for coroners' offices, not least in my county of Oxfordshire, which has had to deal with a number of cases, and about the need to ensure a uniform and professional standard for the coroner system.

I support the Government's proposals for death certification, and I want them to be introduced. The medical profession rightly drew attention to the inadequacies of the death certification system years ago. I remember when I was a junior doctor being invited by the bereavement office to sign the cremation form for a patient whom I had not seen recently, although I was the treating doctor, and effectively signing off the judged cause of death in the medical notes, which then went to a part 2 completion. In retrospect, neither my colleagues nor I took the situation seriously. As it was one of the few things for which one received a separate fee, it was laughably known as "ash cash". In retrospect, it was a disrespectful way of treating the whole exercise, but black humour is fashionable in the medical profession. The main problem was that it was done without any confidence that either signing doctor would pick up any foul play or negligence.

If that applies to cremation forms, where there is a higher level of foul play or negligence, the same should apply to death certificates. There are concerns, as featured in a recent television programme, that it is still difficult for the patient's relatives to challenge the cause of death on the death certificate, so we must ensure that the process becomes a learning experience for the health profession, and indeed, patients. We must learn lessons, too, about patients who have died from natural causes, as the sad decline in hospital post mortems is deeply damaging to the education and training of current and future health professionals. We have failed to ensure that death certificates are as accurate as possible, if for no other purpose than audit.

The Minister rightly said that clues were missed during the Shipman case, and that information was not adequately combined during the Ayling case. We need a more coherent system of complaint gathering. I find it difficult to blame the GMC for the Shipman case, because it dealt with his drug use in the usual way, which was not to deprive someone of their livelihood indefinitely in the case of drug dependency, but to seek to manage it. If a mass murderer has previously encountered the prison and court systems, it does not mean that the court system is negligent in failing to spot continuing homicides. There is no doubt that the system of medical checks and audit failed Shipman's victims, and there is no good reason for failing to identify a better audit trail on the use of controlled drugs and the GPs' death rates. When I say "no good reason", I accept that the health service has other priorities, but we must ensure that we protect health service auditing. There are so many targets, emergencies and patient needs that sometimes things like auditing, which do not attract bespoke research money, are the poor relation. It is critical to improve medical practice, as well as to pick up on poor practice.

We must ensure that in any procedure that makes complaints easier, we avoid the problem of racial bias, which, for reasons that are not clearly known, sometimes occurs in complaints against doctors. We must ensure that doctors who are the subject of complaints are treated fairly, as I have said. On the issue of complaints metrics, the Minister rightly said that it is important that patients and the public can complain about doctors. However, I am worried that if hospitals or other employers—not individual doctors—are measured on the basis of the number of complaints, we will create perverse incentives. There is a strong argument that, all things being equal, units against which there are more recorded complaints are probably doing a better job by allowing complaints to be made, but one could take a view of the quality of care based only on the number of valid complaints. I should be grateful if the Minister assured me that performance monitoring will not mark hospitals, NHS units or PCTs down on the number of complaints. If anything, a significant number of complaints may represent the good practice of enabling complaints to be made. Without complaints, we would miss a real opportunity.

The Government are right to tackle controlled drugs as they propose. I strongly support their approach, but the Minister knows that patients can be poisoned, and that doctors can poison their patients deliberately or inadvertently, with all sorts of drugs, not just controlled drugs. The lessons that we have learned in controlled drugs cases must apply to other drugs, too, because doctors' prescribing practice is an area in which there is a great deal of room for improvement. The question is about best care, not just about criminal liability. I have a couple of questions about regulation, which the BMA, too, has raised. It would like to know the details of the timetable and the national advisory group on professional regulation, which has supposedly been set up to advise the Department and the devolved Administrations on the detailed implementation of the proposals.

Does the Minister believe that the proposals for doctors to appeal against adverse findings by the regulator in the new system will be adequate and accessible without too great a legal cost? Another concern is that the appeal process is expensive, and when we are dealing

with the health service and the needs of its employees, it is money that might otherwise be spent on health care. We need a system that is not just thorough but efficient. I welcome the Government's general approach. My concerns about the proposed speed and extent of coroner reform, and the proposed medical regulation, should not be taken as a general criticism either of their approach or, in particular, the Minister's openness and his ability to engage with the professions, the public and the Opposition on these matters. I look forward to his response.

4.9 pm

Mr. Andrew Lansley (South Cambridgeshire) (Con): I join others in thanking the Minister for securing us this opportunity to debate the issues, not least because the way in which he introduced the debate has, apart from anything else, allowed us all to raise some of the issues in interventions, which has been helpful in exposing some of the issues for future resolution, and saved me from having to explain many of the things that I otherwise might have.

I also share the Minister's appreciation of the contributions that the hon. Members for Stalybridge and Hyde (James Purnell), for Denton and Reddish (Andrew Gwynne) and for Calder Valley (Chris McCafferty) have made in representing their constituents. As constituency Members of Parliament, we can barely comprehend the scale of the distress and grief that Harold Shipman's evil caused. However, it must be of comfort to the families and the communities that those hon. Members represent that their Members of Parliament have been active in representing them and are here today, ensuring that the issue does not become unfinished business. I entirely accept the point that the Minister made. We must all learn from the past and ensure that they we do not allow the deficiencies of reform in the past to prevent us from taking the necessary steps today.

I am therefore all the more grateful that Ministers tackled the question of controlled drugs in the Health Act 2006, in part 3, which we generally welcomed. There will be the question of what the role of the inspectorate of the Royal Pharmaceutical Society of Great Britain may be in helping to buttress accountable officers and how the two might interact with one another. We do not want any duplication between the two, so it will be helpful to consider that as time goes on, particularly as the RPSGB will, for professional regulatory reasons, be separated from the proposed general pharmaceutical council. That gives even greater confidence that the RPSGB will be a proper vehicle for exercising greater professional scrutiny.

We debated the timetable for coroners reform, so it was a surprise, given the availability of draft legislation, that Ministers did not introduce legislation in this parliamentary Session. That was only a matter of surprise, however. It would be a matter of disappointment, which would be shared throughout the House, were Ministers not able to bring anything forward in the next Session. It is not that every issue is resolved, but with the consensus that exists, I cannot but feel that the coroners system is ready for reform. The basis of that reform must be a greater assurance that investigation of suspicious deaths will take place to uncover wrongdoing. Perhaps most important, we must ensure that the system is not so rigid, for reasons to do with historic legal structures, that it fails to be as sensitive and supportive as it should be to the relatives of those who have died. They must be assured that the issues will be fully investigated.

I do not represent that part of our Front Bench that will be responsible for the structure of coroners reform, so now is not the moment for me to address it. However, I am sure that we shall want to consider carefully the relationship between medical examiners, in the context of the NHS, medical assessors—a recommendation of the Luce review—and coroners, and whether, if we do not take up that recommendation, medical examiners will in practice be able to give coroners the necessary support. I hope that they can.

It must be right that consideration of the process of death certification and coroners reform should proceed alongside one another. I have seen that Ministers wish to embed medical examiners in primary care trusts. I think that that is the right thing to do, as it will put medical examiners in a position where they can link their role into performance management of primary care providers and commissioners. Although the Select Committee on Constitutional Affairs was worried about the risk of a conflict of interest, we do not need to go down the policy line too far with the Minister to recognise that, in terms of corporate and clinical governance, primary care trusts will at the very least separate their commissioning and provider functions. The role of a medical examiner in those circumstances forms part of that core PCT commissioning responsibility, so that whether providers are community-based providers or hospital-based providers, a medical examiner could clearly be independent and have no conflict of interest.

I should like to talk for a few moments about the regulation of the medical profession. Let me put the matter in context. The Minister quite rightly said that the medical profession continued to command a very high level of confidence among the public. The system of regulation of the medical profession also continues to command confidence. However, when one considers the issues that we are dealing with and the responsibilities of the medical profession, the system of regulation and the level of confidence enjoyed must be exemplary. For example, if one says, as is true, that three quarters of the public are fairly or very confident in the system of regulation of the medical profession, we submit that that is good, but not good enough. If one in four patients do not feel confident that their complaint or their belief that something has been done wrong will be properly investigated, that is too many people. We need to minimise any lack of confidence in regulation of the medical profession.

Although it is sometimes tempting to say that the enormity of what Harold Shipman did was so exceptional that one could not extrapolate from that lessons about regulation of the medical profession as a whole, the principle that we are dealing with is a risk-based system of regulation. One calculates risk by calculating the probability of an event and looking at the severity of its consequences. One has to contemplate only for a moment the enormity of what Harold Shipman did to understand that even a tiny probability of such an event occurring means that one must, taking a risk-based view of proportionate regulation, have a very robust system of regulation in place.

[Mr. Andrew Lansley]

I subscribe to the view that we should have a risk-based system. Dame Janet Smith seemed, on my reading, to set out in a very competent and comprehensive way to examine what had happened and to expose how, if people had acted on the information that was available to the respective parts of the system in place, it would have been possible, in a better system, to identify wrongdoing and risk, and to deal with it. However, because Dame Janet considered many aspects of the regulation of the medical profession and identified deficiencies in it, she has made wide-ranging recommendations geared to the reform of the system as a whole. On any reading, those recommendations go beyond what is necessary to identify and deal with—I hope far more effectively—someone who is behaving even remotely in the way Harold Shipman behaved.

To bring that back to specifics, she recommended that revalidation should be conducted not on the basis of concerns about somebody's fitness to practise but on the basis of a positive effort to secure revalidation.

Andy Burnham: That is what we propose.

Mr. Lansley: Exactly—that is indeed what the Minister is proposing. However, we are dealing, in that sense, with two different things. They are not alternatives. In order to combat the risk of any eventuality arising in which a medical practitioner's responsibility for malfeasance, wrongdoing, malice or incompetence was such that we needed to act on the basis of risk, we must have a very robust system for acting on concerns.

We must be very clear that we are trying to ensure that practitioners are fit to practise; that part of the system has to be robust but proportionate. It is for us to work out how much effort and time and how many resources need to be put into revalidation to make it work in a way that commands the confidence of the medical profession and the public. Enormous amounts of resources are going to be involved.

I do not want to anticipate the Second Reading debate of a future health professions Bill. However, as the Government published their White Paper in February, it would be useful to air some issues; if, in the next parliamentary Session, we can secure legislation that commands consensus across the House and creates a stable system for the long term, it will be the better for that. I am content for us to move towards a structure of governance for the GMC that is balanced in respect of its representation of the professions and of lay people. We just need to talk a bit more about how confident we are of what "independent appointment" means in practice.

I know that the Government are clear that they have to set out the specifications and criteria for appointments and that things will be conducted through the Appointments Commission, which is independent, but we are placing a large amount of confidence in the ability of the commission to secure the right candidates for posts. I am not yet clear about how confident we can be about that; we should go further.

I turn to revalidation. As I said, I have questions about the risk that, by putting in place a rigid structure, we will not only incur large costs and a diversion of effort, but may end up with something that becomes routine rather than proactive. If we looked, as we must, at where the real deficiencies lie, we would find that clinical governance in the hospitals—the secondary sector—has developed enormously in recent years. From my vicarious experience, it is far stronger now than it was many years ago.

I do not want to underestimate the efforts that those working in primary care put into continuing professional development. However, I do not think that the sector's process of clinical governance as a whole—particularly the effort put into audit of outcomes, adverse events and risks—is anything like as strong or systematic as that of the hospital sector. That is why the medical examiner should not only be concerned with assuring people about the certification of deaths, but should be integral to securing that quality of audit trail through primary care. We need to be confident that we are creating structures in primary care, for GPs in particular, that are at least as strong as those in the secondary sector.

There are many single-handed general practitioners, and I do not disparage them in any sense. However, we must be aware that large numbers of doctors practise in the community in a highly professional independent way. When we debate the pay and remuneration of GPs, we often forget how independent and responsible they are. With that responsibility must go an equal level of audit and clinical governance.

I turn to some questions for the future, if not for today. I am not clear about how far we are, literally, going to maintain a self-regulated professional structure and how far we are shifting from a statutory framework to Government regulation. I listened with interest to what the hon. Member for Oxford, West and Abingdon (Dr. Harris) said. He accused the Government of imposing Government regulation, but I am not sure whether the Government are proposing that. However, there is a difficulty: if we go too far and the statutory framework becomes too intrusive and prescriptive, it will become, in effect, the same thing. What is intended is professional self-regulation that secures a high level of confidence and good results, within a statutory framework that gives us powers of intervention.

Andy Burnham: That will be an area of debate on the legislation, but can I be clear that the hon. Gentleman accepts—I think he does—that there has always been an element of hybridity about medical regulation? A parliamentary process lays down the framework through which self-regulation happens. By definition, there will be some prescription in the legislation of the basic structure of that self-regulation. Perhaps I did not say it clearly enough to the hon. Gentleman, but that is exactly what is being developed. There will be no diminution of professional self-regulation.

Mr. Lansley: Yes, I am sure that that is a shared intention. However, let me give two relevant examples that will illustrate the nature of my concern. We have already gone down a certain path. In medical education and training, responsibility for undergraduates and continuing professional development are with the GMC, but responsibility for postgraduate education and training is with the Postgraduate Medical Education and Training Board, which, from the profession's point of view, has been substantially

nationalised. I do not understand why one bit in the middle of that spectrum—from undergraduate to specialist and continuing professional education and training—has been taken out and is something on which the profession does not lead.

I come back to the GMC. I have never understood why the profession and the GMC will lead on revalidation and fitness to practise; yet if somebody's practice has a difficulty that does not get to the point of their fitness to practise being investigated, that will be the responsibility of the National Clinical Assessment Service, which is effectively part of a Government agency. I get rather confused by that; perhaps it is my ignorance, although I suspect that it is not entirely that. There seems to be a discontinuity in the spectrum of support for professional competence. I would rather that it were a professionally-led and professionally-delivered structure that commanded confidence in the profession.

I shall not go all the way with the hon. Member for Oxford, West and Abingdon in respect of how much the profession is concerned about the issue, but we certainly need professional confidence, as well as public confidence, in the structure. If we give the profession the responsibility and a proper structure, we shall be able, as the hon. Gentleman said, to rely on the medical profession to be sufficiently well informed, concerned and responsible to identify and root out problems at least as well as any group of lay people.

Dr. Evan Harris: I am grateful for the intelligent way in which the hon. Gentleman is going about this discussion. However, the issue is not only about professional confidence. I did not give this example in my earlier remarks, but let us say that a doctor is accused of not meeting Government targets because he thinks that they are not right for his patients. I think that the profession would think that other doctors —independently of that doctor—would be more likely than lay people and those appointed indirectly through a Government-organised process to uphold the importance of putting patient care above the need to meet Government targets. The profession is concerned about that sort of example.

Mr. Lansley: I understand; the hon. Gentleman slightly tempts me, but I shall not go too far along that line. The moment that the hon. Gentleman mentions Government targets, one has to embrace the thought that the medical profession will be able to deliver the kind of professional self-regulation that we are discussing in circumstances in which responsibility for the care of patients is exercised by clinicians on the basis of their professional judgment. The chief medical officer, in his conclusions to his document "Good doctors, safer patients", which was published last year, said:

> "The quality and safety of the care received by patients is not yet central to the goals, culture and day-to-day activities of every organisation and every clinical team delivering care to NHS patients. Financial and activity targets often have a higher priority."

That comes back to the point made by the hon. Gentleman. If we are looking for professional regulation, it has to be in a structure within which professionals understand that the structural framework and the organisational framework are entirely consistent with the care and priority that they give to the care of patients.

The next sentence in the report from Sir Liam Donaldson stated:

> "It is misguided to think that these considerations are mutually exclusive. In the best healthcare organisations in the world, the 'business plan' and the 'quality plan' are one and the same."

To be fair to the chief medical officer, we know exactly what he is aiming at, and I hope that we would see it in policy terms. Professionals would not find a conflict between Government targets or the objectives of an organisation and their professional responsibility, because they all point in the same direction. That is what we are aiming for.

I managed to raise most of the points that I wanted to make in my interventions. One was about the standard of proof in particular. It is right to proceed on the basis of a civil standard of proof, flexibly applied. The point that I made in my intervention was that flexibility must be carefully applied in determining the severity of penalties that might ensue from accusations. I hope that that will be understood in the medical profession. As the Minister rightly said, most doctors are worried about the standard of proof that would be applied to deprive them of their livelihood and bring them in to public disrepute. That sanction would be applied only where there was evidence to support the accusation beyond reasonable doubt. A range of penalties are available that do not have quite the same impact and do not require a "beyond reasonable doubt" standard of proof. That seems logical to me, but everything that I read suggests that we have not yet got that message across to the medical profession. We need to have that debate, even if it is in the few months before we discuss the legislation.

Dr. Harris: Will the hon. Gentleman give way?

Mr. Lansley: I shall give way, and then I must finish.

Dr. Harris: Is there not a problem? I have to say that I have not investigated the matter fully, so these are initial thoughts, but the hon. Gentleman is implying that the person who makes the decision about guilt has the sentence in mind when deciding the burden of proof that is to be required. That might be possible, but it might break down if an appeal is made only on the sentence, as can be done through the Council for Healthcare Regulatory Excellence. It might increase the sentence without a commensurate increase in the level of the burden of proof required.

Mr. Lansley: Yes. I am not a lawyer, so such a subject trespasses slightly outside my expertise. The hon. Gentleman is not a lawyer, either, but he clearly has great expertise, not least because of his participation in discussions on the subject at the BMA. As I understand it, it is impossible not to have in mind the nature of the penalty that might ensue from the accusation. It does not mean that the person has to have the penalty in mind. There is an interplay between the nature of the charges and the nature of the penalty. My point, however, is that one should start from an understanding of the extent of the penalty that might ensue from an accusation.

The hon. Gentleman makes a fair point, given the nature of an appeal process that might change the penalty. One has to think about that, too. However, unless I am much mistaken, in considering on appeal

[Mr. Lansley]

what should be the penalty, any responsible tribunal would bear in mind the standard of proof that had been achieved.

I said that I was going to conclude, so I should. I wanted to make one point about what lies at the heart of the matter—happily, I know that such subjects are at the forefront of thinking among doctors. I was with the Association of Surgeons in Training in Belfast back in late March, and listened to a number of presentations. There was a fascinating presentation by someone whose name I forget, who had suffered the loss of his wife. Clinical negligence had not taken place, but mistakes had been made during the course of her operation. He had devoted an enormous amount of effort to communicating with doctors about how to achieve quality and safety. He was qualified to do so because he was an airline pilot. One can stretch the analogy only so far, but it is an important one. In the airline industry, it is well understood that people make mistakes. If someone makes a mistake in the airline industry, they are held to blame or penalised not for making the mistake, but for not reporting the mistake, since reporting the mistake allows the problems to be eradicated.

If we are confident that we do not have a culture in which we try to escape blame, pass blame or cover things up, and that we have one in which all adverse events are brought out, not only will we disclose mistakes and deal with them but we will make it harder for all those who are guilty of wrongdoing or behaving with malice to carry on and to hope that the things that they do will be dealt with on the inside rather than exposed and dealt with through the system of regulation that we all hope to achieve. I hope that we can be confident that we will achieve that culture.

4.37 pm

Andy Burnham: I echo the last remark of the hon. Member for South Cambridgeshire (Mr. Lansley). If we can create such a culture, we will have done something truly valuable for the country for many years to come.

I am grateful for the way in which all hon. Members contributed to the debate. If we can continue our deliberations on these matters in the same vein, we will do politics, our parties and Parliament a service in trying to get the right settlement for the future.

When my hon. Friend the Member for Denton and Reddish (Andrew Gwynne) spoke about the effect on the borough of Tameside, it got me thinking. The borough does not want to be remembered for those terrible events—nor should it be, because it is a fantastic part of Greater Manchester, which I represent, too. In some ways, I hope that my hon. Friend's constituents and those of my hon. Friend the Member for Stalybridge and Hyde (James Purnell) will see some of the positive legacy of the improvements to Tameside general hospital that we hope to implement quite soon through the substantial redevelopment scheme under the private finance initiative.

It is a matter of some coincidence that tomorrow I shall open a new practice in the fine borough of Tameside, near the constituency of my hon. Friend the Member of Stalybridge and Hyde—Dr. Kailash Chand's practice at the Stamford House surgery. In many ways, what matters is not raking over the coals but bringing forward positive progress to the borough of Tameside that shows that the health service can take a stride forward and do something significantly better than before. That is the challenge that faces us all.

I shall answer the questions that colleagues have asked, although I do not intend to speak for a long time, as we have had a full debate. My hon. Friend the Member for Calder Valley (Chris McCafferty) eloquently asked how it was possible for Shipman to continue his criminal activities for so long without being detected and how the system could not have been adequate to pick up the clues and warnings and protect patients. That is the key question that I have asked myself in considering the right response to the matter, and it was why I re-examined the issue of death certification when I was asked to do so.

The hon. Gentleman is correct to say that the matter should sit within the clinical governance function of PCTs, so that information is used for commissioning and public health purposes, for general good governance in a locality and to detect any patterns of disease or illness. That would make it part of an integrated system, working with a reformed coroners system and system of professional medical regulation to do precisely what my hon. Friend said. That is a crucial piece in the jigsaw of creating systems that give us the satisfaction that we want.

My hon. Friend asked whether we could create systems to ensure that such a thing never happens again. I am not sure whether we can ever be so arrogant as to say that any piece of legislation could do that, but we can work to close the cracks and limit as much as we can the weaknesses and the likelihood of it happening again. That is my objective in bringing forward our package of proposals. If the system is to work it is crucial that PCTs examine the whole range of indicators of clinical quality, including death rates, analyse information from death certificates and have an overview of complaints. They must use all that information to inform the strengthened system of scrutiny and accountability.

My hon. Friend and others asked about the timetable for the implementation of the system. We propose to publish a consultation document on death certification shortly—that is not Department of Health-speak "shortly"; it does mean shortly. The timetable for implementation is still to be determined, because it will be subject to legislation. One of the problems, and the reason why I referred to Dame Janet's third chapter of the third report, is that there is legislation controlled by and relating to different bodies such as the Ministry of Justice and the Office for National Statistics, and the Home Office has a considerable interest in some of the issues that we are debating. The matter is complicated and subject to legislation, but it makes sense to consider a timetable for putting the reforms together.

The earliest that we can hope for the coroner reforms to be fully implemented—the hon. Member for Oxford, West and Abingdon (Dr. Harris) asked me about that—is 2010. That is not unreasonable at this stage. I recognise the frustration that some people feel about the pace of progress, but I cannot make decisions on future legislative programmes. We need to ensure that the hon. Member

for South Cambridgeshire's frustration does not turn to disappointment, and we do not want momentum to be lost.

My hon. Friend the Member for Calder Valley asked me about deaths abroad. When a death takes place overseas, the body is brought back to England and Wales and the coroner investigates the circumstances, as he would if the death took place in this country. That will remain the same. Families in those circumstances will get the same powers as others under the new Bill to challenge coroners' decisions, although the death certification process is not the same.

My hon. Friend the Member for Denton and Reddish raised important points about medical regulation and GMC affiliates. It is important to say how we envisage those affiliates working. I agree with the hon. Member for South Cambridgeshire that the system being developed is, in many ways, not punitive. As the chief medical officer made clear in his document, "Good doctors, safer patients", the idea is to create a supportive system whereby doctors exhibiting signs of difficulty, perhaps through alcohol or drug misuse, are supported, referred to bodies such as the National Clinical Assessment Service and offered help and support to get their careers back on track.

The revalidation process will contribute to that. GMC affiliates will have a key role in placing recorded concerns on file so that there is a record of things brought to their attention. Even if they are not felt worthy of being taken to the GMC, they should nevertheless be recorded as concerns. That will build the more detailed system that my hon. Friend was looking for. We will close the regulatory gap between the GMC, which is at the end of a long process in many cases, and examples of practice that give rise to concern at a local level. I hope that he appreciates that.

I wish briefly to touch on an issue that we have not mentioned. As well as the reform of the death certification system, the Government are considering adding to the draft Coroners Bill a provision recommended by the Constitutional Affairs Committee to place a statutory duty on doctors to report to coroners particular types of deaths, such as those that are in unnatural circumstances or are violent and fit certain characteristics. We will set out our proposals on that in a consultation paper, which is currently being considered in draft form. The hon. Member for Oxford, West and Abingdon referred to that and I hope that he will be reassured.

On death certification, I was pleased to hear the hon. Member for South Cambridgeshire say that having the medical examiner within the PCT was the right thing to do and that he did not feel it should give rise to concerns about conflicts of interest. However, that is a legitimate point to consider.

It is important to say that if we create a unified system of death certification it will apply to burials as well as cremations. At the moment the charging structure falls heavily on people whose relatives are cremated, and any new system will have to create a unified charging structure. It is important that that is done carefully and sensitively when the details are considered.

The role of the medical examiner receives a lot of criticism, but it will be hugely strengthened by Connecting for Health and the national programme for IT. An examiner sitting at a PCT will be able to call up the necessary documentation, have immediate access to records and speak to family members if it is deemed necessary. It will be an easy, streamlined process. The system has the potential to be neither costly nor bureaucratic and will do the job that Dame Janet envisaged for the coroners service.

The hon. Member for Oxford, West and Abingdon spoke about doctors' lower tolerance towards poor practice and the importance of their not being hounded. They are important points and the two need to be balanced. He often talks about Government targets as though they were inherently antithetical to good patient care. I hope he understands that our targets are about the generality of the population getting access to basic standards of care. It is not enough for the system just to deal with the patient before it. Obviously, any health care system must consider how it is meeting the needs of everybody, not just those who come into the system because it is their turn in the queue. I wish sometimes that he would temper his description of targets. They are designed to improve the system for everybody, not to work against the interests of patient care. I believe that the hon. Member for South Cambridgeshire made that very point. I would not want doctors to be hounded as a result of the new system. It is crucial that professionals who express concerns about a colleague are protected, and I assure hon. Members that that is very much part of our thinking.

We had a useful debate on the standard of proof, and I suspect that we will return to the subject another time. Again, I was pleased to have the support of the hon. Member for South Cambridgeshire. Perhaps there is a need for better communication with the medical profession so that people fully understand what is being proposed and so that liberties are not taken with the serious issue of people's livelihoods, but Lady Justice Smith and the chief medical officer both firmly concluded that what has been proposed is the right thing to do. In my view, too, it is the right thing to do, and the Bill will include the proposal.

On the composition of the General Medical Council, I believe that the hon. Member for Oxford, West and Abingdon said that he supported the proposal for parity between lay and professional representation. He is nodding, so I am pleased. Personally, I preferred a lay majority—I will be open about that. I felt that that would be right, but, in discussion with the medical profession and the GMC, I accepted that parity was a fair compromise and that it enshrined the two interests that have to be balanced. In many ways, it perfectly embodies the balance that has to be struck between the public interest on the one hand and the professional interest on the other. That is what we are seeking to do.

The hon. Gentleman also raised concerns about people being elected to bodies and asked why the Government were moving away from that. There is a clear conflict between representation and regulation in the public interest. The responsibility of anyone serving on a regulatory body in the health care sector is to uphold the public interest and to improve patient safety. I do not doubt for a moment that that is uppermost in the mind of the vast majority of people—in fact, all the people—who are elected to serve on regulatory bodies. Nevertheless, the impression is created that the first priority is to the constituency of people who put the person on to the regulatory body. Indeed, in many ways

[Andy Burnham]

it is why we are asking the Royal Pharmaceutical Society to make changes to its structure, too. That body in itself combines a representational role on behalf of the industry as well as a regulatory role, and my view is that the roles are not compatible if we want a transparent and fair system.

Dr. Evan Harris: I will reflect on what the Minister has said. It has implications for elected people who regulate licensing and our planning systems, and who take a quasi-judicial approach. However, I want to reassure him that what he has just said does not alter for one moment my view on targets. Politically motivated targets are contradictory, and they create perverse incentives in respect of appropriate patient care. That is why I thought that the Conservative party was right to seek to abolish them. I was surprised by who was prayed in aid, but it is a matter for that party. I want to reassure the Minister that I have stuck to my view throughout.

Andy Burnham: I know that the hon. Gentleman has stuck to his view. I do not seek to inject a party political note into the proceedings, but it is legitimate for me, on behalf of the Government, to say that waiting lists would be longer today than they are, waiting times in accident and emergency would not be four hours for everybody, and cases of MRSA would not be falling if we had not introduced national targets in the NHS. Experts in the Department tell me that in 2005—the very point at which the national target was introduced—cases of MRSA fell for the first time since 1991, which is when incidents of MRSA began to appear in any significant number. The hon. Gentleman has a view, but I find it impossible to accept that targets are entirely contradictory to the interests of the public or to good patient care.

I believe that I have covered most of the issues that colleagues raised. The hon. Gentleman mentioned metrics and whether trusts would be measured on the number of complaints. That would not be sensible. He may know that the Department has launched a new website this week called NHS Choices. It is not just a website; it is a comprehensive information service for the public, who can find information on the NHS that previously might have been difficult to find or that was in the hands of the professionals.

There are things that the public need to know and should be encouraged to know about their local hospital, such as the number of complaints it receives—I do not understand why that should not be in the public domain—readmission rates, the incidence of MRSA and patient satisfaction rates, but that is very different from saying that anyone is using a performance management regime to make an overall judgment on the organisation. I agree that that would not foster an open learning culture like the airline industry culture that the hon. Member for South Cambridgeshire rightly referred to, in which complaints are encouraged.

It is absolutely correct that a goodly number of complaints is indicative of an open and learning organisation—it is important to say that. Indeed, in making his recommendations, the chief medical officer carefully considered the parallels between the airline industry and the medical profession. We can learn something from the principle that to err is human, but to cover up the mistake does not serve the public interest. We have to go further in that area.

Issues were probably raised that I have not fully covered, but we shall return to them in the House before long. The Government will continue to listen on these important matters, to make changes if we need to, and to make proposals in a spirit of collaboration and consultation so that this country gets the generational settlement that it needs. As I said, I am grateful for the tone of the debate.

The Department's officials have provided enormous support in taking forward the proposals. The team has performed exceptionally well. It is invidious not to name everyone, but I mention Gavin Larner, Charles Dobson, Nick Clarke and, in particular, Gina Radford, who encouraged me to address the subject of death certification. I want to put on the record my personal thanks to them for their professional work on the proposals. There are many more people across the Government whom I could mention, but I wanted personally to thank those people for their excellent work on the package of measures. I am sure that they take huge personal satisfaction from the excellent service that they have given to the public.

No system of safeguards can ever provide us with an absolute guarantee against abuse from a criminal as devious and subtle as Harold Shipman. Nevertheless, we are confident that the wide range of measures that we are putting in place, which build on the invaluable recommendations of the Shipman and other inquiries, will deter any future wrongdoing and make it difficult for it to remain undetected.

I thank you, Mr. Hancock, for the way in which you chaired our proceedings, and I thank all hon. Members for attending the debate.

Mr. Mike Hancock (in the Chair): Thank you, Mr. Burnham. Before I put the Question, I want to thank the Minister and all hon. Members for the way in which they participated in the debate. The issue presents real difficulties for many people. The debate was a great credit to the House.

Question put and agreed to.

Adjourned accordingly at one minute to Five o'clock.